



First Session - Thirty-Seventh Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Seventh Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 29, 2000

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Committee of Supply

Mr. Conrad Santos (Chairperson): Mr. Speaker, the Committee of Supply has adopted a certain resolution, directs me to report the same and asks leave to sit again.

I move, seconded by the Member for Selkirk (Mr. Dewar), that the report of the Committee be received.

Motion agreed to.

MINISTERIAL STATEMENTS

Western Premiers' Conference

Hon. Gary Doer (Premier): I have a ministerial statement for the House. I would like to make a statement on the recent Western Premiers' Conference.

As we anticipated, Brandon proved to be an excellent choice for the host community for the Conference. All attending premiers, governors and ambassadors commented in glowing terms on the unparalleled hospitality provided by the people of Brandon, which helped ensure the meetings were not only productive but deeply enjoyable for the visiting delegations.

This was most evident at the community event on Wednesday evening where hundreds of Brandon area residents came out and showed the true meaning of "Friendly Manitoba." A great talent from the area, Amanda Stott, entertained and impressed everyone. Her great promise as a potential country superstar is evident. She exemplified the depth of world-class, home-

grown talent and the can-do attitude we have here in Manitoba.

I would also like to comment on the time spent at the International Peace Garden. The spectacular setting was an inspiration for excellent work and progress achieved by premiers, governors and ambassadors breaking down barriers to co-operation and mutual benefit. Rededicating the Peace Garden was an important renewal of the original spirit behind the creation of the park. Although Canada and the United States have important differences, we also know we have so much more in common, and the more we work together the more benefits flow to both of our peoples. I know this point is shared by Governor Schafer, who, as we all know, differs with us on some key issues but shares our overall objective of extending and strengthening the bond between his state and our province.

The Conference, as a whole, echoed this sense among the premiers that we do have some key differences, but that which we have in common is the greater priority and we intend on building on that common agenda to strengthen our Canadian community. I think you will see this in the communiqués issued from this conference, which I have distributed to the House. Thank you, Mr. Speaker.

Mr. Harold Gilleshammer (Acting Leader of the Official Opposition): I thank the First Minister for his report on the Western Premiers' Conference. This conference of course is held in small centres throughout the western provinces, and it was Manitoba's turn to host this conference. It is not a surprise that Brandon and the Westman community did a very good job of hosting this.

* (13:35)

Amanda Stott is a young entertainer from the Minnedosa constituency who attends school in Brandon, and we know of her talents from performing at the Pan Am Games last summer.

Of course she was also performing at Rural Forum at an earlier time.

I am pleased to see that the Finance ministers gave a report to the western premiers, and I would hope that the Manitoba Government take a look at the tax-cutting measures that were presented in the three western provinces and compared their own efforts to that. I also commend the First Minister for having the governors to the Peace Garden again, a very beautiful site in western Manitoba, to rededicate that site.

I know we all know the benefits of free trade and the trade that has gone between Manitoba and the American states, and I am pleased that the First Minister recognizes that. So I thank him for his statement here today.

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

Mr. Speaker: Does the Honourable Member have leave?

An Honourable Member: No.

Mr. Speaker: Leave has been denied.

Maurice "Rocket" Richard

Hon. Ron Lemieux (Minister of Consumer and Corporate Affairs): It is with great sadness that I rise today to pay homage to the passing of Maurice "The Rocket" Richard. We join with Canadians and all hockey fans throughout the world in paying our respects to this great individual who through his fierce spirit—I am sorry.

Mr. Speaker: Order, please. Ministerial statement?

Mr. Lemieux: Yes, Mr. Speaker.

Mr. Speaker: Could we distribute the copies, please.

Mr. Lemieux: It is with great sadness that I rise today to pay homage to the passing of Maurice "Rocket" Richard. We join with Canadians and all hockey fans throughout the world in paying

our respects to this great individual who, through his fierce determination on the ice and poise and dignity off it, came to represent the very spirit of the game we call hockey.

For many years Maurice Richard has been considered one of our nation's greatest sports figures and with good reason. His list of accomplishments is impressive. "The Rocket" was the first NHL player to score 50 goals in one season in 1944-45. He was the first player to break the 500-goal mark. Richard helped win eight Stanley Cup championships during his eighteen seasons in the league and was a key figure in the Canadiens dynasty that picked up five in a row.

In honour of his goal-scoring talent last season, the NHL began awarding the Maurice Richard trophy to the league's leading goal scorer, but anyone who knows hockey knows there is much more to being a great player than just having great stats. There is character and there is leadership, and it is here that Richard is truly legendary. He earned the nickname "The Rocket" because of his explosive speed and high-powered shot.

In the future, people will remember "The Rocket" and what they will remember most I think is his courage, determination and fighting spirit, and certainly the battle he fought against the disease of cancer. What is often called character and leadership, the way "The Rocket" played hockey was larger than life and he represented it, giving his all in shooting for the stars.

Indeed, it is no surprise that "The Rocket" had been held up as a key figure in the emergent sense of pride and defiance that has spread across Québec and French Canada. That riot in 1955 in Montréal, sparked after the league president Clarence Campbell suspended Richard, is regarded as an early stirring of Québec nationalism.

So today we thank "The Rocket" for his great contribution and his example, and on behalf of the people of Manitoba, we send our heartfelt condolences to his family and to all of his friends. Thank you.

* (13:40)

TABLING OF REPORTS

Mr. Mervin Tweed (Turtle Mountain): Thank you to the Minister for the statement and the comments. Maurice "Rocket" Richard certainly was a Canadian hero. I think many who grew up in the early stages of TV became a fan of Montréal or Toronto as the two teams. When you looked at the players and the quality of the people who were on the teams, "The Rocket" always seemed to come to the front. There were several stories this weekend highlighting his history and his life. The one thing that caught my attention, and I think is true in the statement that was made by the Minister, was the fact that they not only dealt with his professional career but about how he treated other people and how he behaved and how he performed within his community.

There was a woman on the radio this morning who talked about her getting to know "Rocket" from Montréal and just the fact that she said she always felt he was treating her as a real person, not as a hockey star to a young person or to a kid, showed that respect and later showed it again in her lifetime with visitations to her father when he was ill.

So, certainly, it is a sad day. I do not know if all of us can remember all of his goals, but he certainly created a lot of highlights for a lot of young people to watch over and over. I suspect that those highlight reels will again become vogue for people to see and to really appreciate how great an athlete he really was.

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

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

Mr. Gerrard: Mr. Speaker, I rise to provide all-party support in recognition of Maurice Richard. The exemplary and model behaviour that he exhibited in hockey is something that we all remember, along with his enthusiasm and his dedication. It is this model behaviour of fairness and respect for dignity, as well as enthusiasm, which of course is also very important in political life. Thank you.

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, I am pleased to rise today to table the 1998-99 Annual Report for the Prairie Agricultural Machinery Institute.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all members to the gallery where we have with us today, from St. Boniface High School, 68 Grade 9 students under the direction of Mr. Marcel Lizotte. This school is in the constituency of the Honourable Minister of Finance (Mr. Selinger).

Also, from St. Boniface Arts and Technology Centre, six students under the direction of Ms. Lucille Miller. This school is located in the constituency of the Honourable Minister of Finance.

Also we have seated in the public gallery, from Portage la Prairie School Division's Hutterian High School, 65 Grades 9 to 12 students under the direction of Mr. Darryl Toews. This school is located in the constituencies of the honourable members for Portage la Prairie (Mr. Faurichou), Lakeside (Mr. Enns), Carman (Mr. Rocan) and Morris (Mr. Pitura).

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

ORAL QUESTION PERIOD

Round Table on Sustainable Development Consultations

Mr. Harold Gilleshammer (Acting Leader of the Official Opposition): Mr. Speaker, on May 22, members of the Manitoba round table and Manitoba Environment Council wrote the Minister of Conservation expressing concern about his handling of The Sustainable Development Act. The Act requires specific actions on the part of government, actions that have been ignored by this government. Will the Minister of Conservation explain why his government has breached section 9.2 of The Sustainable Development Act by publishing a

document entitled *Provincial Sustainability Indicators* without the required consultation with the round table?

Hon. Oscar Lathlin (Minister of Conservation): Mr. Speaker, I thank the Member for the question. I have spoken to staff from my department on this issue, and they in turn have spoken to some round table members. It is also my understanding that there were meetings initially by the round table members discussing the sustainability indicators. When we came into office in the late fall, it did not take us, or me, very long to see the need for a review of the round table as it existed then so that its effectiveness in implementing sustainable development policies might be increased. So I think members opposite will applaud announcements that we will be making in the next short while regarding sustainable development.

Mr. Gilleshammer: I believe the Minister has confirmed that those consultations have not taken place. Will the Minister of Conservation explain why this government has claimed that the Round Table on Sustainable Development developed the sustainability indicators when, in their letter, the round table indicates this is complete misrepresentation?

* (13:45)

Mr. Lathlin: I disagree with the Member's observation. I just want to advise him that, through the review process, it was important the work under the Act continue. There was quite a bit of anxiety amongst the public that the Government continue the work under the Act. That is why we now have a series of open public workshops on sustainability indicators. Local community round tables will host some of these meetings, and when we make the announcement on the new round table, the results of these discussions that will be going on in the meantime will be turned over to the new round table once it is appointed.

Mr. Gilleshammer: Mr. Speaker, these were not my observations, these were observations by members of the round table. Will the Minister of Conservation explain why this government has not enabled the Round Table on Sustainable Development to undertake public consultation

on The Sustainable Development Act as required by the Act?

Mr. Lathlin: Mr. Speaker, as I said to the Member earlier, that round table group was inactive for almost a year, and I know that it has been active from October till now and that is why we saw the need for an evaluation of the round table to make sure that, once we operationalize it again, it has the mandate for them to carry on their work. So, in the next little while, we will be making an announcement on the new round table.

Street Gang Prevention Program Co-ordinator

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, I think all members of this House would agree that after the unfortunate violent events of this past weekend it is more important now than ever to ensure that we are doing everything in our power to prevent gang-related violence and provide our youth with positive alternatives. Glen Cochrane, Winnipeg street gang prevention co-ordinator's three-year term is ending in July. I wonder, will the Minister of Justice indicate if he is going to negotiate an extension of this position in order to help prevent gang-related violence in Manitoba.

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, a very tragic weekend for Winnipeggers and all Manitobans. It is important for us to reflect on the pain and the loss and the survivors of these young Manitobans. As well, it is a time to reflect on all the work we have ahead of us to reduce the level of violence, not just gang violence but all violence in our society and in Manitoba.

In answer to the particular question from the Member, that particular position is a position in a municipal government, the City of Winnipeg.

Mrs. Driedger: Because it is a position funded through the Winnipeg Development Agreement and because this particular minister has made fairly significant statements related to the value of addressing the issue of gangs, I wonder if he can explain if he sees any value in strengthening the role of the street gang prevention co-ordinator, as recommended in the final report of

the aboriginal women's street gang research initiative conducted by Child Find, Manitoba's Ganawenimig program and the Social Planning Council of Winnipeg.

Mr. Mackintosh: Mr. Speaker, my understanding is that position is funded by the City of Winnipeg, albeit through the Winnipeg Development Agreement. It is a position though that was established by the City of Winnipeg, and it is part of the administrative structure of the municipality of the City of Winnipeg. The question should be rightly put to that level of government.

* (13:50)

Winnipeg Police Athletic Clubs Funding

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, I wonder if the Minister of Justice could confirm whether he will be keeping the city's 13 police athletic clubs open to keep Winnipeg youth off the streets and provide them with positive alternatives to becoming involved with gangs.

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Again, Mr. Speaker, that is a program that was initiated and is administered by the City of Winnipeg. I do not know why they do not hear this. The former government made it a term and condition of the province taking part in helping to fund that city initiative, along with the federal government and the City of Winnipeg, that the provincial contribution would not continue beyond two years. That was a condition imposed by the former government, and now the Member gets up and says, well, we do not like that condition.

Mr. Speaker, what is important is that these kinds of alternatives, to offer positive alternatives to engage youth after school hours, are very important. The federal government pulled out in September. They pulled out their \$150,000. This province sent a cheque for \$150,000 in March. We would like to see the city fulfill their end of the bargain as well. Unlike the former government, we are interested in building and expanding on these kinds of programs.

My suggestion to the Member opposite is: It is the right question, but it is to the wrong level of government.

Bill 72

Repeal

Mrs. Joy Smith (Fort Garry): Mr. Speaker, the *Winnipeg Free Press* headline reads: Caldwell disregards arbitration warning. I questioned the Minister of Education previously about the cost implications to property owners regarding his intention to repeal Bill 72, questions. I might add, he continuously evades.

Why is this minister proceeding with changes that will, and I quote from the legal opinion his own department commissioned, result in a higher overall cost to the system?

Hon. Drew Caldwell (Minister of Education and Training): Of course, as this process has gone along, there has been advice sought from many quarters, not the least of which was the Manitoba Association of School Trustees and the Manitoba Teachers' Society. This is one piece of advice amongst many that we have gathered, and the Member's question as to why are we proceeding—it is a matter of fairness and equity.

Mrs. Smith: Mr. Speaker, will the Minister table the legal briefing he commissioned so property owners are fully informed about the implications of his proposal?

Mr. Caldwell: Mr. Speaker, there has not been any legislation drafted as of yet. The process is still continuing in terms of deliberations with the trustees and the teachers. Upon the drafting of legislation, of course that legislation will be tabled.

Mrs. Smith: I was not asking for the legislation. I was asking to table the legal briefing, so I will go on. Mr. Speaker, is the Minister committed to ensuring a division's ability to pay remains a consideration in arbitration, or is he favouring an approach that, according to his own legal opinion, will prevent this?

Mr. Caldwell: As I indicated earlier in response, this advice is one of many pieces of advice that

has been sought over the course of the deliberations surrounding Bill 72. This government, as illustrated in the Budget that was brought down not too long ago, is committed to reducing property taxation. The members opposite, the former government, presided over the largest escalation of property taxation in the history of the Province of Manitoba, and we on this side of the House are sensitive to that fact.

Teaching Profession Collective Bargaining Legislation

Mrs. Joy Smith (Fort Garry): Mr. Speaker, the Minister of Education (Mr. Caldwell) has made it clear in correspondence dated April 25, 2000, with MAST and MTS that he intends to have new collective bargaining legislation in effect by June 30. The Minister has failed to involve Manitobans in this significant change through any form of consultation. When does this minister intend to hold public consultations with all stakeholders, including property owners, given that the end of June is only four weeks away?

*(13:55)

Hon. Drew Caldwell (Minister of Education and Training): Mr. Speaker, the process of consultation has been ongoing since January with the principals involved in this deliberation, that is, the employee and employer groups and the Province of Manitoba. That process is still underway, and upon its conclusion, there will be legislation drafted and tabled.

Mrs. Smith: Why does the Minister continue to misrepresent the exchange of position papers between MTS and MAST in consultation, especially given MAST's letter to the Minister dated May 2, 2000, stating there are no consultations underway? To continue to suggest otherwise is to misrepresent the reality of the situation.

Mr. Caldwell: There is an irony in the Member opposite commenting about misrepresentations, Mr. Speaker. As noted in numerous media around the province, the misrepresentation seems to emanate from that seat. The—

Mr. Speaker: Order.

Point of Order

Mr. Marcel Laurendeau (Opposition House Leader): On a point of order, Mr. Speaker, *Beauchesne's* 417: "Answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate." This minister never wants to answer any questions. If he does not want to, just remain seated. We will go somewhere else.

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): On the same point of order, Mr. Speaker, I am just wondering if the Opposition House Leader is making a deal.

Mr. Speaker: On the point of order raised, I would like to take this opportunity to remind the Honourable Minister that according to *Beauchesne's* Citation 417, answers to questions should be as brief as possible, deal with the matter raised and to not provoke debate.

* * *

Mr. Speaker: I would ask the Honourable Minister to please conclude his remarks.

Mr. Caldwell: The Government of Manitoba will be tabling legislation on this matter when the process is complete. The Government of Manitoba wishes to create a framework which will be balanced, stand the test of time, provide for fairness and equity and first and foremost ensure that the children of the province of Manitoba have the best quality education system available.

Mrs. Smith: When will this minister recognize that ignoring the advice of his own lawyers and trying to make backroom deals with his union bosses will not help front-line teachers or property owners?

Mr. Caldwell: The Government of Manitoba is very sensitive to dealing with this matter in a spirit of fairness and a spirit of balance. We are

committed, as I mentioned earlier, to creating legislation that will stand the test of time. The previous protocol existed for 40 years and had widespread support. It was removed in 1996 and has been a thorn in the side of those in the public school system since.

*(14:00)

I also wish to add the Government of Manitoba does not engage in vilifying the teachers of the province of Manitoba, teachers and educators who do an excellent job in educating our children. We will not get into debate about union bosses or communists from Albania in dealing with the teachers of the province of Manitoba.

Youth News Network Government Position

Mr. Glen Cummings (Ste. Rose): My question is for the Minister of Education. Last week there were considerable comments by the Acting Minister on behalf of this government indicating that they were prepared to pull the plug on YNN. The Minister of Education has since indicated that he will do that, even though they have now removed commercial advertising from the program. They are showing it in non-classroom time. I would like to ask the Minister: Will he consider reversing his position so this innovative program can be available in the classrooms that want it?

Hon. Drew Caldwell (Minister of Education and Training): Mr. Speaker, I thank the Member opposite for his question. There were some significant changes last week from YNN. I think responsible changes. Educators can take a great deal of comfort in the victory that educators achieved in the redirection of YNN's prerogative. The existing contracts, of course, will be terminated. The existing contract language is such that it is incompatible with a vision for integrity of classroom time in the classroom, and the decision on the contracts stands.

Mr. Cummings: A supplementary question to the same minister. When he talks about integrity in the classroom, I thought that included the opportunity for educators to choose and have

some discretion in materials that they put in front of their students.

There are a number of educators who are asking for the opportunity to use this programming, and I am asking this minister: Will he be prepared to look at a contract with adjustments?

Mr. Caldwell: Of course the educators in the province of Manitoba are professionals. They use sound judgment in their instruction in the classroom. We are very supportive of the work that educators in the province of Manitoba do for our children. YNN, of course, is one of many resources that are available to educators. I expect it will remain so. The existing contract language, Mr. Speaker, is inconsistent with a vision which provides for a wide variety of resources to be used in the classroom, and the decision, as I mentioned, on the contracts that exist stands.

Mr. Cummings: Despite the closing comment of this minister, I believe he has opened the door to the opportunity for YNN to be used in the classroom. Will the Minister be prepared to listen to the arguments being put forward by classroom teachers who wish to use this as a resource in their classes?

Mr. Caldwell: The door of the Minister of Education's office, of course, is always open.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please.

Mr. Caldwell: Thank you, Mr. Speaker. The door to the Minister's office is always open. We have engaged in more consultation in the last seven months, I am told by many sources, than occurred in the last 11 years. I have met with principals from Athena Educational Partnerships a few times and have met numerous times with teachers and trustees on this particular matter, including visits to a number of the schools that have YNN in the classrooms. We are, in the Department, monitoring this issue very closely. We continue to be interested in any endeavour that will help further our objectives of creating educational excellence in the province of Manitoba, and we will continue to do so.

Hog Industry Environmental Licensing

Hon. Jon Gerrard (River Heights): Mr. Speaker, my question is for the Premier. Last Friday at the official opening of the Maple Leaf plant in Brandon, Michael McCain talked about the potential globally for some 16 or 17 new hog plants the size of the Maple Leaf plant in Brandon to meet the increasing new world demand. In his comments, the Premier gushed about the Maple Leaf plant and emphasized his ambition to get all 16 of the new hog plants in southwestern Manitoba. The Premier's concerns highlight the need for environmental stewardship and the importance of reports like the commissioner's report on the citizens' hearing on hog production in the environment entitled *Large-Scale Hog Production and Processing Concerns: for Manitobans*.

My question for the Premier: Will the Premier commit to fully implementing the recommendations of the report so that Manitobans can be assured that environmental issues will be well addressed?

Hon. Gary Doer (Premier): Mr. Speaker. I did pay tribute to members opposite. If the Member for River Heights cannot discern the difference between a joke and another statement, I will explain it to him after, but—

An Honourable Member: In private.

Mr. Doer: No, in public actually. It is not the Tory leadership race, it is in public; it is all in public.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. I think also in my speech I did say that it made a lot of sense for Manitoba to have the shipment of \$90,000 worth of processed pork to United States and Asia as opposed to \$4,000 worth of grain, particularly in lack of any supports from the federal government to compete with the Americans on subsidies that are in place. I also said in my speech that we believe either extreme of this debate is unworkable for Manitoba. The

one extreme of a moratorium or the other extreme of unfettered development is not appropriate for the balanced growth of the livestock industry in a sustainable way. If the Member opposite wants to quote my total speech, he will hear that we are calling for balance in Manitoba, and we are going to deliver that balance in government.

Environmental Issues Government Credibility

Hon. Jon Gerrard (River Heights): My supplementary to the Premier: Given the Premier's reply and the letter tabled earlier which, from reputable Manitobans, said the Government has so grossly breached The Sustainable Development Act that it makes a farce of what was promised, will the Premier not admit that his government has little credibility or believability on the environmental issues?

* (14:10)

Hon. Gary Doer (Premier): Mr. Speaker, when we want to talk about credibility on the environment, I would remind the Member opposite that the AECL withdrawal that this minister led in the federal cabinet calls on a 60-year clean-up on nuclear waste in the Whiteshell area. That is not acceptable to this government, and we do not need any lectures on environmental clean-up from the Member opposite. I would wonder why seven years is adequate in the Ottawa River Valley and sixty years is a standard set by the Member opposite for the Pinawa withdrawal.

Having said that, we have an environmental assessment that we have made as a condition of the Schneider's plant, a public environmental licensing process. That was our criticism of the Maple Leaf operation. We supported the investment; we supported the development and the opportunities it represented, but we have made as one of our conditions of Schneider's that that plant would be licensed, and that is going a further step forward, as we promised, to balance off development with the environment.

Round Table on Sustainable Development Minister's Comments

Hon. Jon Gerrard (River Heights): My second supplementary to the Premier: Will the Premier,

given that at least one of the authors of this important report was a member of the Manitoba Round Table on Sustainable Development, not ask his Minister of Conservation (Mr. Lathlin) to retract his earlier unfortunate criticism of the members of the Manitoba round table as inactive and admit that in fact it is the Minister and not the members of the round table who are inactive?

Hon. Gary Doer (Premier): Mr. Speaker, I stated in public view on Friday that the one extreme, which is recommended by that report that the Member opposite is waving around, calling on a full moratorium is an extreme that we do not believe is appropriate for Manitoba. The other extreme of unfettered development without any stewardship we believe is also not appropriate for the good stewardship of our resources. We believe, I think the committee that did speak out—and there are some legitimate tensions in our community, and that is legitimate. There are no producers or representatives of the industry on the body quoted, and we believe a livestock strategy must have public hearings and must include independent, scientific advice, representatives of the producers, representatives of water stewardship. That is the balance we want to bring not only to the debate but to the decisions of the future here in Manitoba, and we are going to do that.

R.M. of Pipestone Sewage Leak

Mr. Larry Maguire (Arthur-Virden): It has come to my attention that at least two weeks ago municipal members, as well as individuals in the R.M. of Pipestone, brought to the Minister's attention that there is a sewage leak in a lagoon in the R.M. of Pipestone. The sewage is running down a ditch and following a course that could see it end up in the neighbouring R.M. of Albert. I am wondering, given the recent deaths in Walkerton, Ontario, due to a contaminated water supply, could the Minister of Conservation tell this House what response his department has made to requests for action on this sewage leak.

Hon. Oscar Lathlin (Minister of Conservation): I want to advise the Member that I am not totally familiar with the file that he is talking about, but I will endeavour to go through

it today and have a response for him by tomorrow.

Mr. Maguire: I would like to know if this Minister of Conservation would tell this House if the local residents have been notified about this sewage leak and its possible implications. We have seen some very important ramifications from these kinds of issues in Canada today, and this is very serious. I wonder if he can tell this House what kind of impact it may have on some of those residents and if they have been notified.

Mr. Lathlin: Again I would like to thank the Member for raising that issue. It is a very important issue, and I would just like to take a little bit of time to go through the information, the data, to make sure I give him the correct information.

Hantavirus Pulmonary Syndrome Public Health Tests

Mr. Larry Maguire (Arthur-Virden): On a new question. A second Manitoba woman has died after being exposed to hantavirus, a relatively rare but often fatal virus that is detected mostly in deer mice in their feces. Could the Acting Minister of Health tell this House if the Public Health branch is conducting tests across the province to determine the extent of the hantavirus in the deer mice population?

Hon. Tim Sale (Acting Minister of Health): I think first we, as all members, would join together in offering our sympathy to the family and the community whose member was lost to this very, very serious disease. Approximately 10 percent of the deer mouse population is found to be positive in carrying hantavirus. To this date, positive mice apparently have not been found in our large urban area, but they are widespread across rural Manitoba. I believe that is the answer to the Member's question in terms of the prevalence of hantavirus carrying in deer mice. That work is being done on a routine basis, and I am told that 10 percent is the rate of infection.

Rodent Control Program

Mr. Larry Maguire (Arthur-Virden): I am wondering, Mr. Speaker, if the Acting Minister

then could tell us whether the Manitoba Government will consider implementing any kind of a rodent control program, as other provinces have undergone with certain other rodents, to help lessen the threat of the hantavirus in a good portion of the rural area of Manitoba.

Hon. Tim Sale (Acting Minister of Health): I thank the Member for that question. It is a very important and very complex issue, as the Member knows. Many provinces, in fact all provinces, have long had rodent control programs in regard to rats in particular because of the many diseases for which rats are a vector. The difficulty with rodent control in mice is that this is also a food chain, and it is a very difficult issue to find an appropriate pesticide that deals only with the particular pest. There are serious concerns on the other side of this issue. If you begin this kind of pest control, you have to take, as a cost of that, the elimination of beneficial species and threats to food chains.

So this issue is under consideration in the Department, under active consideration. In fact, there is a meeting this week to discuss this issue further. I would say to the Member, it is not a simple question, because we just finished having a series of questions about the protection of our environment. So the widespread use of very poisonous substances, pesticides, to control a particular pest raises profound questions about how we treat our environment.

So I would say to the Member that a more important concern right now is public protection, public education, and the Department will shortly be issuing a second sheet on the prevention of hantavirus and the proper precautions to take in cleaning debris, et cetera up in regard to mice infestations.

Mr. Maguire: Mr. Speaker, I recognize the Acting Minister's comments, but I was looking for more detail in regard to his actions.

My question is: Can he tell us whether there is indeed more science ongoing, that they have actually directed more resources in that area to try to come up with new science for new products that may be able to control them

without there being further damage down the food chain?

Mr. Sale: Mr. Speaker, I am told that the meeting this week will consider the question of whether there are any options available. I have not been informed as to whether there are any known at present, but that issue is certainly before that technical committee for their consideration. But I think, as the Member has recognized, this is difficult because we have many beneficial functions performed by small mammals in our food chain. It is not a simple question.

* (14:20)

So, yes, the answer is it is before the committee, but the committee chair informs me that this is not an issue that will be resolved very quickly or readily.

Labour Legislation Public Consultations

Mr. Ron Schuler (Springfield): Mr. Speaker, the Minister of Labour has said she will be introducing changes to Manitoba's labour legislation before the summer recess. I wonder if the Minister knows something about a summer recess that she would like to share with this House. Members of Manitoba's business community are calling on the Minister to hold public consultations before she makes changes to the legislation.

Can the Minister confirm whether she will be holding public consultations on intended changes to Manitoba's labour legislation before she makes the changes?

Hon. Becky Barrett (Minister of Labour): Mr. Speaker, we have made a commitment that labour legislation will go before the Labour Management Review Committee, which is a committee established by the labour community and also by the employers of the province of Manitoba. They will be meeting to discuss labour legislation, ideas that we will be asking them for their input on. We have been discussing with business communities, with the labour community ever since we got into government, and frankly before we came into government,

finding out what the concerns were of both the business community and the labour community about some of the very draconian pieces of labour legislation that have come out of the former government in the last 11 years.

We have already been and we will continue to consult with everybody who is affected by labour legislation.

Introduction

Mr. Ron Schuler (Springfield): Mr. Speaker, can the Minister of Labour confirm when she will be introducing this legislation into the House?

Hon. Becky Barrett (Minister of Labour): In due course, Mr. Speaker.

Amendments

Mr. Ron Schuler (Springfield): Mr. Speaker, can the Labour Minister please briefly outline for all Manitobans what potential changes she is planning on making to Manitoba's labour legislation?

Hon. Becky Barrett (Minister of Labour): Mr. Speaker, the legislation that will be brought forward after consultations with the Labour Management Review Committee and with all stakeholders in the province of Manitoba will become very clear as we introduce the legislation, and that is the route we will continue to take.

Child Pornography Decision Appeal

Mrs. Myrna Driedger (Charleswood): Provincial Court Judge Linda Giesbrecht sentenced Gary Geisel to three months of house arrest for possessing child pornography instead of sentencing him to time in jail. I am gravely concerned, having worked with children for many, many years, about the message that this is sending to the public.

Mr. Speaker, I would like to ask the Attorney General if he intends to call for an appeal of Judge Linda Giesbrecht's decision.

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, it is a very important matter. Quite frankly, I thought it would be raised earlier in Question Period today. The question having been asked, the outcome was not the requested outcome from the Prosecutions branch.

Physician Resources Northern Manitoba

Mrs. Bonnie Mitchelson (River East): My question is for the Acting Minister of Health, or I guess the Minister—I cannot say that. Mr. Speaker, northern Manitoba is suffering from a critical shortage of doctors. The members opposite continue to assert that they are the saviours of health care. I am not sure that Manitobans share that same thought, but my question for the Acting Minister is: What is he going to do for northern Manitobans to ensure that they have medical professionals that they require?

Hon. Tim Sale (Acting Minister of Health): My colleague, the Minister of Health (Mr. Chomiak), has done more for this province in regard to health care in the last seven months than the previous government did in 11 years.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Sale: Thank you, Mr. Speaker. I think the most specific measure is the increase in the use of specific recruiting from communities and the support of those young men and women to complete their medical education with more support from the Government, from the university, so that they will be trained from the North and then be willing to return to the North.

I think previous governments of Premier Schreyer and Premier Pawley had an exemplary record in regard to teachers, social workers who came out of their communities through BUNTEP, through New Careers, went back to their communities, so that in most northern communities the majority of teachers are from the communities they are serving. We have a very, very good record of bringing professional

people from our northern communities into training and having them serve their community. We intend to follow the same approach with our doctors.

Mr. Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Mrs. Jane Seal

Mr. Jim Rondeau (Assiniboia): Mr. Speaker. I rise today to bring the House's attention to an amazing community-minded lady. I would like to bring to the attention of the House a Mrs. Jane Seal of 758 Buchanan Boulevard who is 84 years young. Last Friday she received her second-degree black belt in tai kwon do. This lady has spent the previous 22 years as a volunteer teaching fencing in the Buchanan School to youth in this community.

She has also spent the last four years as instructor of a tai kwon do class out of the St. James senior centre. What happened was four years ago she started tai kwon do at the young age of 80. Two years ago she got her black belt in tai kwon do, and twice a week, on Mondays and Fridays, she teaches the young'uns, people 55 and older, in tai kwon do. This Friday, she got her second-degree black belt. I have to admit that if I have half her energy at 60, I would be very pleased.

This lady just does not quit. She volunteers her time in the St. James senior centre, she volunteers her time in the community, and she has given to the community-minded activities for multi, multi years. She is just a wonderful person that I hope we can all emulate in the future. Thank you very much, Mr. Speaker.

Teddy Bear's Picnic

Mr. Jack Reimer (Southdale): Mr. Speaker, I would like to address an important event that took place yesterday. Twenty-five thousand people braved the cool and drizzly weather to enjoy the 14th Annual Teddy Bear's Picnic at Assiniboine Park.

The event raised more than \$50,000, with all proceeds of the event, hosted by the Children's Hospital of Manitoba, going towards pediatric medical research.

The mission of the Children's Hospital Foundation of Manitoba is to raise and distribute funds for the advancement of knowledge and care in the fields of child health and child health research, thereby contributing to the improved health of children everywhere. Their goal is to make sick children well again. Funds are raised in a variety of ways, but most events, such as the picnic, occur in May, which is called "miracle month."

* (14:30)

The Teddy Bear's Picnic kicked off yesterday with a pancake breakfast, where I had the opportunity to flip some pancakes, and also a five-kilometre walkathon. While there is an emphasis on fun, the picnic also is an educational event for children and families. Tents at the picnic teach children about everything from proper bicycle helmet use and playground safety to good oral hygiene. The bash tent or the bear ambulatory surgical hospital is staffed with real doctors and nurses from Children's Hospital and gives children the opportunity to learn about real medical experiences.

Along with all my colleagues, I would like to thank all the volunteers who helped once again make the children's Teddy Bear's Picnic such a tremendous success, along with my colleague from Fort Whyte, the Member for Concordia (Mr. Doer), the Member for Inkster (Ms. Barrett) and the Member for Fort Rouge (Mr. Sale). Thank you very much, Mr. Speaker.

Agricultural Initiatives

Mr. Stan Struthers (Dauphin-Roblin): Mr. Speaker, I rise today to give recognition to the support of this government's dedication and commitment to the agricultural community.

Our budget clearly illustrates our government's commitment to maintaining a viable and vibrant agricultural economy here in Manitoba. Last year, in addition to the \$60 million in the

budget, \$166 million more was provided in recognition of income and moisture problems in southwestern Manitoba.

Additionally, our government has worked to negotiate a new disaster aid program with the federal government to replace the AIDA program and has taken a proactive stance on assistance programs such as Crop Insurance, the Net Income Stabilization Account and disaster aid.

The need for long-term solutions to Manitoba's agricultural challenges is increasingly becoming apparent as prairie agriculture continues to move through an historic period of transition. Our government's Livestock Stewardship Initiative will provide Manitoba producers with an opportunity to continue to diversify within the animal industry while ensuring that industry grows in a responsible and sustainable manner.

Additionally, our budget begins to address the issue of ageing farming community through Project 2000, a program that will assist young people to enter farming. Also, our government has provided funding for the development of a rural Agrometeorological Centre. The information gathered through the AC network will provide benefits to farmers at the same time as it generates new knowledge-based jobs and opportunities for our high-tech manufacturing sector.

Manitoba farmers have made significant contributions to the economic success of this province over the past century. They deserve our support as they continue to strengthen and diversify in order to meet the challenges of world-wide competition. Thank you, Mr. Speaker.

Victorian Order of Nurses

Mrs. Joy Smith (Fort Garry): Mr. Speaker, I would like to take this opportunity to congratulate the Victorian Order of Nurses, Winnipeg, Manitoba Branch for organizing the Peebles Kelly Memorial Lecture Series.

The theme of the first lecture series was: "Renovating Canada's Health Care System for the 21st Century."

David Carefoot, President of VON Winnipeg, Manitoba, gave a very moving tribute to the memory of Peebles Kelly. As well, David Bucknall, elected Chair of the Victorian Order of Nurses, Canada gave greetings from the national office. David Gregory, the Dean of the Faculty of Nursing, moderated this insightful lecture evening, of which I was a part.

The Victorian Order of Nurses invited very capable, experienced speakers to participate in sharing their views regarding factors needed in renewing Canada's health care system.

Judith Shamian, Michael Walker and Michael Rachlis presented ideas on how the role of technology, finance, human resources and current patient medical challenges needed to be addressed. Their presentations were exciting and thought-provoking.

The Victorian Order of Nurses is a dynamic, innovative and responsive community-based organization. The VON continues to provide leadership in community-based care throughout Manitoba. Thank you, Mr. Speaker.

Smart Communities Program

Mr. Scott Smith (Brandon West): I am pleased to have the opportunity to congratulate a number of individuals from Brandon, Minnedosa, Neepawa, Carberry and Souris in compiling a proposal to Industry Canada and being successful in being selected as a demonstration project for Manitoba. The Smart Communities program is a program created and administered by Industry Canada to help Canada become a world leader in development and use of information communications technologies for economic, social and cultural development.

Demonstration projects, one from each province and one from the aboriginal community, were selected through a nationwide competition. Each demonstration project will receive \$5 million over three years to support the Smart Communities vision. The Manitoba Smart Network, which was chaired by President Marlow Curtain [*phonetic*] in Brandon, was selected as a demonstration project in Manitoba and the announcement made May 11.

Some of the background involves the Manitoba Smart Network, a creation of a

regional Manitoba community network with links to urban Manitoba communities in order to provide a lifestyle that is productive and sustainable. It is a partnership among health, education, business and communities in the areas of Brandon, Minnedosa, Neepawa, Carberry and Souris.

These partners include health: the Brandon Regional Health Authority, Southwest Regional Health Authority and Marquette Regional Health Authority; in education: Assiniboine Community College, Brandon University and the Brandon School Division; in business: the Brandon Chamber of Commerce and the Brandon Economic Development Board.

The Manitoba Smart Network will create a community network by acquiring broadband capacity from Westman communications group to improve upon the regional—

Mr. Speaker: The Honourable Member for Brandon West, his time has expired.

Mr. Smith: Thank you very much, Mr. Speaker. I would just like to mention what a great project this was.

Committee Change

Mr. Peter Dyck (Pembina): I move, seconded by the Honourable Member for Minnedosa (Mr. Gilleshammer), that the composition of the Standing Committee on Law Amendments be amended as follows: Fort Garry (Mrs. Smith) for Lac du Bonnet (Mr. Praznik).

This substitution was moved in the Standing Committee on Law Amendments, and I am now moving this substitution in the House to ensure the records are properly reflected. Thank you.

Motion agreed to.

ORDERS OF THE DAY

GOVERNMENT MOTION

Federal Reparation for 1999 Farmland Flooding

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you please call the debate on the Government motion on the

proposed motion of the Minister of Agriculture and Food (Ms. Wowchuk).

Mr. Speaker: Debate on the Government motion on the proposed motion of the Honourable Minister of Agriculture and Food, standing in the name of the Honourable Member for Gimli, who has 20 minutes remaining.

Mr. Edward Helwer (Gimli): The other day when I was speaking on this, there were some things that I failed to mention. I want to again emphasize the importance of agriculture in Manitoba and of the need for some assistance to help the farmers in southwest Manitoba who were flooded out last year due to the heavy rains. It is important, Mr. Speaker, that this government look at assisting these farmers and at declaring that area a disaster from 1999 and at helping those farmers so that they can carry on this year with their agricultural practices. Because of the rains, they have certainly gone through a very difficult time in this past year, and it will take many, many years to get the land that flooded so badly back into full production. Then, of course, there is the financial aspect, whereby they are losing money every day on some of the lost production there. So it is very important.

* (14:40)

I just want to also emphasize how a strong economy depends on agriculture. Agriculture provides in the small towns and communities outside Winnipeg—even in Winnipeg, agriculture does provide for and help the economy a great deal. It is very, very important in Manitoba. Just recently, the banks have increased the interest rates to farmers and everyone, of course, but it has a real effect on agriculture and on farmers, because farmers have to borrow money to operate, they have to pay for their inputs, they have to pay for their fertilizer, their chemicals, their seed and their seed treatments and one thing and another, land rents, taxes, and they also have to live. So all farmers, pretty well, have to borrow money in order to operate, and the increase in the interest rates just last week again to about 8 percent or more—I believe some are paying 8.5 percent, 9 percent now for their operating loans—this is a real detriment to the

farmers of Manitoba, and it is having a real detrimental effect, again, on farmers.

So it is just another nail in the coffin for them. They have to contend with all these issues: the weather, and now interest rates, the low prices. Just in today's *AgWeek*, they talk about canola again, where it does not look like prices are going to increase at all, and because of the slow disappearance of canola in the world's markets, we are falling behind. Our supply is too great and the world supply is too great, and the demand is not there to take up the supply. So that has had another detrimental effect on prices. Prices have continued to come down and they are just over \$5 a bushel for canola. That is below the cost of production, and there is no way farmers can produce it for that, so there, again, they are going to lose money on canola production this year.

So all these things have a detrimental effect on agriculture, and the money is not there for farmers to use to be able to buy new equipment. Also, the downturn in agricultural prices and the fact of the flooding last year in southwest Manitoba has had such an effect on small towns, on the businesspeople. It is very difficult for businesspeople to make ends meet at the best of times in these small communities, and when farmers are having a difficult time as they are with the flooding and the low prices and the high interest rates they have to contend with, it makes it so much more difficult for businesspeople in those communities. There, again, interest rates affect them, too, so that does not help them at all.

So, if you look around the province, you can see the changes in the farm equipment dealerships. Many are going out of business. They are amalgamating and there are a lot of changes. We only have a few main companies now: John Deere, New Holland, Case and also AGCO company. We have three big mainline manufacturers, and basically that is it. Case and New Holland are amalgamated. They have also taken Steiger, Versatile with them. This has all had an effect on the number of employees involved in the agricultural sector in the farm equipment business.

All these things have made it difficult for farmers. Now, as the dealers close in the small towns, they have to go so far for parts and travel from one community to another looking for parts. It is a real difficulty. With the changes in the manufacturers such as Case, New Holland, what is going to happen to the parts for say Versatile or the older Steigers that were made in Fargo or some of the other products that are made in Saskatchewan even like Flexicoil, Bourgaulp? Right now they are thriving, but how long can they exist or how can they thrive and all these things when a manufacturer goes out of business or changes hands such as Versatile or Steiger?

All these things have an effect on how farmers are going to be able to make ends meet. It gets more and more difficult for new equipment dealers to try to sell equipment because there is no market out there. The farmers do not have any money. How do you expect them to go to buy a new combine, as an example? A new 9600 or 9610 John Deere is probably about, what, \$250,000, \$240,000, probably close to \$300,000, say, with a MacDon header and one thing or another and a pickup header. How many bushels of wheat does it take to pay for that combine? A hundred thousand bushels? At 40 bushels an acre, that is 2500 acres just to pay for that combine. That is just the capital cost, that is not operating. That is the total gross revenue. That is a 40-bushel crop of wheat. That is a pretty good crop. You cannot average 40 bushel over 10 or 15 years even in our country in the Interlake where our farmers are great people and they do a good job. But that is just one example of what a farmer has to put up with really to be able to exist.

Although we appreciate the assistance that most farmers received just lately, the \$100 million that the federal and provincial government put out for the freight offset. That certainly did help a lot and was appreciated by most farmers. It was very welcome. But that is only a very small part of what has to be done to help farmers.

The other thing is that there was an increase in the price of wheat just recently. The Wheat Board did distribute an extra—

An Honourable Member: It was our money.

Mr. Helwer: Yes, that is right. It is your money. But it was \$8 a tonne, another \$8 that came out. I think there is more money there also from the Wheat Board because, just looking at what the price is in the U.S. as an example—

An Honourable Member: They are holding it.

Mr. Helwer: Yes, the Wheat Board is holding this money. Prices in the U.S., North Dakota elevator just across the border from Manitoba, they were paying the equivalent of \$172 a ton last week for mid-protein hard red spring wheat and \$197 for durum, where in Manitoba the farmers were receiving \$127 compared to \$172 and \$135 compared to \$197 in the U.S. So the Wheat Board is obviously holding quite a bit of this money that they should be paying back to the farmer.

I guess my time is moving on, but I just want to emphasize again the importance that this government should place on agriculture in southwest Manitoba that went through the great flood and heavy rains last year. I would hope that they realize the importance of agriculture there and the need for some kind of assistance. I would hope that they would look at whether it is the disaster program, or whatever they do, and however they come up with the money, I would hope that they would come up with some kind of assistance program for those farmers. Thank you again, Mr. Speaker.

Mr. Frank Pitura (Morris): Mr. Speaker, it is a privilege, I think, to be able to stand today and make a few comments about the resolution that is on the Order Paper. Unfortunately, the resolution as it is written in the Order Paper and the amendment that we had made previously and was defeated by the Government reverting to the original resolution, certainly, in my opinion for myself cannot be supported.

During the campaign and during the election, the Government through their campaign election promises said that, oh, we can work much better with the federal government than the previous Conservative government, and it will not take us long to demonstrate how much better we are to be able to work with the federal

government. Now, they come together and put this resolution on the Order Paper to ask us to support them in their bid not to supply money to the southwestern Manitoba farmers, and to call it an all-party agreement. They want us to hold their hand as they proceed to go to Ottawa to try to get the federal government to agree to have more funds put into the hands of the farmers in Manitoba who suffered from the extreme wetness in the spring of '99. So, Mr. Speaker, I have difficulty with this resolution as to the way it is written and put on the Order Paper.

*(14:50)

You know, in southwestern Manitoba and in other parts of Manitoba, including all the way up to Ethelbert and over into the Vita area, the plight of the producers that occurred in the spring of 1999 was a situation that gradually arose over time to create the great deal of difficulty that they had. It started with the Souris River overflowing its banks early in the spring, and it proceeded to get to the point where the rains then started to fall. They continued in that area of the province, and in fact those areas of the province that were affected had never, ever experienced that kind of a rainfall in their history.

In fact, if you looked at the natural topography of the land, particularly in the southwest corner of the province where a lot of it is an undulating land form—most of it is denoted as a Newdale type of soil—but it has depressions on the upper parts of the fields there that actually ended up holding water making it almost impossible, if not impossible, for farmers to get any kind of seeding done around those potholes.

So what happened, Mr. Speaker, was that as time moved along in the spring of 1999 and the rains continued, they ended up being not only a disaster from the flood. It caused some damage, and of course that damage that was caused by the flood was covered under the Disaster Financial Assistance program as it always is and always has been in this province. But the damage that occurred was the fact that farmers, because they could not put their crops into the ground, could not work their fields. It turned out to be an economic disaster. An economic disaster is not defined under the disaster

financial arrangement that is in place between the federal government and the provinces across Canada. They do not address economic disasters.

What is happening is that one of the things you can do is approach the federal government and say; well, let us rewrite the Disaster Financial Assistance agreement and let us include in that definition an economic disaster. But, at the same time, you have to take a look at the rationale of that and say, well, it is much more important at this point in time to be able to talk to the federal government about putting in place a cost-sharing program, such as the one that was in place during the 1997 flood of the century where the Jobs and Economic Recovery Initiative was signed onto as a side agreement in terms of the disaster of that year. That was what addressed the situation with respect to the agricultural section of the Red River Valley in that year. What we said in our amendment that was defeated was the fact that we should be preceding to a 50-50 cost-sharing arrangement. Do not try to talk to the federal government at this point in time about a Disaster Financial Assistance program that is going to cost-share 90-10, because it is not defined under that assistance policy. An economic disaster is not defined under that policy.

If you take a look at the Jobs and Economic Recovery Initiative that was present for the Red River Valley cost-shared on a 50-50 basis. through, I might add, the Department of Western Economic Diversification and from the Province, that program was put in place to cover part-time farmers, because the Disaster Financial Assistance policy also does not consider part-time farmers as being eligible for disaster assistance. That was put into that program in order to cover off part-time farmers.

It was also put in place to cover the damage that was incurred with rental properties where people had moved out to the rural area, were renting a home or renting a yard or renting facilities that if they were struck by the flood and damaged from the flood waters that they could receive some compensation under that program. It also included the business restoration expenses. In that case, where businesses had to shut down, be evacuated—I know in the

community of Morris most of the businesses were closed for a month. While they were evacuated, there was the ongoing cost of hydro, telephone, natural gas, whatever, that had to be picked up, plus maybe they rented their building premises or they had a mortgage payment to make on the premises. That program came forward and helped them with those expenses in being able to open their doors again once they were able to get back into the community.

But the most important part of that program, and this is what we are discussing with respect to this resolution, is the fact that the farmer in southwestern Manitoba who had had applied fall-applied chemicals and fertilizer had now seen those chemicals and fertilizers being lost and all of the money that they had spent on those not being able to be recovered. Now, in the JERI program, that program covered 50 percent of the loss of the chemicals applied in the fall and the fertilizer applied in the fall. Farmers had to produce their invoices to get their 50% cost recovery.

Another important aspect of that that applied to agriculture was if a farmer who had a hog barn that was threatened by flood waters or in fact probably going to be flooded, it allowed them to move out, if they had breeding stock, to move out the breeding stock. If they had hogs that were not ready for market, they allowed the producer to move them out and market them, even though they marketed them at a loss. That program addressed those situations where they replaced the breeding stock and made up for the adjustment in the market price.

So that was the program; that was the 50-50 program. That was a sidebar arrangement made with the federal government. That was what was being discussed, because we knew that under the Disaster Financial Assistance arrangement with the federal government, that was not part of that arrangement that could be interpreted as part of that agreement. It had to be something separate, a sidebar.

Then also, Mr. Speaker, I want to prompt all members too that we are not to get confused with the \$5,000 payment that was made out to everybody within the Red River Valley who were coming into a PFRA office that was

established in Morris to get a \$5,000 cheque, because this was done as a separate program by the federal government. I believe they put \$5 million or \$10 million into that program. They gave out cheques for \$5,000 to everybody within the Red River Valley.

In fact there were some people who came into the office at Morris and said: I would like to get \$1,200; and they said, no, you do not need \$1,200, take the whole \$5,000. Do not ask questions. Just take it, spend it and do whatever. Nobody was told what the criteria were for the program until after the flood was over. Then it was indicated that, oh, you need to have some invoices to cover off the expenses. These are the expenses that are eligible to be covered. So a number of people were subjected to the business recovery office, I guess it was called, and getting harassed by them to pay back the \$5,000 if they did not have invoices to cover it off.

I know of several individuals within the Red River Valley who took the \$5,000 cheque and spent the money, did not have the invoices to cover off the eligible expenses and did not have \$5,000 to pay back to the program. So there are all kinds of problems that occurred with that, but you have to keep that separate from the JERI program and from the Disaster Financial Assistance programs. Those two were cost-sharing. This one was just strictly the federal government jumping in, and I believe it was because the election campaign was on and they needed to get money out there very quickly to help their member of Parliament get re-elected, and so they jumped to the pump with the \$5,000 cheques. *[interjection]* I just picked it up, that comment. It is a catchy phrase.

But, anyway, Mr. Speaker, the reference in the resolution is: "WHEREAS the Manitoba Government pursued support for compensation under Section 25 of the DFAA, which specifies loss of applied fertilizer and land restoration and was turned down by the federal government."

Well, that is no surprise to me that that was turned down, because it really is not covered under the DFAA. If you take a look at stored chemicals, stored fertilizer, under the DFAA, it is covered. If that is hit by a flood and those two chemicals are destroyed and the fertilizer is

destroyed, they are covered under the DFAA, but if they are applied to land, they are not covered. So that is very clear under that policy.

* (15:00)

You know, Mr. Speaker, I look at the resolution, and when I read the resolution thoroughly and carefully, when I see it being written out, it really to me is this government saying that, if we can get all-party support, then what will happen is we really will end up that we do not have to pay a cent, because we can say, well, we tried but we failed. Therefore, if the federal government is not going to give us money, we are not going to give any money to these producers; so therefore the producers are not going to get anything. This is really what this resolution is saying, that in the end they are not going to get a red cent out of this program, and this province is not going to be committed to paying any money unilaterally on its own.

So I am saying, Mr. Speaker, that the Government, I am sure, has got some clandestine thoughts behind this whole process whereby they are going to say: Well, we have the all-party support for this resolution, but we could not get the federal government to agree to pay. Therefore, I am sorry, but we will not be paying.

Mr. Speaker, when I look at the resolution the way it is written, I look at the whole program, and I know that there is really only one direction to go, and that is for this government to exercise leadership and for that leadership to get out there and access the funds out of the Fiscal Stabilization Fund and make a direct payment to the producers in southwestern Manitoba who have lost fertilizer and chemicals, who now need funding to help them with their summer fallow that they had to put into place during the summer of '99 for weed control, whether it had to be aerial sprayed or whether they had to spray it later on or whether they had to have some custom spraying in order to get their weeds under control.

Mr. Speaker, this is what this government is lacking right now, providing that leadership, taking the money from the Fiscal Stabilization account, making the payment to the producers in southwestern Manitoba, all the way up into the

north-central part of the province and into the southeast part of the province for the compensation for these expenses. Once that is done, then they can proceed to go to the federal government and say, look, we have done our job. We have addressed the problem of the producers out in southwestern Manitoba; now it is time for you, the federal government, to come to the table and help us out in terms of cost-sharing.

Now, Mr. Speaker, earlier on in 1999, in June of 1999, when we announced that producers were going to get a \$50-an-acre payment, we made that payment based on a premise and a hunch that we would have some help in cost-sharing, but in order to make it happen we had to access those dollars out of the Fiscal Stabilization account. That account is there for that purpose.

Once we had done that and started paying out the producers, then the federal government came along and said: Well, we will do our share. Whatever we can, we will do it through the AIDA program and we will do 60-40, such that we ended up with somewhat less, the federal government having a smaller share, but at least there was a share there.

So I say, Mr. Speaker, that this is the same kind of avenue for this government to follow. Take that leadership step, make the plunge, access the money out of the Fiscal Stabilization Fund, pay the producers, and then go to the federal government and say: Look, we have done our bit. We are committed. Are you going to be committed to us as a province?

Now you have something to argue with. Now you would have no problem with all-party support, no problem at all in getting that kind of support.

Mr. Speaker, those are more or less the comments I would like to make, but I look at this resolution and I say that unfortunately this side cannot support that. So I am proposing an amendment to this resolution.

The amendment reads:

THAT the motion be amended by adding the following after the first BE IT FURTHER RESOLVED:

BE IT FURTHER RESOLVED that the Government of Manitoba acknowledge that the Minister of Finance has indicated that the Fiscal Stabilization Fund should be saved for use during disasters only; and

BE IT FURTHER RESOLVED that there is agreement that all sides of this House agree that the 1999 flood constitutes a disaster; and

BE IT FURTHER RESOLVED that the Government of Manitoba now acknowledge that its 2000 Budget fails to address the very serious issue of providing any assistance to farmers affected by the 1999 Flood; and

BE IT FURTHER RESOLVED that the Government of Manitoba immediately revisit the issue of providing assistance to farmers affected by the 1999 flood and consider accessing the Fiscal Stabilization Fund in order to provide the needed disaster relief.

I need to have a mover and seconder. It is moved by myself and seconded by the Member for Turtle Mountain (Mr. Tweed),

* (15:10)

Mr. Speaker: Order.

The amendment, proposed as is, is not in order. I would ask the mover of the amendment if he is open to a few minor changes. Is there unanimous consent to propose these changes?

Order, please. I will read the amendment as proposed with the changes, okay? *[interjection]*
As proposed.

THAT the motion be amended by adding the following after the first BE IT FURTHER RESOLVED clause:

BE IT FURTHER RESOLVED that the Legislative Assembly urge the Government of Manitoba to acknowledge that the Minister of Finance has indicated that the Fiscal Stabilization Fund should be saved for use during disasters only; and

BE IT FURTHER RESOLVED that there is agreement that all sides of this House agree that the 1999 flood constitutes a disaster; and

BE IT FURTHER RESOLVED that the Legislative Assembly urge the Government of Manitoba to now acknowledge that its 2000 budget fails to address the very serious issue of providing any assistance to farmers affected by the 1999 flood; and

BE IT FURTHER RESOLVED that the Legislative Assembly urge the Government of Manitoba to consider immediately revisiting the issue of providing assistance to farmers affected by the 1999 flood and consider accessing the Fiscal Stabilization Fund in order to provide the needed disaster relief.

Is there unanimous consent? Order, please. First of all, I have to get the mover's consent. Does the mover give consent?

An Honourable Member: Agreed.

Mr. Speaker: Okay, the mover has agreed. Now we will have written copies for the members to read.

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, you provided us with a copy of the resolution, and I believe you were going to indicate whether the resolution was in order or not.

Mr. Speaker: Order, please. With these changes, the amendment would be in order. Is there unanimous consent for these changes to take place?

Some Honourable Members: Agreed.

Mr. Speaker: There is unanimous consent, so now we proceed. We will proceed with the motion as amended.

An Honourable Member: She cannot get up yet to close debate.

Mr. Speaker: She is speaking on the amendment, not the main motion, so she is entitled to speak 40 minutes to the amendment.

* (15:20)

Ms. Wowchuk: Mr. Speaker, I rise to put a few words on the record about this amendment, and I

really wonder where these opposition members are going. You know, when they were in government and there were serious issues that were before the House, we were able to consult and give all-party support on their issues that they had to deal with.

Mr. Speaker, we have a very serious issue here. We looked for all-party support on this particular resolution when we were going to Ottawa to lobby the federal government for support for the farmers of southwestern Manitoba. It would have been wonderful for us to be able to go to the federal government and say to them: Look, we do have all-party consent and we have support. Unfortunately, the members of the Opposition refuse to do that.

Mr. Conrad Santos, Deputy Speaker, in the Chair

The members opposite keep talking about there were different programs in the Red River Valley, and we all know there were different programs in the Red River Valley. We know that there was a federal election coming at that time, and there was a willingness on the part of the federal government to address those issues. They did put in large amounts of money.

Unfortunately, in this situation the federal government is not treating the people of the southwest part of the province the same way as those have been treated by other disasters. Whether it be the Saguenay River Flood or the ice storms of eastern Canada, there was different treatment.

We have asked the federal government to consider those special kinds of programs. We have asked the federal government to look at the clauses under the disaster assistance act, where we believe they could have offered support for them.

The members opposite keep saying: Well, put your money forward and the federal government will come forward with their money. The members opposite are not listening. The federal government has said no. They have told us that they have taken it to their Cabinet three times and they continue to say no. That is very, very unfortunate, but I think that it would

help us if we could pass this resolution, even at this stage of the game, and indicate that we do support the people of the southwest part of the province and that the federal government does have a role.

Unfortunately, again the members opposite are putting forward resolutions that would require the provincial government to take on the responsibility of disasters. Well, you know, Mr. Deputy Speaker, we could have another disaster at any time, and I hope to high heaven that we do not. There could be disasters in other parts of the country, and when those disasters happen I know that the federal government will come forward with their support. So we have to always keep that in mind.

But for the members opposite to say that the Budget has failed, that members on this side of the House have failed, that we should take more money out of the Fiscal Stabilization Plan, I know that they are not serious. I know that they are playing politics with this issue and trying to score some points with the residents of those areas, because I have had discussions with some of these members when they were on the opposite side of the House when they clearly indicated that this was a federal responsibility.

The members talk about the money that they put in versus the money that we put in. What the members opposite fail to recognize is that it is the taxpayers of Manitoba who have put the money in, not the Progressive Conservatives, not the New Democrats. It is the taxpayers of Manitoba who have put money in. It is the taxpayers of Manitoba who paid the \$50 an acre and put the \$70 million in. It is the taxpayers of Manitoba who have paid to put extra money into AIDA and the enhancements of AIDA, and it is the taxpayers of Manitoba that are supporting the farm community.

I think it is time for the taxpayers of Canada to support our people who have suffered a disaster, and I would seriously ask the members to think about what they are putting in this resolution. If I were one of them, I think I would read this resolution very carefully, and on sober second thought I would ask that this resolution be pulled off for debate. I would be withdrawing this and saying: Let us get on with the show. We

have a good resolution here put forward by the Government, the Government looking for all-party support on the resolution to call on the federal government to recognize their responsibility.

I would encourage the members opposite to quit playing games with this issue, stand together with the Government so that we can once again approach the federal government. Although it is much later than we should have had it, let us say: This is a resolution. The agriculture community is important to Manitoba. These people in southwestern Manitoba suffered a tremendous loss when they put in all those chemicals and fertilizers and then were not able to reap a crop. These people have suffered an awful lot because they had no crop. When you have no crop, Mr. Deputy Speaker, it is like having no paycheque for a year.

Members opposite, many of them are farmers. They recognize that, and I would encourage them to set their partisan politics aside, let us really stand up with the farmers of Manitoba and let us have a vote on this important issue so that we can then go to the federal government, saying: Yes, we are standing united. The federal government has made a mistake, and let us try to get them to recognize that they have the flexibility within their legislation to recognize this is a disaster.

If the federal government wanted to do it, they could implement a program like JERI. They could do it under disaster assistance. They could cover those lost input costs that those producers are suffering so seriously from, and I would encourage the members opposite to look at those issues.

I could go back and talk about a lot of the issues that the members have made on this particular matter, but rather than do that I would encourage all members of the House to recognize the importance of this issue. Let us have a vote on it so that we can send this resolution to Ottawa, showing that we indeed are united in our support for the farmers of southwestern Manitoba who suffered a very serious disaster last year and who were not properly compensated. Hopefully, this will get the federal government to recognize that they did

make a mistake and there is the opportunity for us as a united front to try to convince them once again that no matter what program we put it through, whether it is a JERI-type program, whether it is a special program, whether it is 50-50 or 90-10, there are ways if there is a will to do it.

Now, I know the members are going to stand up and they are going to say, oh, well, the Province did not put their money in. It is not the Province's responsibility to take on the responsibility of disasters. It is the federal government's responsibility. Provinces always contribute. If the federal government would put money in, we would put our money in. We went to Ottawa saying that. Unfortunately, we did not have all-party support when we went to Ottawa. Whether it was 50-50 or 90-10, we discussed with them—*[interjection]* The Member for Morris (Mr. Pitura) is saying that we pulled our money off the table or we did not have money on the table. I think he knows enough about negotiations with other levels of government that if there is a willingness on the part of the federal government, as there was in the Red River flood—he talked about the \$5,000 cheques that were flowing during the Red River flood. If there is some will, the money will flow.

Let us stand united with the people of Manitoba and send a strong message to the federal government. I would encourage all members to vote on this resolution and pass it.

An Honourable Member: Support the amendment, and then we will all just be like a family.

Ms. Wowchuk: My colleague says just support the amendment, and then we will all vote on this, and we will be like one big, happy family. Well, you know, Mr. Deputy Speaker, I know that if the Member opposite was running his own personal finances in this way, he would not just say: Oh, well, let us just put all the money out and then we will decide later. He knows that is not how it works in a family, that is not how it works in government, and they are being very misleading to the people of Manitoba to say: Oh, yes, put your money out and then the feds will come to the table.

* (15:30)

I think we have a very clear answer from the federal government on this. Our one hope is to have a united front and have all people support this resolution, and we could send it off to the federal government. Hopefully, we could convince them to treat the people of the southwestern part of Manitoba like they did the Red River Valley. I think it would help, given that there are rumours of an election on the horizon, and maybe if we could get all-party support, we could then move forward on this particular issue and send a strong signal.

We certainly know that the Manitoba Liberal caucus has been supportive of getting some money to southwestern Manitoba. That is what they have told us. They told us when they were in the southwest, but, unfortunately, the Manitoba Liberals are not able to get the message through to the federal government, so if we could give them a little bit of support as a united front from this Chamber, that might help, as well.

But, Mr. Deputy Speaker, this is a very serious issue, and I would encourage all members to finish this debate and let us pass this resolution, so we can send a strong message to Ottawa.

Mr. Deputy Speaker: In recognizing the Honourable Member for Emerson to speak on the amendment, I have been informed by the Acting Leader of the Official Opposition (Mr. Gilleshammer) that he has been designated. He has unlimited speaking time to speak on this amendment.

Mr. Jack Penner (Emerson): Mr. Deputy Speaker, I want to put a few words on the record in regard to, first of all, what the Minister said a few minutes ago. I could not agree more with her when she said that this Legislative Assembly needs to agree on what to do in southwest Manitoba.

I believe that the people of southwest Manitoba have been held up for ransom for far too long, and I believe that this minister needs to demonstrate some sincerity and truly sit down with her colleagues as members of the Legislature and truly, sincerely, discuss a proposal that could be supported. I believe, Mr. Deputy Speaker, that this proposal goes a long

way to addressing what really comes to the essence of the debate here.

Constantly, we have referred to what was done during the Red River flood. We have constantly referred to that and, I think, rightfully so, but let me remind you and let me remind the Minister of Agriculture (Ms. Wowchuk) and the Minister in charge of disaster services that in many cases it was the Province that took the lead to ensure that its citizens would be adequately protected.

I want to go back 1988-89 when I was first elected in this House. Mr. Deputy Speaker, one of the first things I did or was asked to do as Minister of Natural Resources was travel to Swan River to look at the huge disaster that had been created by a flood. There were two of my colleagues, the Minister of Agriculture and the Minister of Government Services that were on that flight. I believe what we did at Swan River at a public function with all the municipal leaders and town and farm leaders there, we made the commitment that they would not be left by themselves to fend off this disaster.

We gave the orders to our bureaucrats indicating to immediately take steps to remediate the disaster. Within a few days, and I know that the former Minister of Agriculture will address this, because it happened in his backyard, we had a huge fire go through the Interlake. It started at Rennie, touched off by sparks from a railway track. What did the Province do? It met with people in the Interlake and said do not worry, we will stand beside you and we will support you.

We announced a program of restoration and compensation in 1998 and '99. Those were difficult days, because we could not get our federal counterparts within a day or two or even a week or two to agree to programs that should be initiated in these areas, so we took it upon ourselves and made the decisions and moved on. Then later, I believe it was somewhere in the neighbourhood of, what, 60-70 millions of dollars that were spent. It took us seven years before we even were able to come to terms with the federal Government that they would pay, but

they finally did. After seven years they finally did.

Well, Mr. Deputy Speaker, I think the Minister of Agriculture needs to really search her own soul, so does the Premier (Mr. Doer) of this province, really search his soul as to how sincere and serious they are about helping the people of western, southwestern and eastern and even central Manitoba during the 1999 flood crisis.

I believe, Mr. Deputy Speaker, that if they went back and searched the records they would find the expenditures listed in their own departments, of monies spent. I know that the ministers have the right to do that. They are in government now. They would find what the Filmon administration, the Progressive Conservative government, had done and how quickly it acted. I think that sort of will needs to prevail in this House.

I have said on a number of occasions, Mr. Deputy Speaker, that I as critic for Agriculture, our critic for the environment and resources and the critic for Highways, we will sit down with the ministers on the opposite side and try and come to terms with a position that we should take.

I agree with the Minister of Agriculture, that the federal government has not dealt fairly with Manitoba. It has not dealt fairly with Manitobans in the transportation initiative. It has not dealt fairly with the devolution of the Crow benefit. We have now an agricultural community that pays better than \$35 a tonne more in freight costs to transport grain out of Manitoba than it did only three years ago.

We have a Minister of Agriculture (Ms. Wowchuk) and a Minister of Transportation (Mr. Ashton) that constantly said when they were in opposition they would not allow the federal government to move as quickly on the rail line abandonment as they had. Yet they have not found any way to probably maintain the Morris-Hartney line, because I met with some people over the weekend and they tell me that the new operator there will probably not be able to sustain the operation and the line might be abandoned. I say "might be" unless somebody

finds some way to intervene and cause an economy in that part of the province to allow the sustainment of that railway track.

Well, Mr. Deputy Speaker, the reason I mention the transportation and the railways and many of the other programs that have seen dramatic and continued support from this government, even though our government was not in the kind of position they were, the NDP were when they took office, we left them rife with money. They indicated that we had in fact left them with anywhere between \$280-million to \$400-million deficit before they even looked at the numbers, but those were the numbers the politicians came up with. Well, how surprised the people of Manitoba were when during the Budget they announced a \$12-million surplus in their own budget. Yet they admit freely that they had spent willingly everywhere they could, but they were not able to spend the amount of money that we had saved or the revenues that we had put programs in place that would be generated.

* (15:40)

Yet what do they do? Have they supported the flood victims openly as we did during the Swan River crisis or the Interlake crisis? What have you done? What has this government done? How have you failed your own people? How have you failed your people? I say to you it takes will and it takes commitment to make hard decisions, and sometimes the hard decisions are: Are we going to support our own constituents? Are we going to support Manitobans and not let them die and be run out of business because of an economic situation that they had no control over? It takes hard-nosed decision making, and yet this government has not had the will or demonstrated the will to even sit down and negotiate on this matter.

I find it very interesting that when they first came to government, the Premier (Mr. Doer) made a speech and said: We will co-operate with the federal government. They are our friends, and we will work with our friends for the benefit of Manitoba. Well, Mr. Deputy Speaker, I really find it interesting that our Minister of Agriculture and the Premier have been to Ottawa on numerous occasions. As a matter of fact our

Premier has been to Washington on numerous occasions. He has been to Minnesota, he has been dealing with water issues and the like and we commend him for that, but he is the travelling man. I heard somebody that they might actually go and ask Stompin' Tom Connors whether he might write another song about Doer the Travellin' Man.

The interesting thing is this. Even in all their travels, in all their so-called negotiations and discussions with foreign nations and/or the capital in Ottawa, they have not been able to convince, Mr. Deputy Speaker, the federal government that they should fully participate in a 50-50 program. That, of course, leads one to the question, did the Province ever put forward the idea that we could participate in a 50-50 cost-shared JERI-type program to help those in southwestern Manitoba?

I think the other issue is that whether we have been able to negotiate an agreement or not I think demonstrates, as I said before, the sincerity of this government. I think it is time that they said to the people who suffered because of the '99 flood, yes, we will. We will not only stand beside you, we will support you. We will support you financially.

We all found it relatively interesting during the Budget Debate and the budget speech that the Minister of Finance (Mr. Selinger) said that they were looking at sort of designating the Fiscal Stabilization Fund as a disaster fund and that it would be there when times of disaster occurred, and they would then be able to use it without having to go and borrow money to do those kinds of things, which I found quite acceptable. I think it should at times be used as a disaster fund. That is why we created it, quite frankly.

I think, Mr. Deputy Speaker, that if you truly do the analysis and if they had the stamina that the previous government had and the compassion that the previous government had, they would say to the people in the southwest and the southeast part of the province exactly what we said to the people in Swan River and the Interlake during the fire and the flood in 1988-89. They would say, yes, we have money. We will put that money up. Then we will go and

demonstrate to the feds that we are serious about this, and we will then propose a repayment formula or negotiate one. But it is clearly a demonstration of the lack of will, right at the Premier's (Mr. Doer) level, the lack of will to be sincere about the provincial government support for those who were affected by the flood.

I have to really wonder whether the same level of co-operation that has been demonstrated or the lack of co-operation that has been demonstrated between the federal and provincial government was present when the Minister of Agriculture (Ms. Wowchuk) went to Ottawa to negotiate a new agricultural safety net program, a new one. They are even talking about "the son of AIDA" now.

I think, Mr. Deputy Speaker, that when the Minister went to Ottawa the first time, she and her colleague, to discuss with the provincial ministers and the federal minister a new safety net program and when our Minister of Agriculture and the Minister of Agriculture out of Saskatchewan, and I quote, "stormed out of the meeting" because they could not agree or come to terms or were not able to convince the federal government and the other premiers that their position, Manitoba's position, also needed to be strongly considered, they were not able to do it, so they stormed out of the meeting. I think then about three weeks or a month later, they stormed back to Ottawa and stormed into the meeting with the ministers again.

What was the result of all this storminess? Well, I will read to you from an article in the *Manitoba Co-operator* on the third month of the thirtieth day. It says that Ontario is the big winner. The article goes on to say that Ontario farmers will get an extra \$30 million a year for a change in the federal safety net funding formula; meanwhile Manitoba and Saskatchewan, which earlier stood to lose \$65 million, will now stay where they are. In other words, they get nothing.

That is what our ministers negotiated in Ottawa. Does that not demonstrate to you, Mr. Deputy Speaker, either the lack of ability—and I have said to the Minister of Agriculture (Ms. Wowchuk) on a number of occasions and also the Premier (Mr. Doer) that, if they need people that have some sales expertise, my colleague

from Turtle Mountain (Mr. Tweed) was in the car sales business for many years and the machinery business, and the Member for Emerson (Mr. Jack Penner) was in the automobile sales business for 12 years. We have others here that are good, sound businesspeople, who know what negotiations are all about.

I have offered that we would come with them and do the negotiations for them. Yet they even hesitate to accept our expertise on this side of the House in negotiations because I truly believe that, if we went to Ottawa as a joint group and sat down in sincerity with the federal ministers and federal members of Parliament, we would very easily be able to demonstrate to them the need of a joint cost-shared program. We did this during the Red River flood. There were a raft of programs that were utilized, a raft of agencies that were brought in, that are not in play here because we have not asked them to be in play, quite frankly.

* (15:50)

During the Red River flood we had people from Western Diversification come out on the federal side. We had PFRA come out from the federal side. We had the Natural Resources people from the Province of Manitoba come out. We brought a whole grouping of people and said to them: See what you can come up with to devise some scheme of support for these people that were flooded. Yet, at the end of the day, there was agreement that we would do basically three fundamentally different types of programs. One was DFA, which kicked in and did the restoration on homes and barns and machine sheds and yards and even land that was flooded. When you had big trees lying in the middle of quarter sections that had floated onto this land, DFA paid for the restoration of this.

There was a new program that was brought in as a suggestion by the federal government—I think it was through PFRA. I stand corrected, but I am sure it was through PFRA. They actually came and announced a program saying: Here is a \$5,000 per operation start-up. They called it the Restart program. They gave people \$5,000. To those businesses that had to move out and had to be brought back behind their dikes to restart their business, they extended \$5,000 to

restart businesses, to restart farms. It was called the Restart program, and it worked well. It gave people, far more than anything, a level of comfort, saying: We have the two levels of government standing behind us. They are supporting us. They are not letting us down. They are not abandoning us, as this government is doing to the southwest.

I think that is what the unfortunate thing is. The people in southwest, the only comfort that they have received so far is from our former minister of agriculture and the former premier of this province and the Progressive Conservative Party. Last June-July we went out to Brandon to meet with this all-party grouping that had been formed in the southwest area to negotiate with the provincial and federal government some compensation for land that was not able to be seeded and some compensation for forage crops that were drowned out, that need to be replaced, and some compensation for a custom-seeding program to those farmers that could not get on with their equipment and had to hire bigger equipment that they could actually seed for the custom-seeding program and, yes, there was even a feed pasture restoration program announced by the minister, which this minister, I understand, said does not exist.

So, Mr. Deputy Speaker, we have clearly at that time demonstrated our compassion for those people. We knew that it could cost as much as \$80 million when we made the announcement, but the Minister and the Premier agreed and our Cabinet agreed that we would make that choice and give the people of southwest Manitoba and southeast Manitoba the comfort that they were not being abandoned. We paid them \$50 an acre for land that they could not seed. We paid them \$75 an acre for forage land that needed to be restored to its initial value. We paid them \$25 an acre for pasture and feed assistance. We paid them \$10 an acre for custom seeding.

This government is now taking credit for the \$71 million that was spent to help those farmers. Quite frankly, you know what I heard last week from one of the people? They were appalled that this NDP Government was now trying to take credit for an announcement that Gary Filmon's government had made. They were absolutely, totally astounded that they had read in the paper

that the Minister of Agriculture (Ms. Wowchuk) was taking credit for that program, because it was the previous Minister of Agriculture, Mr. Harry Enns, that made that announcement and put forward the initiative. He took the chance and he made sure that we would support those people.

I want to get back a little bit to Ontario being the big winner in the negotiations with our Manitoba Minister of Agriculture. When you read the article in the *Co-operator*, the \$1.1 billion a year for farm safety net programs that will be put together, that requires that the provincial government puts up 40 percent, adds 40 percent to that \$1.1 billion, it has become very evident that this Minister of Agriculture has not received support from her Treasury Board to come forward with that additional amount of money to support our farmers to the same level that Ontario would be supported, although the Minister tells me that the other provinces wanted a different formula based on income rather than on need.

Again, I say to you, Mr. Deputy Speaker, you need to have the ability to negotiate when you go to Ottawa, because these people are normally quite good at negotiating. So you need to bring that negotiating expertise and ability with you when you travel to Ottawa.

Then it goes on to say that the provinces will put in another 40 percent, making the total amount \$1.8 billion. The feds will provide \$665 million a year for basic safety net programs. Those include NISA, crop insurance, cash advances and companion programs. In addition, Ottawa will make another \$435 million available annually for income disaster assistance.

It was interesting that when the federal government came forward with another hundred million dollars out of the AIDA program—as a matter of fact, Mr. Deputy Speaker, this would sound like there is a whole raft of new money being put forward by Ottawa and the provinces to support agriculture. Not so at all. Not so at all. Most of the money that is being spent here is money that has been announced at least three times by the federal government, reannounced because they could not spend it in the first AIDA program, so now they are devising a new AIDA

program. I think it is going to be called "the son of AIDA." So maybe they can then spend the money that was allocated three years ago.

So here we have reannounced and reannounced, and I find it very interesting that this provincial government is now falling into the same trap of reannouncing money that the previous Progressive Conservative government spent in this province. They are doing the same thing. Why would the Minister want to fall into that trap, because eventually that noose will tighten up, and it will become very uncomfortable for them because they will have to demonstrate and prove where the money comes from. Yet if they have not expended it—and you can look in this year's budget and clearly see that this government has no will at all to put forward any real commitment to agriculture.

* (16:00)

In research, the agriculture research budget is being cut by \$3 million, the Crop Insurance program cut by another \$2.8 million. It is clearly taking money out of agriculture, the research fund, research for agriculture, and research plays a big part in assessing what can be done in the future for flood compensation. Research plays a major part. Research needs to be done to see what the long-term effect on the soil is, Mr. Deputy Speaker, yet this government says we will pull \$3 million from the research budget.

What are the universities going to do, because that is where most of their money ended up? ARDI, a program that was devised to help rural Manitobans devise new mechanisms for value-added production and processing, was the research arm. ARDI was the research arm, trying to encourage sustainable development, yet this government says: We do not need it anymore; we are going to walk away from it. They left a mere million dollars in the budget, and I think that is unfortunate. It really is, because that was a co-operative agreement that we struck with the federal government to put that money in place, and part of the federal money came out of the transportation fund.

There was some talk before, this morning at committee, about the federal government having come along and having said we are com-

pensating farmers because of the loss of the Crow. Well, Mr. Deputy Speaker, when you look at the Crow benefit and you look at how much money the federal government spent from when the Crow benefit was initially announced back in the early '60s, I believe, to put in place a security blanket really for the railways, that the railways would keep on moving grain to export position—they signed an agreement and said for this amount of money we are going to be able to ship, in perpetuity, grain to export position from the Prairie Provinces.

Then during the '80s, the federal government started having second thoughts about it, because for the first time in history during the '70s, the automatic line was hit. The railways were no longer able to haul for the amount of compensation that was extended to them under the Crow agreement in perpetuity. So they went back to the government and said: Sorry, we are going to cut back on rail cars, and when the feds did that, the Canadian Wheat Board said: Well, then, we are going to buy the cars.

Well, whose money does the Canadian Wheat Board work with? There is a real misconception about this. It was farmers who bought a whole slew of rail cars. It was farmers' money that was used to buy rail cars; it was not federal government money. It was loaned money, but eventually the farmers paid for the cars through the Wheat Board. We found it very interesting as farmers that first of all not only did the federal Government walk away from the long-term Crow agreement and then force the farmers to buy their own rail cars that the rail companies could use then to haul farmers' grain just like buying a big semi-trailer truck and parking it in your yard and saying to your neighbour, go ahead and use it. That is really what we did through the Canadian Wheat Board with those rail cars.

Then, when that money ran out, the railways went back to the feds and said, we need more money. Well, eventually, the federal government treasury added enough money to amount to roughly about \$750 million a year in grain transport support. I found it extremely interesting that, when the Mulroney government was in power in Ottawa, the Mulroney government actually came with a proposal, I think, that

would have seen somewhere in the neighbourhood of \$8 billion put into a special fund that would have been used on an ongoing basis, the earnings from that special fund would have been used on an ongoing basis to support the farm community in its efforts to ship into export markets, yet that was turned down. The Mulroney government was truly condemned for taking that initiative because that was not enough. It should have been more.

Then, when the Liberals were elected, the first thing they did, they took the axe and they cut the Crow rate, all \$750 million worth. They said it is gone, eliminated. It was just during the period of time that grain prices and commodity prices really starting moving upwards. By the end of the year we had seen canola prices hit \$8 a bushel. We saw wheat prices hit \$6.

When the Crow ended, the farm community really in a great sense just yawned and said, well, maybe this is for the best. I totally agree that in the long term it will be for the best, but the federal government refused to take that \$750 million annually and say to the provinces, we will cost share a road-building agreement with you. If they would have done that, we would have gone a great mile. If you had taken the \$8 billion that the Mulroney government was going to put in place as an offset to the Crow and used that as a transportation fund builder, we would have been much better off. But the federal government just walked away.

Two years after the fact, they came along and said, well, you know, maybe we should have given you something. They came along with a \$1.8-billion or \$2-billion program as the Crow offset programs which paid each farmer an amount of money per acre as a Crow offset benefit for two years. It cost on our farm roughly about \$35 to \$40 a tonne depending on what commodities you shipped. Additional freight cost and the Crow offset picked up about \$10 of that cost for two years, and then it was gone. Now it is gone. Now we are on our own. Now we are paying the total cost.

So you might say to me, Mr. Deputy Speaker, what does this have to do with the flood in southwest Manitoba? I say to you that the comparison between how this government,

this provincial NDP Government has reacted to the needs of the southwest of Manitoba is very similar. They came back on numerous occasions, met with the Minister, met with our caucuses and demonstrated the losses that were incurred, demonstrated clearly the losses that they were incurring. What has this NDP Government done so far? Absolutely nothing.

I do not understand how the administrators can sit there and face their constituents, especially those from the southwest part of the province, from the Brandon area, how they can face their constituents with a straight face and say, we have helped you, when in fact they have not. They do exactly what the federal Liberals did and are acting the same way.

I say to you that the big winner in all of this has been Ontario. Ontario received a 25% increase, negotiated for themselves a 25% increase in a safety net program. Our minister absolutely stormed out of the meeting. These guys sat and finished the discussion and said to the federal people, here is what we need and here is how you do it. They demonstrated that it could be done. Where were our ministers? They went home.

It is almost like the analogy of the little child that got tripped and he jumps up and he runs home crying to mother and hides behind his mother's skirt, hides behind her mother's skirt. This is almost the same way. They came running home and they hid behind their office doors instead of staying and facing the hard truth of governing and representing.

What we are talking about today is true representation, an ability to represent. I think that is where the big difference is, Mr. Deputy Speaker, between our government and the NDP Government. The ability to negotiate is simply not there.

* (16:10)

I think, Mr. Deputy Speaker, that we have a great province. We have a great province. The Conservative administration faced some hard decisions, in 1988, '89, '90, '91, '92, '93, '94 faced some real, hard decisions. One of the decisions was to balance its budget. At the end

of the day, the decision was made not only to balance the budget but to pass balanced budget legislation that would stop other governments from overspending their revenues if and when we were ever defeated, put that kind of legislation in place and demonstrated clearly a will to recognize that governments have no right to go out and overspend their authority beyond, running to the banks and hiding behind them, hiding behind deficits and telling people, here we are, the saviours, and we will give you everything you need and then walk away from it and leave the disaster to the rest of the province.

Mr. Stan Struthers, Acting Speaker, in the Chair

We demonstrated clearly that that should not happen again. So we sat up a savings account, the same as you do in your own home. At least I think most people on this side of the House have savings accounts. When they run into difficulty or they need to buy a new car, they can go to the savings account, write the cheque out of the savings account and proceed with life. They do not need to run to the bank and borrow more money.

These people are now saying that they should spend more, spend more, spend more. Now, if they would adhere to the principles that the Conservative government adhered to, they would take and keep on adding to the bank account but, when disasters occur or when there is an inordinate need in health care or when there is an inordinate need in transportation or some of those kind of things, Mr. Acting Speaker, I think they could clearly then say, we have the money, as they do now. There is adequate money in the savings account to pay the disaster and then go back to the feds and say, we have done our share, now you cough up. Negotiate, negotiate fairly, but I say negotiate, not go home and cry in your spilt milk. You cannot do that.

So Ontario turns out to be the big winner. I would suspect that Quebec is right behind them and maybe even the other Maritime Provinces. Western Canada, maybe I should not be saying this, but I think I will.

An Honourable Member: Go ahead.

Mr. Jack Penner: In western Canada, there are NDP governments in both provinces in Saskatchewan and Manitoba. NDP governments that chose to run away, run back home, were the big losers, and the other provinces, the other eight provinces, decided: Well, we will develop a formula, and we will continue the discussion. A month later the Minister had to go back to Ottawa and accept what was given to her. The negotiations were open, and we ended up, Mr. Acting Speaker, the big, big loser.

So most of rural Manitoba today, under this administration, is ending up being the big loser. We have some tremendous opportunities that were recognized on this side of the House as real opportunities when the Crow was done away with. We knew, then, that the next thing that would have to happen is that there would have to be a process of regeneration and of change. If we did it right, we would have some very significant economic enhancements that would occur, and I believe we did it right, because, Mr. Acting Speaker, this NDP Government has constantly said that they will go out and consult with the people. We never talked much about consulting, did we? But we did, we did consult with the people through a process called the value-added task force. We went out, and we recognized the changes that were taking place in the economy because grain would no longer be viable to be shipped. All the grain would no longer be viable to be shipped for export. So we have tried to find ways to utilize the grain that was grown in this province.

Mr. Speaker in the Chair

We went out into 28 different communities across this province, and we asked the people: What would you do if you were the decision makers? What sort of programs would you initiate, or what needs to happen? What kind of initiatives can you take to change the economy of rural Manitoba? We did that under the auspices of the Rural Development department. We were a government in 1991 that indicated clearly to Manitobans that we would cause a department to be formed called Rural Development, that would look after the needs of rural towns, rural communities and the people in rural Manitoba.

What did this government do? One of the first actions that they took, they ran. They ran. I think we should call them the party of runners. They ran away from their responsibility. They eliminated the department and put the ministers and deputy ministers into exile. I think that is unfortunate because clearly that sent a clear signal to rural Manitobans that this government was not interested in their needs at all. So the department is gone, and what is going to happen to the value-added initiative? Well, we heard, I think, in some part, what they were talking about when they were discussing value-added initiatives. They were going to, first of all, take a severe and hard look whether we should continue the production of hogs in this province. They said: We do not know whether that is environmentally sound, although the Conservative government had passed probably some of the toughest environmental legislation anywhere in Canada, only a few years ago, when we recognized the need that would have to be made to change it. We knew that livestock would become a big part of our economic base in rural Manitoba. So we passed good, sound, solid environmental legislation, and this government is saying, well, we will review all that. They are going to put in place a livestock stewardship program. Maybe the livestock stewardship program is not a bad idea, but we do not know what is in it.

Then they came along and they said they would develop a transfer program that would see the transfer of small family farms from father to son. Yet when I look at the Budget, there is absolutely no provision for any of that in the Budget. So I guess the young farmers of this province are just going to have to wait another year. Maybe we can cause an election to be called, and they will have again some confidence in Manitoba, and maybe we can then reinstate some rural activity that would be meaningful and help us build the economies of rural communities.

The pork industry is one of those initiatives identified during that round of discussions that we had, but the farmers told us continually that we do not have enough of a processing base in this province and we have to spend a large amount of our income on freight to ship our pigs to the southern United States. So that money that

is used for freight could have stayed here, and it was quite a substantive amount of money.

* (16:20)

So the pork producers got together and came to government and said can we not encourage a major processor to establish in this province, and Schneider's came along and said we are really interested in expanding our facility in St. Boniface, which they did; the former Minister of Agriculture was very involved in those discussions. We helped them with that initial stage of expansion to increase production.

The second thing that the minister did—and he was not very popular for a little while—he said the single-desk selling system must be reviewed, and having made that review, he came to the conclusion that our producers would be better served by having an option to either market to a single desk, if they chose to under contractual arrangements through Manitoba Pork, or they could do contractual arrangements with the processors. Well, I believe that that was a major reason why Maple Leaf processing came to Manitoba, came to Brandon. I think they are currently employing some, what, 1300 people in Brandon, 1200? It is somewhere in the neighbourhood of 1000 to 1300 people who are being employed in Brandon.

I know the members from Brandon would do anything in their power to make sure that that industry survives, and yet during the election campaign, they gave everybody the impression that they were absolutely opposed to the pork industry, as a party. *[interjection]* The Honourable Member for Dauphin (Mr. Struthers) says, Jack, Jack, Jack. I have yet to hear the Honourable Member for Dauphin openly come out in hard support of the pork industry in this province.

The second thing that our former Minister of Agriculture did, he initiated a process that would see the bison herd in this province restored. You know, when I was first elected, I believe we had somewhere in the neighbourhood of maybe a thousand bison in this province, and that had slowly come up because we had allowed some producers to keep some bison and breed bison. I know the Interlake band under Harvey Nepinak,

I believe was the chief's name at the time, asked me down there one time, and we did a large release of the wood bison into the wild. That was part of the agreement, that if they were given the right to keep in captivity some of the wood bison and breed them, that once their herd was expanded to a certain number, they would release some of those to the wild.

Simply, Mr. Speaker, it was an indication that you could do something differently in agriculture than you had done before. The Minister demonstrated to the rest of the world that if you made the right decisions, you could actually create a domestic herd of animals out of a group of animals that were virtually extinct in this province, and he did. We have now, according to the bison producers, between 9000 and 10 000 animals, bison, in this province. Can you imagine what that herd would look like if you released it in the Red River Valley all in one group? and they migrated across? I think some of the native bands would be hard pressed not to go out and hunt some of them for pemmican.

As a matter of fact, Mr. Speaker, I attended a function at the Roseau River Anishinabe tribe on Saturday, and one of the plates that we had was moose meat. It was great. Their hunters had gone out and killed the moose and prepared it, and our feast was moose meat and pickerel and wild rice. It was a wonderful dinner. I sat there and I thought, you know, what if it would have been elk? What if the meat that would have been served by the band would have been elk? Would it have been an elk captured or killed in the wild or might it actually be an elk that had been raised in a pasture and prepared for the guest for dinner that night?

The only reason I raise that is we heard quite a storm of opposition from the opposition members, from the NDP Government, when we made the decision to allow farmers to actually keep elk in captivity and raise them as domestic animals. I only want to indicate this because I think it is important that the members opposite know some of the history behind this, because those are the kind of hard-nosed decisions you have to make when you are in government if you want progress to take place in your province, if you want to change the way we do business. So, hog farms have become a major industry. The

bison industry has become a major industry. There is a co-operative that has been established just south of the Canada-U.S. border that processes bison, sells bison virtually all over the world, and our producers deliver their bison to that plant. It is a value-added, producer-owned co-operative, and it works well. We devised the process under which they could function.

Another industry that is doing extremely well south of the border is the pasta industry, and again the same co-operative process that we looked at, value-added co-operatives, is used over there, farmer-owned companies that have become major, major processors and suppliers of food stuffs to the world. I know when the first pasta plant was built by this farm co-operative at Carrington, North Dakota, many of the people said it could never survive. It cannot compete with the Catellis of the world. Well, this farmers' co-operative has demonstrated that they could not only compete, they could compete very well, and they could actually expand and expand and expand to the point where the Carrington operation has now become one of the largest pasta producers in the United States, all-farmer owned.

Ms. Bonnie Korzeniowski, Acting Speaker, in the Chair

I raise this for a reason. If we are going to see that kind of demonstration of the pork industry, which I think we will because of the many pork producers in my area, small pork producers that had maybe 100 hogs or some of them 200, a few of them 300 or 400, in smaller barns—I drove through the village of Sommerfeld the other day and Bergthal, two villages that are within a mile and a half of each other. I drove into that community and I looked at all the barns, the hog barns, right in the villages. Does anybody complain about them? Oh, once in a while when they are having a barbecue and the wind is the wrong way, the neighbour said it is really too bad that we can smell your hogs. But when you look at the amount of people who are employed in these barns and what value and wealth they create within the community, there is no complaint.

Many of these small barns in those villages are being closed down now. Do you know why

they are being closed down? Because those little producers are forming either little companies or co-operatives. These co-operatives, these value-added co-operatives are what we envision as being a wave of the future causing some opportunity for small producers to get together and make investments beyond their farm that would help them derive an income and support their farm operation, their little farm operations.

Yet I listened very intently the other day when I was speaking on this very issue, and I was called all sorts of things that I did not really expect in this House, being told that it was simply not true that these small producers would be investors. They said it was doctors and lawyers and large companies and corporations that would do this kind of investment. Well, it is not. It is smaller, family operations that are investing in these larger operations, as I think they will in the bison industry, as I believe they will in the elk industry and as they will in many of the other industries.

* (16:30)

When I look at the devastation that was caused in the Red River Valley, and I live there, in 1997, you know, many of us never expected that we would put a crop in. But with the help of many volunteers and many of the government agencies that came along, within a year we were back in business. We actually did put a crop in that year, and it turned out to be a pretty fair crop for most people.

For many of them that were around the St. Jean area that were flooded in 1999 as well, 1999 economically was a much more devastating year for them than '97 had been, because in '97 the flood waters went away and they were able to put their crop in. In 1999, the flood water stayed, because it kept on raining and raining and raining. The fields became saturated and saturated. That whole area east of St. Jean—we call it Lake Roseau—was totally underwater and you could not put a crop in it if you tried. Those people who did, after the seeding deadlines, took the risk, went out there and put their seeder diskers in the ground and seeded a crop, are now saying they would have been much better off if they had never put a disker in the ground,

because it was too late and the ground was so saturated that it would not really produce a crop.

All the fertilizer and everything was gone that had been put in in the fall of the year. So these people are looking for some assistance to get their lives back together. That group in the St. Jean, Letellier, Emerson area have been underwater now four out of five years. This NDP Government is saying, no, we will not support you. We believe it is totally up to Ottawa to bring that level of support to you.

You should, Madam Acting Speaker, talk to your colleagues and ask them whether they would not have some heart and some compassion to change their mind and support the resolution that we are putting forward, because I think this is a relatively good one. This is virtually exactly what we did in the Swan River Valley in 1988. We came along, the government of Manitoba said: Yes, we will support you in the Swan River Valley, and we did. We wrote the cheque and then went and negotiated with Ottawa.

I think that we have a tremendous opportunity, a tremendous opportunity in this whole area of livestock expansion. Part of my constituency is west of the Red River and part of my constituency is east of the Red River. On the west side of the Red River is some very nice agricultural soil. It lends itself well to row crop production. Our temperature is such that we can virtually raise the same thing Ontario can, except for that Niagara peninsula, but basically we can raise corn and beans and all those kinds of things that Ontario raises. So when the sugar beet industry decided to pull the plug in Manitoba, the people decided, well, we are going to have to take a chance, we are going to have to take a risk, we are going to have to make some investments other than what we have done before.

Many of them had just spent large amounts of money because they were sure that Ottawa would come and support the industry as the Americans had done, supporting their sugar industry, that we would have sort of a matching programming under the Free Trade Agreement, that Ottawa would see the negative impact to the Manitoba and the Alberta industry if we just let

them stay out there by themselves. We were looking for some mirror programming, but it never happened. Ottawa walked away, put their hand in their pockets. The Liberals were elected. The Liberals said we do not need sugar production in Manitoba. The industry was closed down, and we in Manitoba took a hard look at ourselves and said, what can we do? We looked at Ontario again and we said, what is Ontario doing? Ontario was into the bean industry to a fairly significant extent.

So some of us started growing beans. The bean industry has grown and flourished. Not only have we seen the farmers make that huge investment, Madam Acting Speaker. The farmers put their hands in their pockets and went out and bought the equipment, invested in seed, invested in combines, because they are all different than grain combines. The cultivator you need is totally different from a grain operation. The cutters, I do not know whether you have ever seen a bean cutter, but it has knives that are 5 1/2 feet long. They are razor sharp. You travel at speeds of up to eight miles an hour down the field and you cut the beans about a half an inch underground. So the bean lies in the field and it dries there. Once it dries, we windrow them. We come along with another machine and put them in big windrows, and then we come along with a bean combine and combine them.

Well, all this equipment had to be re-bought. So we sold for salvage our sugar beet equipment which we had just made huge investments in and bought brand-new bean equipment. It was a huge investment. We took a chance, we took a real chance, and then the industries started coming. Once we started marketing beans, the first beans we marketed, most of them went to the United States. We trucked them to the United States. Believe it or not, the Americans allowed us to bring our beans over there because their industries were employing people cleaning the beans, bagging the beans, shipping the beans, selling beans. So it became a real boom for us. We are close enough to the border that it became viable for us to transport those raw beans over there.

Finally some of our local people said—you know, some of them had seed plants that cleaned commercially cleaned seed grain and that sort of stuff—why can we not clean beans and bag beans

as well? So they did. The Parents at St. Joseph were one of the first ones and the Roy Legumex at St. Jean. They made major, major investments without any government support. Oh, there was maybe a little bit here and there to provide them with a roadway or maybe bring hydro into those plants, but that was all the support they got. They put their hands in their own pockets and made the huge investment to accommodate the change that was taking place in Manitoba. Today I would venture to guess that this year after everything is said and done we will probably have a quarter of a million acres of dry, edible beans planted in this province.

The second thing that is happening in our part of the world is that my neighbour, a small operator, said, you know, I cannot survive on grain, because the price of grain has fallen into disarray, and I cannot, there is no way that I can keep on feeding my family just on grain. So he went into producing pumpkins. Last year, he had seven acres of pumpkins and did quite well with his pumpkins. This year, he is planting 2.5 acres of peppers, and the other neighbour, Mr. Joe Brown, will probably have about 2.5 to 3 acres of—would you like to guess what he is planting? Something that you see in the store all the time, but you cannot grow it here, can you? What is it? *[interjection]* No, it is not tulips. Watermelons. He is commercially raising watermelons, has done so for the last eight years. He started with a very small plot, and he markets watermelons now to Safeways and to many of our big stores in the city. They supply the watermelons. Come end of July, early August, you are going to see Manitoba-grown watermelons in your stores, and they are sweeter than any Texas-grown watermelons that you can buy. They have learned how to do it.

The other thing that is becoming quite prevalent as a small crop is asparagus. And cranby. All kinds of spices are being grown now. My neighbour, Jack Irvine, grows monarda, and I do not know whether—sure, if you are a cook, you know what monarda is, but they grow these specialty crops and do quite well with them. It takes a totally, totally different expertise to do those kinds of things.

So, Madam Acting Speaker, the Crow benefit that we saw and maybe even the flood

helped a bit, helped people change the way they were thinking, because if we could overcome that flood hurdle, they could overcome virtually anything. It built a new character and a new sense of will into these people. They started taking chances, chances on new ideas and new things.

That is why we needed the department of rural development, because the department of rural development had brought in some expertise that understood the dramatic change that was taking place in rural Manitoba. They understood this. They hired local people to staff their offices who understood the agriculture community. They understood the industries, the rural industries, and yet this government, this NDP Government, failed to see the value of maintaining a ministry and a department of rural development. They worked very closely with the municipalities. They worked endless hours to establish better relationships through environmental processes, through negotiations, through forums. I think we need only look at the forum held in Brandon and the success of that, the very success of that in educating people on what our rural people are all about.

* (16:40)

So, Madam Acting Speaker, I simply fail to understand why some of these changes are being made in this government, not really recognizing what they are doing. They really do not, because there was a reason. It had nothing to do with politics, why the Department of Rural Development was established. It had everything to do with providing expertise that the people of rural Manitoba needed.

The Minister of Agriculture (Ms. Wowchuk) now has been given the authority for food-agriculture and food. Yet, when I look at her budget, I do not even see a line for food. As a matter of fact, the line that should be there for food has been decreased by roughly \$2 million. Research, gone. I fail to understand how this group of NDP members think. They need to recognize that this world is larger than just the community of Winnipeg that most of them represent.

I will challenge the members for Brandon, the two members for Brandon, you have a tremendous responsibility. You represent our second largest city, the two of you, and you know what the impact of a processing plant, a hog processing plant is in Brandon. You know what the Simplot chemical plant does for Brandon, and you know who buys or sells all the products that go through those two plants. It is up to you two members to make it very clear to your Cabinet and your caucus members how important those industries are and how important value-added industries are to rural Manitoba.

I think this government truly needs to reassess much of what they have done in regard to the flood victims in this province of Manitoba. I believe that the flood victims in the southwest will have a tale to tell to their children about an NDP Government that was totally heartless. I think the Manitoba flood victims are committed to not give up the fight. I think the article in the *Western Producer* written by Barry Wilson and Roberta Rampton clearly demonstrates how committed these people are. It says: A Manitoba rural leader says the fight for additional aid to flood-damaged southern Prairie farmers is far from over even though politicians in Winnipeg and Ottawa are indicating no deal is possible. No is not an answer, said Ray Redford on May 11.

This Minister of Agriculture (Ms. Wowchuk) and this minister for disaster and the Premier (Mr. Doer) of this province have said that the only answer that they have had so far is no.

Madam Acting Speaker, I think the attitude in southwest Manitoba is clearly demonstrated by the next line. That line says: We intend to take the gloves off.

You know, till now most of those people in rural Manitoba have been busy trying to help each other, both financially and otherwise, put a crop in the ground, that they would at least have an ability to pay their bills this fall and support their families and maintain their communities. They will not take no for an answer.

If it takes four years, if it takes seven years, they will not take no for an answer as the people in the Swan River area during the 1988 flood did

not take no for an answer, as the people in the Interlake—where is the Member for Interlake (Mr. Nevakshonoff)? He knows full well what the situation in the Interlake was when the fire ravaged the Interlake. But they did not take no for an answer and they should not have taken no for an answer, because our politicians, our ministers, recognized the dilemma they were in, and they did have heart.

There was a coalition formed which includes the Keystone Agriculture Producers, the Manitoba Cattle Producers, the Association of Manitoba Municipalities and the Chambers of Commerce. These people represent virtually everybody in that area. That coalition were the ones that demonstrated clearly because they joined in one group. They formed that south-western coalition, and they came to the Filmon administration and said: Can you help us? We are facing a disaster. Can you help us?

The Filmon administration said: Yes, we can.

Then after, that fall they got through. They were able to keep their families on their farms. In spring when seeding time came, they came to the NDP Government. What answer did they get there? The answer was a flat no.

The Minister of Agriculture (Ms. Wowchuk) has a responsibility to look after her producers. She has been given the authority and the mandate to support our agricultural producers and our farmers, and yet she has constantly blamed Ottawa for not coming to the table with a proposal. Well, I say to you, Madam Acting Speaker, that it is up to this minister to take forward the proposal and put the money on the table and say we are here.

An Honourable Member: We did.

Mr. Jack Penner: She said, We did. Where in the Budget is that demonstrated? Where is the money? Where, Madam Minister, is the money? There is no money in the Budget for disaster assistance to the southwest or any other part of the province. I think that is clearly a demonstration of how absolutely heartless that NDP government is. I think they need to clearly—*[interjection]* Madam Acting Speaker, \$71

million was spent on supporting the people that were caught in a dilemma that they had no control over. We put in place \$71 million, and we clearly made it known that we would use—*[interjection]*

The Acting Speaker (Ms. Korzeniowski): Order, please. I would like to remind the members to please have a little respect for who is speaking.

Mr. Jack Penner: Thank you very much, Madam Acting Speaker. I think that the Minister clearly needs to rethink her position. I think the Premier (Mr. Doer) needs to direct his Cabinet to make the decision to do what we did.

* (16:50)

We said clearly to Manitobans that the money that would be used to support the southwest Manitoba farmers and the southeast Manitoba farmers would come out of the Fiscal Stabilization Fund. That was clearly indicated. We said there is money there. We do not have to go borrow money. We do not have to go to Treasury Board. The money is there. We can use it to pay out that money.

This government, the NDP, when they were elected they decided no, no, no, we want to demonstrate how poorly the Conservatives managed their affairs, and we will pay it out of an appropriation of government. They, of course, had that choice. I mean, it was there, but it was their decision, not the Conservatives' decision. So it really had very little effect on the Budget. Yet this minister sits there and natters on to her colleagues and they laugh about the seriousness of the situation. I think that is very, very unfortunate.

I think, Madam Acting Speaker, that what the ministers have said to the association is unfortunate in many ways. The strong words that followed a failed meeting in Ottawa between senior federal and Manitoba ministers, Manitoba transport Minister Steve Ashton emerged to say that Ottawa had rejected all proposals for new spending, as federal Defence Minister Eggelton had indicated the previous week before at the Agriculture committee. In Winnipeg, Agri-

culture Minister Rosann Wowchuk offered the same pessimistic view. I think this is a problem.

They all really are a group of pessimists. I think it is time that they took a positive approach and developed a positive attitude, because people in rural Manitoba do have a positive attitude. She said, no, no, it really does not matter what we were prepared to put on the table, the federal government is not putting anything, and we cannot do it alone.

Well, Madam Acting Speaker, I say to you that our Minister of Agriculture, our Minister of Resources and our Minister of Government Services decided in 1988 in her own backyard not to take no for an answer, and we did go it alone. Then we negotiated with Ottawa. That is how we came to that agreement. I think that this minister simply does not have a choice but to come forward. I would say to the honourable federal members of Parliament that they also have a responsibility.

I think we have one of the lead ministers in Ottawa, the foreign affairs Minister, who is a resident of this province, who should go back to Ottawa and explain to his colleagues that these people in Manitoba deserve the same kind of assistance. The Minister of Agriculture (Ms. Wowchuk) is correct in many of the statements that she has made that they need the same kind of support that we have seen given to people in Quebec, people in Ontario during the ice storms and in many other parts of the province.

The disaster program has always been there, and I believe that the people in Quebec also received some special consideration. The people of Ontario received some special consideration through federal initiatives. I believe the people in the Red River Valley did through JERI programs, through the restart programs and to the reseeding programs, those kinds of things. I think they can be reinstated again in this province. I think that this party on our side, this opposition party is quite prepared to sit down with the Minister, to sit down with our federal counterparts and negotiate a program. Like I have said before, we have some members on this side of the House that are very good at negotiating, and they will help you if you only

want their assistance, because we do have the expertise.

I want to touch a little bit about some of the things that were included in the Budget. I want to talk a little bit about some of the things that the people in this House said right after the Minister met on the steps of this Legislature when the delegation from southwest Manitoba came to the Legislature to ask for support. All the media indications were that they had encountered a very friendly, very gentlemanly conducted group of people that were sincere in their request for support. They have made it very clear that they did not come for large handouts that would be deemed unnecessary. They only wanted support for their children to maintain them when they are at their schools, to be able to keep on building an economy that would maintain hospitals in their community, to keep on supporting a community that would see arenas being utilized in winter with enough young people to play hockey and exercise their sporting rights.

Mr. Speaker in the Chair

I think we only want the same thing for those people, but like I said, the huge losses that they incurred in 1999 will take them years and years to recuperate from. I just wonder what many of the members of the Legislature here would have said in this city of Winnipeg and how they would have reacted if the big Z-dike had broken and the city of Winnipeg would have flooded. I just wonder whether the answer would have been no, our province is not going to initiate anything, it must be Ottawa that must initiate.

I wonder if the response would have been the same. To all the members sitting here that represent seats in the city of Winnipeg, I say to you, in all sincerity, I think you have a real, real consideration to make here because there will be a flood some day that will threaten our dikes. You might still be alive, and as a matter of fact you might still be members of the Legislature, and I challenge you. Think about that and see what kind of decision you will ask for then of the Conservative government in power at that time, because I truly believe, ladies and gentlemen of this caucus, that this government that sits here today, this NDP Government, is a

very short-lived government. I think if they keep on acting the way they are acting, the people of Manitoba will see that they are the heartless group of people that cannot support those that are in dire, dire need.

I assure you of one thing, that if the dikes would have broken and if there would have been major flooding in the city of Winnipeg, I assure you that the people from southwest Manitoba would have been out here to help immediately. They would have given their very last, as they did in the rest of the valley. We were never more humble than we were in 1997, never more humble in the Red River Valley. When you had flocks of people come in from all over the province, from southwest Manitoba, from northern Manitoba, from eastern Manitoba, they all came to the valley and they all offered a hand. Those that could not come put their hands in their pockets and donated to funds through the Red Cross and what-not-all. Those organizations did a wonderful, wonderful job of helping, as they did in southwest Manitoba.

It is only this provincial government and the federal government that somehow are so close to each other they cannot see the water for the lake, and cannot identify between a real disaster and a big rain. But I think that that is where the problem lies. If you had had houses up to their roofs in water, I think this NDP Government would not have had the guts to say no. But now they do, because it took away a livelihood. It did not take away a living quarter. It took away a livelihood, and that, in many respects, is much worse than taking away a living quarter. A living quarter can be replaced very easily. It takes a bit of time, but it can be done, as it was done in the valley many times. But these people have no money, they have no income, they have nothing. Their jobs have been gone for a year. Their revenues, their incomes are gone. They have nothing, and this government sits there and blames somebody else for their dilemma. I think, for that reason, that you need to strongly reconsider your position.

*(17:00)

I would truly hope that all the members on that side of the House, on the Government side, would truly bend and truly make an offer to the

federal government to initiate a program that could be cost-sharing. Now, what kind of program could be used? There are all kinds of programs. You might even devise a brand-new one, as long as it supports the little guy supporting his little children to keep them in school, in giving them an income that will maintain that school. I was really worried when I saw one of the newspaper articles not too long ago that indicated there might not be a school in the Melita-Waskada area, because too many people were being forced to move out. Virtually, all these farm families have children, and I say to you that, if you want to maintain an educational system in rural Manitoba you had better see to it that there will be kids to attend the school. If you do not, many of these children will be forced to travel miles, and miles, and miles by bus.

We have some children in southeast Manitoba now that spend more than an hour and a half every morning, and an hour and a half every evening on a bus. Can you imagine a six-year-old child, a five-year-old child spending three hours a day of his young lifetime on a bus, travelling to an educational facility? Is that fair? No parent in this city of Winnipeg would stand for that. No parent in most of the towns in rural Manitoba would stand for that, but rural people must.

So, if we can maintain small schools, as small as they are, and provide them with the technology, provide them with the computer technology that has been devised to provide those kids with the same expertise that other children have access to, then you could probably have one instructor utilizing the technology. YNN was just mentioned here, with a perfect example of how private industry can co-operate to integrate a system that can be used by those people. I know taxpayers have said our spending is up to the limit. We are not going to spend anymore. We are not going to take it. We are not going to take any more taxes.

So, when private entrepreneurs come along and say we can partner with you, we can help, why do we not take those offers? The same as we did during the 1997 Red River flood. When the Red Cross came along, when others came along, when chambers of commerce and other

organizations such as Mennonite Disaster came along and said: Look, we know this is a huge expenditure, but we can partner. We have a way of raising money and we can put that money to good use to help rebuild, and they did. Similarly, I think you can use that same analogy that if we have an education system that is lacking funding—and I know this Minister of Education (Mr. Caldwell) has time and time again stood in this House and indicated how much more money he has given to the education system. Well, my school divisions are saying the exact opposite. They are just not seeing the money.

In our part of the province in the Rhineland School Division, I was told that it amounted to less than a dollar of additional spending, and I do not understand that. They said there would be significantly more money to the kids, but the way the formula that they have devised works, these school divisions, such as Rhineland School Division, receive virtually nothing. Now they are even questioning whether they will be able to keep the adult learning programs that they have developed in their own towns.

I know that the Morris School Division did a marvellous job. As a matter of fact, the graduation exercise by, I believe, 186 students that graduated from the computer technology courses just this last week was held on the River Rouge. They went on the River Rouge. There was 180-some-odd. I do not know exactly how many. I think it was 186 kids that went on their final graduation exercise and are going to receive their Grade 12 graduate certificates. It was all done in their own homes, because they could not afford to go to universities. They could not afford to be resident at the private high schools or get where they could board, where they could find room and board, so they did it at home. It worked wonderfully.

I would seriously say to members opposite, before you truly make the decision not to partner with private enterprise to provide technology to those kids in rural Manitoba, think long and hard because the depopulation of rural communities is a very, very serious problem. I would seriously ask you to reconsider the YNN program because it is a good program, especially with the changes that have been made now.

I want to spend a bit of time talking about the programs that were initiated during the Red River flood such as the Jobs and Economic Recovery Initiative, the JERI program. It is a federal-provincial cost-shared program designed to help restore economic activity to pre-flood levels and to prevent permanent job losses in flood-affected areas. It addresses the special challenge facing small business, farms and non-profit organizations hit by the 1997 flood. All assistance available is subject to the total funds that have been committed by the federal and provincial governments to the JERI program. Within the total funds available, every effort will be made to provide sufficient assistance to eligible applicants to ensure the economic activity is restored in the flood-affected areas. There are three components to the JERI program.

I think that is the kind of wording, Mr. Speaker, that the people in the southwest and the southeast are looking for from this government. That is the kind of wording they would like to hear from this government, from these ministers. Then we could go on and say the Restart program, which I talked a little bit about before, was an advance from the business recovery program to get assistance quickly into the hands of flood-affected businesses.

I say to you, Mr. Speaker, that that kind of an initiative helps build morale in a community far faster than anything else, and when this program was announced, the Business Restart program was announced in the Red River Valley, it just brought a new attitude to the towns and villages and the farms. But it was done jointly. It was a 50-50 cost-shared program. If we could ever announce that kind of a program, make that kind of announcement in Brandon and Waskada, Melitta, Souris, all those small communities that were so immensely affected by the 1999 flood, I think you would have dancing in the streets.

Business recovery provides for assistance to business, farm operation and not-for-profit organizations that suffered directly related to the flood or incurred business interruption due to evacuation or inaccessibility because of road closures and the likes. This program provides

financial assistance of up to \$100,000 to those businesses that had their business interrupted.

I say to you that probably some of the largest sufferers in this whole flood are the small businessmen in many of these communities. We never hear from them, but if their revenues decline by 60 percent or 70 percent or 80 percent because there is no money in the community to buy stuff, how can they survive? How can their families survive? What is going to keep them there?

The Business Restart program was announced in the Red River Valley because the politicians at that time, the two levels of government, decided that we must help these businesses get back into business, and this includes the cost of re-establishing the business including temporary relocation cost and extraordinary start-up cost, and that was done for the livestock producers as well. Many of the livestock producers had to evacuate whole herds of pigs or chickens or dairy cows.

* (17:10)

I remember my neighbour brought semitrailers in and backed them up to his backyard. I will never forget when the Hoolees had to move their whole dairy herd. They moved out west to higher ground, found a barn, a vacated barn and milked their cows over there, moved virtually their entire operation over there, brought feed grain in. Had it not been for provincial assistance to those kinds of producers, they would simply have not been able to provide a living. That assistance really kept them in business over the next two years, because the Hoole brothers told me that it would take them almost two years before their dairy herd was back into full production.

So animals do suffer immensely when you have to move them out and move them back in. Animals know where their home is. They know their home barns and they even know their own stanchions in a barn. You do not have to direct them; they always walk to the same stanchion. So when their whole life is disrupted, they go off production. When they go off production, they, of course, create no livelihood for the operator, just an expense.

So this program was devised to help those kinds of people to recover and reinstate their business. This includes coverage for all reasonable costs of repair or replacement of buildings and other physical assets at depreciated cost, replacement of damaged inventory, clean-up related to physical damage and others. This also covers business costs incurred during interruption including fixed overhead, operating expenses and economic losses related to the replacement of inventory including livestock.

I do not know whether you realize this, but once you move a chicken herd out of a barn you might as well ship it to market, and virtually all of them were. They were just simply put in the marketplace. So when the flood was gone, the chicken barns were cleaned out and disinfected and so were the hog barns, all disinfected and whitewashed, so that the diseases that might have floated in by floodwaters, brought in by floodwaters, and other animals that floated in were done away with to ensure that their herds were as disease free as they had been before.

I know the honourable members opposite chuckle at this because they do not understand this. I do not expect them to understand this, but it is reality. It is a cost far beyond what is visible to most people, and the same thing applies to southeast Manitoba where two of the municipalities now have the largest cattle herds in all of the province of Manitoba, Piney and Stuartburn. They have a larger cattle herd than any other municipality in all of the province. When their alfalfa fields dried up after the flood, they died; they had no feed.

So the Province's initiative to the forage restoration program that the then minister of agriculture announced kicked in and helped them to re-seed their forage crops so that their cattle would have feed. Those producers that did not have enough feed stored for a year's overlay were provided with enough assistance to allow them to go out and buy additional feed supplies to ensure that they could carry their herds over the winter.

I say to you, Mr. Speaker, that those farmers are there. I visited a fairly large beef operation,

cow-calf operation, in the southeast the other day. They ran about 700 head of cows until this spring and they sold off half their herd, because they were out of feed. They had to sell off half their herd, but they kept roughly 400 cows. They were able to buy enough hay to keep them over until now, and then they will put them back on the pasture. If they are not able to re-seed those fields and raise a hay crop this year for the cattle, they are going to for the third year in a row have to supplement their cattle herds with feed. And I think that is one thing our members opposite, the NDP Government, does not understand. It is a long-term commitment that is made by a producer of either cows or pigs or chickens, livestock, to keep them in business, and the people out in the southwest part of the province are no different.

I had a call the other day from a farmer whose pasture last year had been totally inundated, and he has no pasture left. He had to buy feed. He was now looking for pasture for his cows and he is looking for the compensatory package that the then minister of agriculture had announced, that we would help him restore his pasture. And he now gets a response from this new NDP Government that, no, there is no program. There is no program. Even though the program was announced, now, all of a sudden, there is no program. Can you imagine anybody that has a hundred cows and has no pasture and has no money to buy feed? What does he do? He has to divest himself of his cow herd and go look for a living somewhere else. That might mean that he has to move off the farm.

The JERI program was announced, and I think it worked extremely well to help people restore. That, by the way, to the NDP members of the Legislature, was a 50-50 cost-shared program. Fifty percent of the dollars came from the Province and fifty from the federal government. Who announced it? The federal government announced it. We said, sure, we will cost share that. Yes. That was a 50-50 cost share, not a DFA program. It was not done under DFA program. It was an outside program.

The second one was the Business Resumption Loan Program. The Business Resumption Loan Program will assist businesses with immediate cash flow needs that cannot be

postponed if the business is to continue operating. This program will provide interest-free financing to meet the short-term cash flow requirements and to finance the difference between the depreciation and replacement cost of the assets. Assistance will be determined on the basis of demonstrated need to a maximum of \$100,000 repayable on an interest-free basis. Can you imagine, if you were a businessman in any one of the towns that were hit by the flood and you have no income, what you would have to do? You would have to sell, walk away and go find a different means of income.

Our government said: We will lend you the money till you get restarted and get back into business. Then you can repay the loan without interest, no interest costs. So we went out and announced that kind of a program. I think it was a huge success. What did we do then? I think we said right after that the repayment terms will be flexible enough and tailored to the needs of the individual business. In other words, we will not go after you to pay down the debt until you have a means that would facilitate it, while allowing you to maintain support for your family. So we did that.

The eligible cost included the difference between the depreciated and replacement cost of capital assets required to restore the operation and the related employment to pre-flood levels. This would include equipment, furniture and fixtures, buildings and facilities. Extraordinary start-up costs and operating costs are also eligible. And remember, all of this was to a maximum of \$100,000.

Some examples might include restoring stock. I will never forget the day that the Gallants in Letellier moved back into their grocery store. I and the RCMP and some natural resource officer were at the store and helped them restock their shelves. The two people who owned the store came along and said: Well, over here you have to put condensed milk, and over here you put the peas, and you put them this way so that the labels—I will never forget that. I never stocked a store shelf. I learned how to stock a store shelf. I learned something new. It was good experience.

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But these people had no end of appreciation to the Government of Manitoba and the federal government for having jointly initiated this kind of programming to allow them to restart their business after they had been evacuated for six weeks. They still talk about it in those small towns.

All the assistance is net of insurer's benefice. In other words, if you have an insurance scheme that covers those losses, then this program would not kick in, except if there were additional extraordinary costs that were part of the recovery program.

Then there was the Economic Recovery Program. The Economic Recovery Program was aimed at associations, chambers of commerce, community-based organizations and not-for-profit organizations that had been affected or which represented communities that had been impacted by the 1997 flood. The program assisted communities or regional efforts to offset the impacts of the flooding. Assistance which was provided would not exceed more than \$50,000. It was to a maximum of \$50,000. The applications for less than \$1,000 were also not considered. All reasonable costs for projects involving broad-based regional community and industry would qualify, and efforts aimed at offsetting the economic impact of flooding for those communities or industry. Examples could include tourism, advertising and promotion of programs for community economic development activities.

I want to just briefly touch a little bit about the application programs and how you applied for this JERI program. I think it is important because I think this government should really—I am not sure whether they have—take a serious look at this JERI program. I think it had all the elements that would be required to meet the needs of southwest producers. I think that still would prevail.

The applications for the JERI program will be by individual appointment with an officer from the Canada-Manitoba business restoration office and you will need to gather certain business information prior to making any

appointments. To speed the application, we require that you bring the following information to your appointment: your most recent financial statements and/or income tax returns, a description of all the activities undertaken or to be undertaken to bring the business back to pre-flood levels, detail of capital cost incurred, including original receipts, a third-party estimate of future capital costs with as much detail as possible, and a documentation on the type and amount of flood-related assistance applied for and received to date, such as the Restart program, the emergency measures program, the crop restoration program and insurance proceeds. They all needed to be identified, information of any flood-related loans including amounts, institution, duration of the loan and the interest rates.

I think, Mr. Speaker, that this process, if this government had a will, could be announced tomorrow. There is nothing in this program that is inordinate or irrational. Quite frankly, because of the federal government participation in this, if the Government tomorrow morning announced this kind of a program in this House or tomorrow afternoon the Minister would stand and announce this kind of program, the federal government would not have a choice but to participate at the same level. That is what we have been trying to tell the Minister.

I think that is the problem that we have had in this Legislature in trying to get the Government to understand and the NDP Party to understand, that there are inordinate needs out there that need to be addressed that cannot be or have never been addressed by the DFA program. I found it most interesting, and although I excused him because he was new and probably had not been properly briefed at the time when he made the initial statement, but the Minister of Highways (Mr. Ashton) got up in this House and said it had to be DFA, it had to be DFA, it had to be DFA.

We would have all appreciated, all taxpayers in this province would have appreciated if the federal government would have picked up 90 percent of the cost of the total Red River flood. Everybody would have appreciated that. But it was not to be. So a major amount of money was put forward by the provincial government. Those

members who sit on Treasury Board can look at the records. They know exactly what was spent. If they do not, they can ask their departments for the amount of money that was spent on the Red River flood.

Similarly I think the records will still show that the amount of money that was expended in the Swan River Valley and in the Interlake during the fire are all on record as well. This is public information and can be accessed by any one of you on the Government side. You are, after all, the Government.

I find it very interesting that still to this day, when something a bit controversial comes up, then the ministers point to this side of the House and blame this side of the House. I will tell you, Mr. Speaker, if they do not want the responsibility of governing, most members on this side of the House would be only too willing to step in and take their place tomorrow. I would assure you of one thing, that if that should happen the members that were affected by the 1999 flood would have a great deal of comfort, because they would know that we would make a decision to support them. There is no question in my mind that that would happen.

I find some of the things that have happened lately, in agriculture especially, rather interesting, some of the announcements that have been made in agriculture. I looked on the Internet the other day and did some research as to what some of the American programming was to support agriculture. Do you remember when—and I talked a little bit about it before, about the Crow benefit and when that had been done away with—the free trade agreement was announced? It was an agreement between the United States and Canada. There were a lot of certain parameters that were put in place that indicated you could not subsidize and you could not support in certain ways or put too high a tariff on or use restrictive measures at the border to prevent products from coming into this country as a measure of trade protection, and, Mr. Speaker, the members opposite railed long and hard. The NDP Government of this day, the members in the Government today railed long and hard against the Free Trade Agreement. Yet since they took office I have heard very little about the huge increases in spending that the Americans

are giving to their farmers, and this province will not even support the people out in southwest and southeast Manitoba in its attempt to recover from a disaster.

The American government in the last estimates on the Internet are now at roughly about \$22.5 billion of support to agriculture, and that is an increase of about \$14 billion over the last year and a half, and a lot of it is done under disaster aid. Remember that disaster aid is green under the Trade Agreement. The Americans have challenged our exports of cattle into the United States, and we won the case. They have challenged our exports of wood supplies into the United States, and we won that one. They challenged our exports of pork and hogs into the United States, and we won that one. Continually they are raising the thermometer setting, and it puts our farm community in a very difficult position.

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We have canola seed coming into the Altona plant now, and for awhile roughly about 33 percent to 40 percent of canola processed at the Altona plant was American sourced, which was fine. I mean, the marketplace in Canadian dollars was relatively the same on both sides of the border. However, that American farmer received an additional two dollars and a few cents a bushel when he went to report his marketing from the American government. So our producers in this province were disadvantaged by roughly between \$90 and \$100 a tonne. Just last week, they announced a further 25 cents a bushel which is roughly about \$10 a tonne increase of that subsidy to those oilseed producers in the United States.

That is going to cause a real difficulty for farmers in this province and indeed western Canada. What I find interesting is that every time we talk to Ottawa, and I know our minister shares this concern, about the additional subsidization that is going on in the United States and in Europe, Ottawa simply says we cannot because it is going to be either trade pink or trade red or trade something, and yet the Americans have no fear of retaliation by the Canadians against them. I guess the theory that has been expressed here or the analogy that has

been expressed here on a number of occasions is be careful when a mouse sleeps beside an elephant because when the elephant rolls over there are detrimental consequences.

I think that is what is happening right now under the trade rules that are being, in my view, countervened by the Americans, and I think, as members of the Legislature, every time we get a chance to we should meet with our counterparts from North Dakota, Minnesota especially and Montana as the former Minister of Agriculture and I did last summer in a three-day conference that we attended with legislators from Montana and other states, North Dakota, Minnesota, South Dakota, bordering Canada.

The conference was largely held to discuss the trade issues in livestock and cattle, specifically cattle, because I understand the Montana producers had been pretty adamant with their two senators that they needed some border actions, and I know that the two senators from North Dakota similarly last year, last spring announced that there would be further actions on the border by their producers. I think that clearly demonstrates to me that we from time to time also need to make hard decisions. Sometimes we need to maybe set aside some of these initiatives that have been taken and just ignore them and do our thing.

Mr. Speaker, the reason I raise that is because many have said that if we support agriculture in the southwest area and if we support the cattle producers in the southeast to restore their livelihood, it will be deemed or seen by our American friends as trade distorting. I say to you that I think there are times when you set those kinds of things aside, you take the action to ensure that flood remediation can be done. We make the case that it was a disaster and that it was done under the rules of a disaster agreement. I think that can be done, and we should do it time and time again.

I think we have some marvellous opportunity in this new millennium. I challenge this NDP administration. If you look at the pamphlet put out by the University of Manitoba, you will see right at the front of it agricultural pictures. There is a semi-trailer loading grain on a farm. You know, it was not very many years ago that

you would have seen a semi-trailer being loaded on a farmyard. Most of the farmyards, quite frankly, are too small to turn a semi-trailer around. We are now, on our farm, constructing a new yard basically because we have not got room for the big trucks to turn around in the old yard. So we are going to consolidate four grain storage areas into one. We will make sure that you can turn around a B-train on that farm and load it.

Do you know what that means, Mr. Speaker? It means that the large elevators that are being built today might be in serious trouble within a decade, because most of the farmers today build storages on their own farm and they have enough capacity to store their entire production on their farm. Why should they pay storage in one of these concrete silos, pay double storage, when they are already paying for the storage on their own farm?

What you are going to see is an initiative by these farmers. They will bring B-trains in. They will buy B-trains and deliver their own commodity directly to market, not just to the buyer and seller, not just to the grain handler, but directly to the market that they serve. I think we are right next door to that.

So, you know, many of the grain companies right now are using a program of rationalization of the industries. I just heard Sask Pool, the other day, was going to close 130-some odd elevators this year.

Well, it is a rationalization. Instead of those little wooden elevators that they have in every community, they will disappear and you will build one large, huge, central silo-type operation. Who is going to pay? The farmer is going to pay. Who are they going to serve, the needs of the farmer or the industry? We are not quite sure, because the industry demands certain qualities of grains at certain times. I think that many of our farmers today have the technology to segregate grains right on their own farms maybe even better than those large grain companies.

Ten years ago you would not have seen a moisture tester on a farm. Today it has become a must. I would not be too surprised that within a couple of years you are going to see protein

bin. They will tell you exactly what the qualities are and they will market based on that protein. I think it is right next door. If the cost of the protein testers would come down slightly right now, we would probably, on our farm, buy that protein tester.

I think, Mr. Speaker, the reason I raise this is because it is directly related to the issue that we are debating here today. The farmers in southwest Manitoba or southeast Manitoba, no matter what kind of industry or business they are into, have made huge and vast changes in their operations. They have made the investment and yet when they face a disaster where it threatens their livelihood, this NDP Government has not had the heart to support them. You cannot leave them hang out on their own. You cannot do it because you will collapse the economy in those communities. These farmers will keep on making the investments. They will keep on spending money and supporting their local industries, their local manufacturers and their local retail outlets. If we encourage the growth, if we would have kept the department of rural development and caused it to grow, given it the financial support that this government should have given it, we would have seen I think even major other developments take place.

But it is not happening. This NDP Government for some reason thinks that you have to be small, really small, and I would suggest to you, Mr. Speaker, that even the word "small" has changed. The meaning of "small" has changed today. A small farmer 10 years ago was probably half the size it is today, a small farmer is today, and those of you who have relatives on the farms know that.

So we need to take that all into consideration. When we make decisions, whether it is dealing with the environment, dealing with the pork industry, the poultry industry or the beef industry, you need to realize that the economies of scale have shifted. If we will not allow those people the right to make decisions based on the economies of scale, we are not going to have rural communities. There is no question in my mind. I see too many young farmers leaving the farms today. It used to be that the retired farmers would leave the farm. They would leave their

farm to the family or would sell it to a neighbour. But it is not the retiring farmers who are leaving the farm anymore; it is the young farmers. They are well educated, they are university trained, they know their economics, and they are good businessmen. They are good businesspeople.

* (17:40)

My next door neighbour is one of them, and I think it is sad because they are a great couple. They are industrious. They want to get ahead, but he told me last week, he said, I am sorry, I just cannot stay here. So he is going to go and get a job off the farm. He is going to take his family out of the community, two less kids in the school, and that is the problem. There needs to be a recognition of the economic contribution by the farm community to the rural communities to sustain some form of community life in rural Manitoba.

When I look at the information provided by this government in its Estimates, I think it becomes clear that they have very little recognition of the real needs of rural communities. I have never seen a Conservative administration do what this NDP Government did. To take \$10 million out of capital construction of our road system is nothing short of a clear indication to those rural communities that depend on a road system for a livelihood, a clear indication of abandonment, because \$10 million would go a long way to rebuild some of the roadbeds that are severely suffering because of these huge B-train loads that are coming off these farms today, helping to rebuild these to sustain that transportation system.

I say to you members of the NDP Government: Make sure that you assess properly what you have done today because it will reflect on what you do again next year. Next year you are going to have to put \$20 million back into your Highways budget just to catch up to what you have set aside this year; \$20 million is going to be required in capital just to address what you did not do this year.

If you make the decision not to reinstate that \$10 million next year, you are going to need \$30 million the year after. Where are you going to take it from—health care, education, social

services? Think about that. If you do your budgeting correctly and you maintain a cash flow, whether it is in business or in government, when you decide at some point in time to pull back in one area on a farm, it does not take very long that part of the farm collapses. The same thing happens in government. If you do not support your infrastructure properly, whether it is building water pipelines or highways to service those communities or indeed hydro lines or telephone lines. I know they will jump up and scream: Well, you sold MTS, but if MTS does not keep up its infrastructure, they will collapse this service.

So I say to you NDP Government members that you need to understand this because rural Manitobans do, and the businesses depending on your decision understand it as well. I think there is a program that was initiated by the Conservative administration in 1988-89 that has served many of our rural communities really well. It was done again as a partnership between the federal government and the provincial government.

Our Water Services Board took it upon itself to start the construction of regional water treatment plants. The reason I raise this is because it is extremely important when you have flood-kind of disasters happening because water, whether you live in a flooded area or not, is of key importance. I think the situation in Ontario now just demonstrates how important it is to be able to maintain a clean flow of water to the various communities. So the Conservative administration of 1988-89 made a decision that it would allocate more funds to regional water construction initiatives. They went to PFRA and asked PFRA for matching funds. Well, PFRA said: Yes, we will do this.

I remember going to a conference in Saskatoon that PFRA had initiated, and they asked me to speak at this. So we talked about how you could set up a series of pipelines in various communities to serve the broader need because many of the water supply systems in rural Manitoba, especially in the southern part of rural Manitoba where it is so badly salinized because they took all their water out of dugouts in a pond. They were so saline that very often small pigs would die of diarrhea because there was too much salt in the water.

So we went to the municipalities and said: If we put this kind of a program in place, would you cost-share on a one-third, one-third, one-third basis this kind of initiative? The municipality said yes. So we built regional plants at Sanford, Headingley, Altona. The Altona plant, by the way, serves Elie. The Altona plant, by the way, serves the communities of—it is not the Altona plant; it is the Letellier and Morris plant that serves the communities of Emerson, Dominion City, Letellier and St. Jean and Arnot and Morris and Rosenort and Rosetown and Sommerfeld and Halbstadt and St. Joseph and Neubergthal and Gnadenthal and Blumenort and Rosetown and Winkler and Morden and Schanzenfeld. It even serves now Morden, because the new hospital being built between Morden and Winkler is going to be serviced out of the plant at Letellier. That is where the water is going to come from. So we are pipelining water all the way from the Red River to Morden and to Carman. Carman is going to be served by a new plant at the Stephenfield Reservoir.

Did that ever happen before? No. The NDP governments of the day did not even know that this could happen.

An Honourable Member: Will we see it happen again?

Mr. Jack Penner: Never, not within the next four years, but I guarantee you after that we will.

I want to talk a little bit about the needs for proper infrastructure beyond roads and water and schools. We have made a great effort in our last 12 years of governing in this province to ensure that there would be a proper health care system in rural Manitoba. This government is now putting out the views that, well, maybe rural Manitoba's hospitals are overbuilt. They are telling us that they are not going to have enough funds to maintain the hospitals that are currently in those communities, especially in the south-west.

* (17:50)

I will never forget when I ran in 1988. The community of Vita had for years and years lobbied for a new hospital. I walked through that

hospital and it was raining cats and dogs outside. I walked through that hospital, and there were seven pails and three tubs standing in the corridor catching water that was coming through the roof. The NDP simply refused to build a new facility. It was an absolute disaster. The plaster was falling off the ceilings and the tiles were falling off the ceilings and the nurses could not even walk into the rooms to—

Mr. Speaker: Order, please.

Point of Order

Ms. Wowchuk: Mr. Speaker, I know the hospital at Vita is a very important issue and health care is a very important issue, but today we are trying to pass a resolution on the crisis in the southeastern part of the province. I would ask you to remind the Member that this is an agriculture resolution and a very important issue. I ask that he speak on the topic.

Mr. Speaker: On the point of order, I would ask the Honourable Member to be relevant to the topic. I am sure he was just going to go back to the agricultural area that he was speaking on.

* * *

Mr. Jack Penner: Mr. Speaker, I thank the Honourable Minister for the retribution, but I say to you this, that hospitals are probably more important to people in those areas that were flooded, smaller community facilities to serve the needs during those times than anything else, because the mental state that people find themselves in during those times of need are severe. If you have no facility to serve those communities in their time of need, then I think the current government does not recognize the reality and the severity of the situation.

In Vita, this NDP administration that was there in 1988 when they were defeated had refused to recognize that need to build those kinds of facilities in that community. When we took over office that community came to us and said, look, we have the same needs as people do in the city of Winnipeg, as they do in Selkirk, as they do in Steinbach, as they do in Brandon or any other communities. We have the same needs. We need a new hospital because we do

not want our patients to drown in their beds during time of rain.

So what did we do? We made a decision, Mr. Speaker, that the disaster that was imminent in Vita was a health disaster created by the NDP, so we fixed the disaster. We walked into that community and said, yes, we will stand by you.

An Honourable Member: And by them we stood.

Mr. Jack Penner: So we started building—well, you know, Mr. Speaker, it was almost ironic. By 1990, the floor was completed, and the election was called. Do you know that that hospital came to a standstill during the election campaign because somehow somebody had got through and said we are not going to build this hospital. We said: Well, if you do not it will be another disaster, and then what are you going to pay? There will not only be a flood inside, there will also be a flood outside because those people will have nowhere to go. So I think you need to recognize how closely interrelated a hospital is in a flood area. The Vita area lost virtually all of its hay production capacity during that flood, and had it not been for proper medicare that these people were in need of, it would have been a much worse disaster there.

So we built the hospital, and we built a personal care home, and it serves the needs of the community well, as it does in Altona, the new hospital built there, as it will in Winkler and Morden when that is finished. You need the capacity to serve those people, especially in their worst days when they look outside of their homes and they see everything under water, or they see everything burnt around them, and the members for the Interlake should know what that feeling is like. When you have disasters, you need somewhere to put those people within a short distance and time.

So I say to you, Mr. Speaker, when I talk about health care, I talk about the flood situation. When I talk about the flood situation, I talk about the need for proper health care and proper diagnostic facilities that are able to counsel and help people deal with the crisis that they are in. If this minister and this Premier (Mr. Doer) of this province and all of their NDP Cabinet

help people deal with the crisis that they are in. If this minister and this Premier (Mr. Doer) of this province and all of their NDP Cabinet members and their backbenchers would have stood tall and said, yes, we support what we did in the Red River Valley, we support what happened in Ontario, we support what happened in Quebec—and it was many times joint efforts between the two governing bodies and the communities—we support that. We will support it, and we will support those who are in dire need. Then I say to you the need for that health care facility might not have been quite as great, and the need for the counselling that we see constantly now going on there might not have been quite as great.

So I say to you have a heart. I say to you, Premier, have a heart, Mr. Premier, because I believe, Mr. Speaker, that if you do not support them in any way, shape or form, we will see a lot more need for health care facilities in that southwest and southeast area than we are seeing even today, because the true hurt will only come this fall.

If the prices do not improve and they have to pay in today's income on the inputs, for what they lost all year and have had to borrow money to support and buy food for their families, Mr. Speaker, you have no idea what the total personal feeling would be. You have no idea what mental health facilities or other health facilities would be required, because we all know our physical well-being is always supported by a mental well-being, and a mental well-being is self-confidence, and self-confidence perpetuates a healthy body and a healthy mind.

So I say to you, Madam Minister, that the Speaker, I think, understands what we are talking about, because he was born and raised in an area where everything was not right at their fingertips, so he knows what it means to be flown to a hospital. He knows what it means to be transported long distances to reach services. I would say to you that you might well listen to him, to your Speaker, some day, and I know what he would say to you. He would say: Have heart, have a conscience, and support these people in their time of need.

I want to, in conclusion, say to you, that I believe that we have had a golden opportunity to debate. I would say to you that we have been given a marvellous opportunity to co-operate, but it takes leadership. I say to the Premier of this province: Exercise some leadership. Take the initiative in your own hands and do what the resolution that we are debating, what the resolution truly is intended to do. That is to give you the opportunity to join in a co-operative effort with the communities, the people in the communities, to demonstrate that this NDP Government truly has a heart. If we would go to Ottawa and say we have our money on the table. We are going to do this as we did in the Swan River Valley. We are going to do this as we did in the Interlake, and we are going to do this as we did in the Red River Valley. We are going to do this as Ottawa and the provinces did in Ontario and Quebec—

Mr. Speaker: Order, please. When this matter is again before the House, the Honourable Member will have unlimited time.

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 29, 2000

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