



Third Session - Thirty-Seventh Legislature

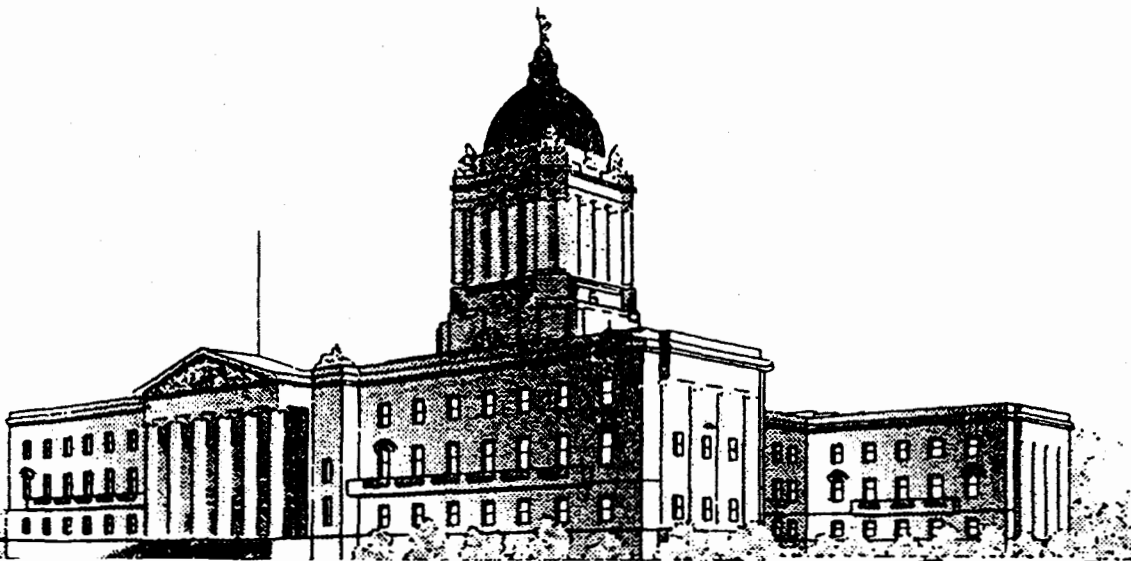
of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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authority of
The Honourable George Hickes
Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Seventh Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 13, 2002

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

Assiniboia Memorial Curling Club Holding Company Ltd.

Mr. Speaker: The honourable Member for Assiniboia (Mr. Rondeau), I have reviewed the petition and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

Some Honourable Members: No.

Mr. Speaker: Dispense.

We petition the Legislative Assembly of Manitoba as follows:

For a private bill giving the board of directors of Assiniboine Memorial Curling Club Holding Company Ltd. the power to levy an annual assessment against the holders of the Class "A" preferred shares of the company but at no time shall the holders of those Class "A" preferred shares be required to pay additional cash beyond the share value represented by the class "A" preferred shares.

Mr. Speaker: Is the honourable Member for St. James standing for Presenting Reports by Standing and Special Committees?

**PRESENTING REPORTS BY
STANDING AND SPECIAL COMMITTEES**

Standing Committee on Law Amendments

Third Report

Ms. Bonnie Korzeniowski (Chairperson): Mr. Speaker, I beg to present the Third Report of the Committee on Law Amendments.

Madam Clerk (Patricia Chaychuk): Your Standing Committee on Law Amendments presents the following as its Third Report.

Meetings. Your committee met on Wednesday, May 8, 2002, at 6:30 p.m., in Room 255 of the Legislative Building.

Some Honourable Members: Dispense.

Mr. Speaker: Dispense.

Meetings:

Your committee met on Wednesday, May 8, 2002, at 6:30 p.m. in Room 255 of the Legislative Building.

Matters Under Consideration:

Bill 3—The Highway Traffic Amendment and Summary Convictions Amendment Act/Loi modifiant le Code de la route et la Loi sur les poursuites sommaires

Bill 7—The Local Authorities Election Amendment Act/Loi modifiant la Loi sur l'élection des autorités locales

Bill 10—The Environment Amendment Act/Loi modifiant la Loi sur l'environnement

Membership Resignations/Elections:

Your committee elected Ms. Korzeniowski as Chairperson.

Your committee elected Mr. Santos as Vice-Chairperson.

Substitutions received prior to commencement of meeting:

Hon. Mr. Ashton for Mr. Martindale

Hon. Ms. Friesen for Mr. Schellenberg

Hon. Mr. Chomiak for Hon. Mr. Mackintosh

Mr. Santos for Mr. Reid

Mr. Hawranik for Mrs. Smith (Fort Garry)

*Mr. Cummings for Mr. Laurendeau
Mr. Maguire for Mr. Schuler*

Public Presentations:

Your committee heard one presentation on Bill 3, The Highway Traffic Amendment and Summary Convictions Amendment Act/Loi modifiant le Code de la route et la Loi sur les poursuites sommaires, from the following individuals and/or organizations:

John Butcher, Winnipeg Police Service

Your committee heard four presentations on Bill 7, The Local Authorities Election Amendment Act/Loi modifiant la Loi sur l'élection des autorités locales, from the following individuals and/or organizations:

Grant Thorsteinson, Manitoba Municipal Administrators Association

Richard Sexton and Teresa Dillabough, Private Citizens

Niel Hathaway, Private Citizen

Stuart Briese, President, Association of Manitoba Municipalities

Written Submissions:

Your committee received one written submission on Bill 7, The Local Authorities Election Amendment Act/Loi modifiant la Loi sur l'élection des autorités locales, from the following individuals and/or organizations:

Roger Goethals, Reeve, Rural Municipality of Winchester

Bills Considered and Reported:

Bill 3—The Highway Traffic Amendment and Summary Convictions Amendment Act/Loi modifiant le Code de la route et la Loi sur les poursuites sommaires

Your committee agreed to report this bill with the following amendment:

THAT section 7 of the Bill be amended by adding the following after the proposed subsection 257.1(2):

Municipalities' use of surplus fine revenue

257.1(3) If a municipality's fine revenue from convictions based on evidence from image capturing enforcement systems exceeds its costs

of acquiring and using the systems, the municipality must use the surplus revenue for safety or policing purposes.

Province's use of surplus fine revenue

257.1(4) If the government's fine revenue from convictions based on evidence from image capturing enforcement systems exceeds its costs of acquiring and using the systems, the government must use the surplus revenue for safety or policing purposes in the part of the province in which the offence was committed.

Bill 7—The Local Authorities Election Amendment Act/Loi modifiant la Loi sur l'élection des autorités locales

Your committee agreed to report this bill without amendment.

Bill 10—The Environment Amendment Act/Loi modifiant la Loi sur l'environnement

Your committee agreed to report this bill without amendment.

Ms. Korzeniowski: Mr. Speaker, I move, seconded by the honourable Member for Assiniboia (Mr. Rondeau), that the report of the committee be received.

Motion agreed to.

* (13:35)

MINISTERIAL STATEMENTS

U.S. Agriculture Legislation

Hon. Gary Doer (Premier): Mr. Speaker, I have a statement for the House.

On May 10 this year, together with the Leader of the Official Opposition (Mr. Murray), I attended a special meeting in Regina to discuss the impact of the new U.S. farm bill on Canadian agriculture and Canadian farmers.

As members know, the new U.S. farm bill will spend \$180 billion over 10 years, most of it in the first 6 years. That represents a 70% increase over previous farm legislation. The level of support is a great concern to our Government, places our producers at an

intolerable disadvantage, is contrary to any sense of free trade and will continue to negatively influence international markets.

Individually, Prairie Provinces cannot mitigate the negative impacts the U.S. farm bill will have on our producers and our economies. Prairie Provinces need to speak with one voice. Through our meeting in Regina, provincial leaders from Manitoba, Saskatchewan and Alberta called on the federal government to provide a federally funded trade injury payment to mitigate the impact of the international subsidies and to take aggressive trade action at the World Trade Organization and under NAFTA to challenge the trade-distorting elements of the U.S. farm bill.

Mr. Speaker, more is needed, and as Prairie Provinces we must remain vigilant. As part of the discussions in Regina, we decided to hold a special joint meeting to discuss the impacts of the new U.S. farm bill. I want to take this opportunity to announce that I will be asking for leave in consultation with the House leaders, the Leader of the Opposition and Leader of the Liberal Party, to debate a resolution on this U.S. farm bill.

This resolution will confirm Manitoba's report for an early special meeting between agricultural groups, farm communities, provincial government leaders and key federal government ministers, in which governments can discuss how best to mitigate the negative impacts of this U.S. farm bill.

Thank you, Mr. Speaker. I look forward to the support of this House in what is truly a serious threat to our producers and our agricultural economy.

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, I rise also to make comment on the U.S. farm bill that was signed today by President George W. Bush, that indeed will provide a tremendous amount of economic hurt and put what we believe in Manitoba are our agricultural producers that have proven the world over that they can be efficient if they have the opportunity to compete on a level playing field.

Clearly, we know that when you look at examples such as pulse crops where Manitoba

excels and leads the world on a level playing field, those producers do extremely well. Now we see that the U.S. farm bill has come into play and is attacking those producers, pulse crop growers. We find that puts our producers once again on a very unfair and not level playing field.

We do know that the Canadian federal government has indicated that there is a number that they use of \$1.3-billion hurt to the economy in western Canada. We believe, and it was discussed at the First Ministers' meeting with the leaders of the opposition, that that is absolutely a bare-bones minimum, that in fact each province should do their own calculation to ensure when we sit down with leaders of the federal government that we are bringing actual numbers to ensure that our producers are recognized with the hurt that they are going to have to go through.

* (13:40)

On the basis of a resolution, I believe it is important that we do have a debate and that we certainly would look forward to having a debate on this very, very onerous bill that has been introduced that our producers have to fight.

Hon. Jon Gerrard (River Heights): I request leave to speak on the Premier's statement, Mr. Speaker.

Mr. Speaker: Does the honourable Member for River Heights have leave?

Some Honourable Members: Leave.

Mr. Speaker: Leave has been granted. Order. Do I hear no? Is there leave granted for the honourable Member for River Heights to respond? *[Agreed]*

Mr. Gerrard: I, too, rise to speak briefly to the effects, which are substantial, of the measures signed by President George Bush south of the border today. I believe that this creates a tremendous amount of uncertainty in the farm, in the agricultural community in Manitoba and in Canada and that it clearly needs a response, a response that needs to be multifaceted, that is very aggressive internationally in terms of trying

to decrease subsidies worldwide through organizations like the World Trade Organization.

We need to have a very clear and accurate analysis of the effects of this measure south of the border on agriculture in Canada. Those effects clearly will depend on what happens with agricultural prices, what happens with changes in patterns of seeding that may be influenced by measures in the U.S. farm bill which enhance their conservation or set-aside reserve program. It needs to be done well so that we look at the multiplicity of effects.

It needs to have a combined action plan at a national level with all provinces working together. It also needs to have a province which is ready to come to the table and say there are some things that we can do provincially that are going to help farmers. I think we should leave no stone unturned. Farmers and agricultural producers in this province need to be supported to know that they will be supported.

TABLING OF REPORTS

Hon. Scott Smith (Minister of Consumer and Corporate Affairs): It is my pleasure to table the Annual Report of the Public Utilities Board for the year 2001.

INTRODUCTION OF BILLS

Bill 18—The Special Survey Amendment Act

Hon. Scott Smith (Minister of Consumer and Corporate Affairs): Mr. Speaker, I move, seconded by the Minister of Transportation and Government Services (Mr. Ashton), that leave be given to introduce Bill 18, The Special Survey Amendment Act, and that the same now be received and read a first time.

I would like to inform the House at this time that the Royal Recommendation for this bill is not required though it does appear on the Order Paper.

Mr. Speaker: It has been moved by the honourable Minister of Consumer and Corporate Affairs, seconded by the honourable Minister of Transportation and Government Services, that leave be given to introduce Bill 18, The Special

Survey Amendment Act, and that the same be now received and read a first time.

The honourable member has informed the House that it does not need Royal Assent—it is Royal Recommendation, as is printed on the Order Paper. He has made that clear to the House.

Mr. Smith: Mr. Speaker, this bill proposes amendments to The Special Survey Act to change the approving authority for the special survey from the Lieutenant-Governor-in-Council to the Registrar General. It will also remove the provisions for cost recovery from landowners affected by the special survey.

Motion agreed to.

* (13:45)

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have members of the Springfield school's parent council who are the guests of the honourable Member for Springfield (Mr. Schuler).

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

ORAL QUESTION PERIOD

U.S. Agriculture Legislation Impact on Manitoba Producers

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, last Friday the Premier and I travelled to Regina to meet with other provincial leaders regarding the impact the U.S. farm bill will have on Canadian farmers. We are in agreement that the U.S. subsidies put Manitoba farmers at a severe disadvantage with their American counterparts. Early this morning, U.S. President George Bush signed the \$190-billion U.S. farm bill.

I would ask the Premier to provide details on the financial impacts this bill will have on Manitoba farmers.

Hon. Gary Doer (Premier): Mr. Speaker, the existing U.S. farm bill is projected to cost Manitoba producers some \$250 million a year. We project the addition of pulse products, the

lentils and peas, will add funds which we are now calculating. We know that there is some indirect impact on the feed industry and the livestock industry as well. We are going through with our Department of Agriculture representatives, and Mr. Lee was with us in Regina, as the member knows, is doing the full impact.

Some of the regulations have not been fully fleshed out, or flushed out—or terms you want to use—from the U.S. government. I wish, but certainly its minimum is \$250 million, and it could go up as high as between \$325 million and \$345 million. We can provide that exact breakdown as the Minister of Agriculture (Ms. Wowchuk) continues to calculate this with her officials

Mr. Speaker, as I said in Regina and the member just said in his statement, it is interesting to note the pulse crops have doubled in four or four and a half years. They have doubled in that period of time in a subsidy-free environment where farmers decided that the oil and grain seeds were being highly subsidized by the Europeans, subsidized by the Americans, and they of course went into these emerging markets and expanded and doubled very effectively. Now they get into another situation where, as they have adopted and adapted to the changing subsidies from our so-called trading partners, they have been hit over the head by this increased subsidy signed by President Bush today.

We are going to have a real test on the Canada-U.S. trade agreement, which was expanded into NAFTA, but signed in 1988. There were claims made then that there was a binding trade panel to deal with these distortions. We are going to have a real test. We plan on testing that provision through this unfair trade endeavour. Of course, that same binding panel was brought into NAFTA.

We also plan on going after this at the WTO, but we believe there is injury to our producers. That is why we have called all three western provinces. I am glad Alberta has joined Manitoba and Saskatchewan in calling for a trade injury payment to bridge again these unfair subsidies for Canadian producers.

Mr. Murray: The First Minister has quoted a number of \$250 million, knowing that number

could be higher than \$250 million. Knowing this U.S. farm bill has been out there for the number of months it has been out there, my question is: When will the Premier announce the details to Manitoba farmers on the financial impact this U.S. farm bill will have on Manitoba farmers?

Mr. Doer: Mr. Speaker, for the grain and oilseed sector our initial calculations are that it rolls in the special payments that were made on an ad hoc basis over the last couple of years.

For the pulse crop producers it is an additional subsidy that will have an impact. That is why I say we so far have calculated on the per bushel cost to Manitoba producers to go from about \$250 million to between \$325 million and \$345 million. We can provide that breakdown.

We are wanting the detail of the regulations that flow from the bill. As we look at some of these details under the regulatory regime that flows from the U.S. farm bill, the thousands of pages of regulations, we will be able to be more precise, but it is certainly above 250. It is between 325 and 345.

* (13:50)

There are some crops we are planning to have expanded, for example, potato production which we believe so far is not subject to additional subsidies under this U.S. farm bill. The members will know the expanded operation in Portage, the initial operation in 1987 in Carberry and expansion of that same plant in the mid-'90s in Carberry, the McCain's plant in Portage is meaning that Manitoba is going from third to second on potato production. We soon will be first in Canada. Hopefully, the Americans will not touch that crop, but certainly the addition of the pulse crops is negative.

The country-of-origin bill that is part of the U.S. farm bill, we are not afraid of consumers reading "made in Canada," Mr. Speaker, but the impact, will this be a surrogate technique for blockading Canadian products? That, too, could have a very serious impact on Canadian producers and the livestock industry here in Manitoba.

Mr. Murray: Mr. Speaker, it is important to have the date exactly when we are going to do

this, because we believe that Manitobans, Manitoba farmers, should have a voice in the subsidy war. I would just ask the Premier if he will ensure and determine that number, that financial economic hurt that Manitoban producers have suffered because of this, will he determine and let Manitoba producers know that number before we take this fight to Ottawa?

Mr. Doer: Mr. Speaker, the Department of Agriculture is working on the per bushel impact of the subsidies and expanding the ad hoc payments to the pulse crops, to peas and lentils.

We do not have all the details on the country of origin. This is still a bit of an unknown factor. Certainly no Canadian producer is worried about the term "Canada" being used by any consumer for any consumer products. We think the Canadian reputation for a viable livestock industry, a very positive livestock industry, is an extremely positive consumer advantage, but if that country-of-origin legislation is used as a surrogate club to stop exports of livestock products, if that club is used, as the member knows, as a way of stopping the flow of livestock weanlings and other products back and forth, which of course will affect the prices for producers, that will add to the very negative impact of this anti-trade bill.

This is a bill that the *Washington Post* has said: If subsidies were an art form, this would be the Mona Lisa. This is a bill that the *Economist* last week said is an absolute obscene trade-distorting law, and everyone in this Chamber should be opposed to it. We want a level playing field. Farmers here can survive under a real free trade agreement, not this phony subsidy issue from the United States.

U.S. Agriculture Legislation Impact on Manitoba Producers

Mr. Jack Penner (Emerson): Just last week the Premier (Mr. Doer) of this province said this U.S. farm bill would be short-term pain for a group of farmers, and I quote. He said: This will be short-term pain for farmers in Manitoba.

Can the Minister of Agriculture tell this House how many more farmers this province is going to lose because of this U.S. farm bill?

* (13:55)

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, the impacts of this U.S. farm bill President Bush signed today are going to be very serious for our producers, but our producers have lived with a U.S. farm bill before and they have adapted and gone into new crops and have been able to adjust.

This one is far, far more serious, and that is why we are asking for all parties to co-operate with us so that we can indeed have a united front when we go and encourage the federal government to take strong action to ensure there is funding for this trade injury that is going to be hurting our producers.

Mr. Jack Penner: I would like to ask the Minister of Agriculture then whether she could tell us how many businesses she thinks will be closed in rural Manitoba and in the city of Winnipeg due to this farm bill.

Ms. Wowchuk: Mr. Speaker, you know this is a very serious issue. It is an issue that is affecting our farmers. When our farmers are affected, our small communities are affected, and indeed the city of Winnipeg is affected. So I would hope that this member would get on board and stand with us as we fight against this U.S. farm bill.

Mr. Jack Penner: This critic for Agriculture has told the minister time and time again that he would take her by the hand and lead her to Ottawa and negotiate with her, side by side, because we believe this industry is important to Manitoba.

Can the minister give us an estimation as to how many jobs will be lost due to the American protectionist bill we have just seen signed in Washington today?

Ms. Wowchuk: I want to thank the member for offering to hold my hand down this path, but I can tell him that I have been standing up for farmers. What I would really like him to do is to get his message straight, not like the last time when we were trying to have a united front, he went off on another tangent and did not send a united message from Manitoba. We have to stand united on this issue.

Mr. Speaker: The honourable Member for Emerson, on a new question.

Mr. Jack Penner: Mr. Speaker, on a new question. It does not surprise me that the Government is concerned and that the ministry is concerned about her position, because she promised the people of Manitoba when she was elected, and this Premier (Mr. Doer) promised the people of Manitoba that they would protect the small family farms.

I would like to ask the minister: What action has she taken during the last two and a half years to ensure this kind of action would not be preempted by the American government, and how many jobs in agriculture and in the city of Winnipeg will be lost due to this trade action taken by the Americans?

Ms. Wowchuk: Well, I can tell you, Mr. Speaker, we did not raise the portioning on farmland taxation as this government did.

We put additional money into education and into property tax credits that helps Manitoba farmers, as it does the rest of Manitobans. This Government has said they will work to protect small farms, and we are prepared. We have brought in programs that address issues for all farm families, and in particular family farms.

I would ask this member at this time if he would get on board and stand with us on this important issue, instead of trying to divide people and saying that we are not standing up for the family farm, Mr. Speaker.

* (14:00)

Police Services Resources

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, the Doer government, already infamous for its misleading election promises, also made a commitment to the people of Manitoba and said, and I quote: We will make our communities safer.

Statistics Canada reports that Winnipeg has the highest homicide, sexual assault, assault, robbery, violent crime, motor vehicle theft, among other major Canadian cities. About 14

hours ago, a young man's life tragically ended in the area when he was shot to death in River Heights.

Mr. Speaker: When is this Premier (Mr. Doer) going to provide our police with the resources required to protect the citizens of Manitoba?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, if the member opposite wants to rely on crime statistics, he is entitled to do so. He says that under this Government the city has the highest homicide rates, and I just remind the honourable member that Winnipeg had the highest homicide rates in this country in 1994, in 1996, in 1997, in 1998.

But, having said that, we have brought in initiatives, including a gang unit in prosecutions. We have strengthened our prison gang suppression strategy. We brought in a witness intimidation policy to guide us. We had a national leadership role in bringing in new legislation to the Criminal Code.

This province is now funding policing levels, funding that was voted against by members of the Opposition on the Budget.

Mr. Murray: Mr. Speaker, Manitobans are becoming increasingly jaded by the Doer government's continuing issue of press releases announcing initiatives, re-announcing initiatives. There is a store in Manitoba, right here in Winnipeg, that is selling hoodies that says on the front "Winnipeg, Murder Capital of Canada" emblazoned across these hoodies. The media is now reporting that the victim of last night's shooting was a known member of the Zig Zag Crew, a puppet of the Hells Angels.

Can the Premier (Mr. Doer) tell Manitobans when he is going to remove administrative roadblocks that tie up our police services for hours at desks, instead put them back on the street and start protecting citizens?

Mr. Mackintosh: Mr. Speaker, the year 2000 indicated that youth crime was down, robberies were down, break-and-enters were down, mischief was down. Auto theft is down by some 11 percent for the first four months of this year.

Overall, crime rates are down from the unprecedented level of 1997. Under the former government, this province had the worst violent crime rate ever recorded in Canadian history. I just conclude, Mr. Speaker, with this quote. It says: Whether it is a turf war, internal housecleaning or bad blood among rival Winnipeg motorcycle gangs, the bodies are piling up. Three deaths on Tuesday brought the number of Winnipeg biker killings, or attempted killings, to five in the last three months. That is from *The Globe and Mail* from August 1996. We have a serious challenge. We are rising to that challenge and bringing in innovative strategies to make Manitobans safer.

Mr. Murray: Manitoba's police services, clearly, are to be congratulated for their efforts to address the growing gang problem in our city, but when they look at the Doer government, to the Minister of Justice for support, what do they get, Mr. Speaker? Nothing. They get nothing. Manitobans are seeing gang shootings in downtown Winnipeg. The Hells Angels have opened up a store in Winnipeg. The Hells Angels are having fundraising projects, and now the Hells Angels are buying residential property right here under his watch. When can the police expect to see their efforts being supported by the provincial government, instead of being constantly undermined?

Hon. Gary Doer (Premier): Mr. Speaker, I believe it was this side of the House that commended the excellent police work that went into the blockade and eventual arrest of the individual that is now alleged to have committed so many armed robberies in the city of Winnipeg.

I really think that the member opposite is going way beyond the political norm in this Chamber. This is a serious public issue. The members opposite when they use the term "misleading" have continually misstated the fact that the Hells Angels, according to a 1998 *Free Press* report, made an agreement with the Los Bravos in 1997 to open up their first chapter in July 1999. This is an issue, a challenge that goes beyond partisan politics. It goes to the whole community, and for the Leader of the Opposition to continually make this an issue of politics when he had an opportunity to pass a safety bill

dealing with bunker gangs and on three occasions the House Leader, who is the Minister of Justice, called the bill and members opposite sat on their hands. That bill could be law today. That is undermining the police force.

Young Offenders Prosecution—Adult Court

Mrs. Joy Smith (Fort Garry): Regrettably, the NDP government forget that it was their Government that allowed the biker gang president to take a free trip to Spain. Having said that, we have, repeatedly in the newspapers, shootings in public. We have armed robberies. We have violent crimes occurring every day on a regular basis and it is escalating.

Having said that, we had one of the most horrendous crimes in this city, one that touched the hearts of many, many people in this city, the sexual assault of a young child. Having said that, Mr. Speaker, I would ask this Attorney General: Will he support the effort of putting this youth into adult court providing the evidence merits that?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): We also, Mr. Speaker, have an unprecedented line of questioning to suggest that the Attorney General, that an elected official get involved in the prosecution of an offence because what the likely result of that would be are motions by the defence, motions that would get rid of this trial and perhaps let an offender off the hook. Let us have some responsible questioning in this House.

Point of Order

Mr. Marcel Laurendeau (Official Opposition House Leader): We hear the Premier (Mr. Doer) from his chair saying that it was Justice Nate Nurgitz who did this. What did the Crown have to say about this motion, Mr. Speaker?

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

* * *

Mrs. Smith: Will this Attorney General take responsibility for the chaos that the courts are in,

for the escalating crime on the streets of Winnipeg, and will this Attorney General take serious consideration to the young offenders who are going through our court systems and getting off with very light sentences?

Mr. Mackintosh: You can get up in this House, I guess, and just say anything and say to an Attorney General: Why do you not get involved and start prosecuting a case, start making decisions in a particular case?

What the role of an Attorney General is obviously and what the role of a government is, is to put in place the policies, the direction to ensure that we can counter this threat to public safety that has been endured by Manitobans for some time. Indeed, in 1997, I remind members that Manitoba suffered the highest violent crime rate ever recorded in a Canadian province.

I have one regret, and that is that back in the early 1990s when gangs reared their ugly head in the city, street gangs in particular, we had a government in place that did not put the policies in place to fight that back, to try and nip it in the bud. Since we have come into office, we have done more in two and a half years than they did in 11 years.

Justice System Plea Bargaining

* (14:10)

Mrs. Joy Smith (Fort Garry): Will the Attorney General pay close attention to what is happening in the courts around the plea bargaining situation, since when he was in Opposition he criticized this side of the House on a regular basis about the plea bargaining situation, and right now it is worse than it ever was in the province of Manitoba?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): I guess, yes, you indeed can just get up and say anything. We did bring in a Victims' Bill of Rights which is unfolding to allow victims of crime a say in the plea bargaining process which is a wonderful opportunity to understand what is taking place, to give information about what took place and is a further check and balance on plea bargaining.

But, Mr. Speaker, the members opposite have voted against a Budget which included a

5.8% increase for prosecutions and a 4.5% increase for policing. Having said that, unfortunately the Opposition does not also understand that having a safer community and a safer Manitoba is not something that can be done only at a courthouse. It also requires the involvement of all the ministries of government in bringing forward opportunities and hope for young people, opportunities and hope for all Manitobans. That is how we see it. Tough on crime, yes. Tough on the causes of crime, too.

Livestock Stewardship Initiative Report Recommendations

Hon. Jon Gerrard (River Heights): I think we can all agree that when it comes to agricultural producers that measures to help and support agricultural producers should be treated with priority and with urgency.

When the Government came into power they initiated a livestock stewardship initiative, held widespread hearings. There was a Tyrchniewicz report with a whole series of recommendations, including the following: That government develop and make public the policy framework through which livestock expansion will take place, stressing its concern for sustainability.

In my recent discussions with Mr. Tyrchniewicz, it is quite clear that the comprehensive response to his report and the comprehensive framework is still not in place 16 months later. I ask the Minister of Agriculture: When is it her plan to put this framework in place?

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, when this Government took office we recognized that there was growth in the livestock industry in Manitoba and we wanted to ensure that growth was sustainable. We made several changes, changes in our Department of Agriculture, changes in Intergovernmental Affairs, changes in the Department of Conservation.

We did put in place the Livestock Stewardship Initiative. We have the report. We have acted on many of the 40 recommendations. We are in consultation with the industry, with the producers in this province and with municipalities and all partners in this industry. We are moving forward on it. I tell the member that very shortly we will be making a statement

on the balance of the recommendations we have not acted on to this point.

Mr. Gerrard: My supplementary to the Minister of Agriculture. I ask the minister when she will be fully acting on the recommendation for farmers in transition and those who currently derive limited income from farming to develop a package of programs that will enable these farmers to adjust their farming operations to a level that will provide them with an acceptable quality of life, and including in this things like a greater focus on higher animal welfare production systems.

Ms. Wowchuk: As I said previously, the livestock industry is very important to this province. If you look at the revenues that farmers are generating from livestock versus feed grains, there is a huge increase. In all of it, we have to ensure it is growing in a sustainable way. We are looking at options to help producers, but certainly there has to be a balance in this. If the member would look at some of the initiatives we have taken through Manitoba Agricultural Credit Corporation to ensure there is funding available for farmers as they go through this transition, I would say that is one step. We will continue to work on these recommendations with people involved in the industry.

Mr. Gerrard: My supplementary to the Minister of Agriculture. I ask the minister why she has decided not to proceed with a system of performance bond insurance that would assure the costs of environmental problems with a specific ILO are not borne by the public in order to provide both environmental assurance and a way that ILOs can proceed, knowing that there will be full guarantees in terms of environmental aspects.

Ms. Wowchuk: Mr. Speaker, in this province we have a variety of farmers. We have large operations. We have smaller operations. We have farmers who choose to farm in an organic way. All of those sectors of agriculture are very important to us. You have to find a balance. You cannot impose one part of the recommendations that are going to be very burdensome on some of the producers and discourage production.

I can tell the member one of the recommendations we did move forward on is that there will now have to be environmental plans for, rather than 400 animal units, for 300 animal units, that farmers will have to do the environmental plan. We are looking at how we can work on all the other recommendations. Very shortly we will have the final ones.

Mr. Speaker, the majority of the recommendations under the Tyrchniewicz Report have been acted upon by three departments.

Justice System Plea Bargaining

Mr. Leonard Derkach (Russell): Mr. Speaker, Manitobans expect their government to be accountable, and, most importantly, the Minister of Justice is one that is expected to be accountable to the people of Manitoba and also for the Crown prosecutors that work for the province of Manitoba.

Mr. Speaker, Mr. Irving, twice convicted of impaired driving, was charged with impaired driving causing death. His plea of guilty was to a lesser charge. This also triggered a \$46,000 payment as a death benefit.

I would like to ask the Minister of Justice if he can explain why this plea was advocated by his Crown prosecutor, knowing that the direct result of the plea would be a \$46,000 payout for his wife's death.

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, when members opposite get into details of a matter dealt with by way of the prosecution service, it is important for them to remember that the prosecutors make professional judgments based on the law and the evidence that is available to them.

In terms of what the evidence was and what charge it more specifically related to, I have asked for information in that regard which we can make available to the member opposite. I can only say that this certainly is a very unusual and certainly a sad situation, and I recognize that it certainly has been of interest and concern to members in our department, as well as MPI.

Mr. Derkach: Mr. Speaker, I want to ask the Minister of Justice how he can tolerate this when in June of 2001, the minister announced that drunk drivers would face vehicle forfeitures. He also announced in December of 2001 that drunk drivers would have their vehicles taken and those vehicles would be sold. In this instance, this driver used his vehicle when he was suspended to get into it when he was drunk, causing the death of his wife.

How can the minister square his statements with the action of his Crown prosecutors?

Mr. Mackintosh: Mr. Speaker, it should be noted that on coming into office, within weeks actually, we extended the look-back period for provincial suspensions from five to ten years, so that we were looking at the experience, the repeat offences in the court, unlike when members opposite were in office.

Having said that, we also introduced and were able to get the support of this Legislature to bring in very strict new legislation. The member knows full well that the forfeiture regime has been scheduled for implementation this year, and that announcement is coming very soon. It is the first time in Canada where there will be a forfeiture of a motor vehicle for those very serious cases where people are actually using their vehicles as weapons against the public safety of Manitobans.

Mr. Derkach: Mr. Speaker, I want to ask the minister how he can assure Manitobans that there are any teeth in his statements and in his announcements, when in fact people who have been convicted of being drunk and driving can get into a vehicle, kill an individual, kill a Manitoban, and then collect an MPI death benefit as a result of it.

Mr. Mackintosh: Mr. Speaker, the member should know that the Criminal Code is where the sanctions are set out in terms of incarceration or not for a repeat impaired driving. It is my understanding that there is a mandatory term of imprisonment for a repeat offence. We will look to see what the record is here and what applies. *[interjection]* Well, the members opposite are reflecting on a particular prosecutor, which is unfortunate. The prosecutors apply the law.

I might just add that in terms of the MPI issue, that is a provision that exists in insurance policies, in auto insurance policies across this country, whether it be private insurers or MPI, Mr. Speaker.

* (14:20)

School Divisions Amalgamation—Consultations

Mr. Ron Schuler (Springfield): As 1994 was the last time Manitobans had any meaningful input into this Government's school boundary changes, why is this minister setting such a dangerous precedent by creating a system where a citizen's right to question their government's action is stripped and dissenting voices are silenced?

Hon. Drew Caldwell (Minister of Education, Training and Youth): Of course, Mr. Speaker, we are doing no such thing. In a parliamentary democracy bills are brought forth to the Legislature for full debate. In Manitoba we have the added benefit of having committee hearings where the public have input into bills being debated before the Legislature.

So we are proceeding on a matter, as the Member for Springfield points out, that has been before the public since 1994. It is high time that a government acted.

Mr. Schuler: Mr. Speaker, is this minister aware that 1994 was the first opportunity parents had a voice to say concerns about amalgamation and Bill 14 makes it their last? Is it any wonder that parents state: The Government wants us to shut up and go away? Is this what the new NDP is all about?

Mr. Caldwell: Well, Mr. Speaker, you know, I again appreciate the member's question. I know that the member was a former school trustee and has some knowledge of these affairs himself.

Over the last two and a half years I personally have been visiting schools at an extraordinary rate, discussing issues of educational importance with teachers, with students, with administrators, with parents.

In fact the Springfield Parent Council, as one of the associated bodies, have been guests in

my office. I have had a number of meetings, most famously in the member's constituency with 900 people at Springfield Collegiate.

So we have ongoing dialogue and consultation with elected officials, reeves, trustees, councillors, boards, parents, children. We will continue to meet and visit schools in this province.

Mr. Schuler: Mr. Speaker, does the minister know that 1994 was the first and last opportunity parents had to speak in regard to amalgamation, even though today's primary school children had not even been born? Is this how the minister defines symmetry?

Hon. Gary Doer (Premier): Mr. Speaker, the member opposite is referring to the 1990s. Perhaps he would like to look at the fact that from 1990 to 1999, the tax increases in the Transcona-Springfield School Division, with the changes made on the funding formula, the zero, minus two, minus two, the property tax credit, the tax increases in that school division were 88 percent. We have, through our property tax credits, through the ESL, frozen those taxes for the provincial portion.

There is a good reason why we have to move forward. We cannot keep our feet in cement. We are going to reduce the number of school divisions by 33 percent. We have discussed this and listened to Manitobans. We have listened and now it is time to act.

For the member opposite, all 1 100 000 Manitobans count. All the 33 percent of the school divisions that are also going through change count, but what counts a lot is an 88% tax increase under your administration. We are doing something about it.

Chiropractic Care Coverage Reduction

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, the Doer government's decision to totally eliminate chiropractic coverage for children under the age of 19 shows a bias against children getting chiropractic care.

I would like to ask the Minister of Health what he based his decision on to cut coverage for children in Manitoba.

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, with respect to chiropractic coverage, it was only a couple of days ago that the member opposite was saying we were spending too much on health care. The member was saying we spent enough on health care, in fact, that we spent too much. As I indicated in the Budget, there were some tough decisions we had to make, and one of those tough decisions was to a non-core service. We are not eliminating it. We are providing coverage. We are not doing what the Tories did in '95, reduce the visit from \$50 to \$12, but we made straight budgetary decisions to try to reduce some of the costs but still provide some of the coverage.

In addition to that, we are not only maintaining but we are expanding a whole variety of services. I might add the member opposite was complaining about us not paying enough for nurses and then, when we paid the nurses, the member opposite said we paid too much.

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

MEMBERS' STATEMENTS

Valley Gardens' Lighthouse Program

Mr. Harry Schellenberg (Rossmere): It is with great pleasure that I rise today to tell you about the new Lighthouse program that has recently opened. The Valley Gardens Lighthouse opened in the last week of March. Before being a Lighthouse site, Valley Gardens junior high was a police athletic club.

Lighthouses are sites funded by the Province and run by the communities around Manitoba that provide people from ages 12 to 20 with a safe place to stay after school. The idea behind the drop-in program is that young people can forge new relationships with other youth, members of their communities and law enforcement officers in a positive, fun environment. Such mentors can help them make healthy choices and perhaps avoid trouble during the difficult years of adolescence. At Valley Gardens young people can play basketball, volleyball, football and dodgeball.

The site may be expanding to include several non-sporting events in a more spacious

facility. The staff who run this site are considering having an all-girl night in the future. Such close contact with kids gives facilitators the opportunity to get to know the youth of their community. Such familiarity is very helpful for adults to recognize problem behaviour or other signs of antisocial activity. A trusting relationship between members and kids can be essential in assisting the youth to make healthy choices.

Most of the kids at the Valley Gardens Lighthouse are currently attending junior high and presently there are between 40 and 60 kids that regularly attend. These numbers are increasing however. According to staff who run the site, there would be nights when there were too many kids for two workers and two volunteers to handle. In fact, they had to put a cap on the number of people who can attend, testimony to the popularity and the need for such programs. I congratulate Valley Gardens and their facilitators for such success and hope their plan to—

Mr. Speaker: Order.

Conservation Farm Family

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, I rise today to extend congratulations to Ron and Wendy White, and their family, Myles, Brooks and April, of Lyleton, Manitoba.

* (14:30)

Every year the West Souris River Conservation District recognizes a family that actively promotes wise farm management and conservation practices. This year the conservation district has honoured the White family as the 2001 Conservation Farm Family. R.H. White Farms Ltd. operates 23 quarters of land. It includes grains and special crops, an agricultural supply dealership, and elk and bison.

Ron White has gone to great lengths to prevent soil erosion. Eleven quarters of the Whites' land have old shelter belts, and in 1980 more belts were added. Ron has also participated with the PFRA in a shelter belt rejuvenation project. Some of his other farming practices have included continuous cropping since 1974,

combined with minimum tillage. Gradually, Ron has moved into zero-till cropping systems. The White farm has been completely zero-till since 1987. Ron White's commitment to soil protection fostered the development of the Sandilands Soil Management Association, which resulted in strong local membership and grassroots programs to address soil and water management in the municipalities of Edward, Albert, Arthur and Cameron.

Since 1997, a total of eight quarters of Wendy White's family farm have been taken out of annual crop production and sown to grass, as the White family has diversified into other aspects of agriculture, namely elk and bison. The Whites have used riparian fencing along the Antler River to exclude the elk and bison from the riverbanks as an extension of their conservation practices. They have also been active in the protection of ravines and waterways by leaving them in grass. For all their efforts, the White family is truly deserving of the honour of being named the Conservation Farm Family for 2001.

On behalf of all members of the Progressive Conservative caucus, congratulations to Ron, Wendy, Myles, Brooks and April White.

Stevenson Aviation and Aerospace Training Centre

Ms. Bonnie Korzeniowski (St. James): I am pleased to speak about a recent opening of the Red River Winnipeg campus of the Stevenson Aviation and Aerospace Training Centre. Building on Red River College's excellent aerospace training programs, the addition of Stevenson's training facilities will help address the shortage of skilled technicians in Manitoba's aviation and aerospace industry.

The centre will house both Red River's aerospace manufacturing training programs and Stevenson's engineer training programs and facilities. The new centre located at 2280 Saskatchewan Avenue is the result of more than \$7.4 million in funding from the provincial and federal governments, created to address the need for increased training in the industry. Furthermore, this partnership between govern-

ment and industry will ensure that Manitoba can provide the highly-skilled workforce necessary for a successful aviation aerospace industry.

In addition to the new centre, the aviation aerospace industry also received an unexpected contribution from Air Canada. Unveiled at the announcement this morning was the donation of a DC9 aircraft from Air Canada which will provide students at the centre with a full-sized aircraft to be used for training purposes.

Today's announcement of a new aviation aerospace training centre will help build upon the achievements of the industry in Manitoba, which is currently the third-largest in the country. The centre will also create valuable high-tech jobs in the province to further advance the aviation and aerospace industry. I am proud to speak of this made-in-Manitoba solution that creates a world-class training centre, provides quality jobs to Manitobans and helps to promote an integral industry in the province. Congratulations to all those involved in this important new endeavour.

Rossbrook House

Mr. Jack Reimer (Southdale): Mr. Speaker, I am pleased to rise today to congratulate Rossbrook House, which was chosen as the recipient of the 2002 Caritas Award by the Catholic Foundation of Manitoba. The award was presented recently during the annual Caritas dinner at the Convention Centre. *Caritas* means "caring, affection and generosity." The Caritas Award is given to Catholic individuals or organizations in Manitoba who have served the community in an outstanding or memorable way.

In 1976 Sr. Geraldine MacNamara formulated the following vision for Rossbrook House: No child who does not want to be alone should ever be. Now, 25 years later, this inner-city organization is still providing a safe alternative to the streets for children and youth.

In honouring Rossbrook House in this way, the Catholic Foundation of Manitoba said it celebrated the endurance and the courage of human spirit, the goodness and dignity of children and the power and creativity inherent in the community of Rossbrook House.

The award was given to the entire Rossbrook community of children, youth, their families, their staff and the volunteers.

Over the years, Rossbrook has joined the community in addressing issues of oppression and widespread poverty. It has founded numerous community-based and alternative school programs, and opened Elgin House to serve young adults and Meegwetch House as a home for young girls.

Mr. Speaker, many lives have been touched by Rossbrook House, including those who have struggled together for 25 years to watch it expand. Dedicated people really do make a difference in this community. Rossbrook House is the perfect example of this, making them truly deserving of this award.

I extend my congratulations to all those involved in Rossbrook House for receiving the 2002 Caritas Award. I would also invite all members to attend Rossbrook's annual meeting and powwow for Thursday, May 30.

Winnipeg Art Gallery

Ms. Linda Asper (Riel): Mr. Speaker, on May 9, 2002, I had the pleasure of representing the Premier (Mr. Doer) to open the exhibition *Hot Picks 90: Ninety Years of Collecting* by the Winnipeg Art Gallery.

The first major celebration of several planned to mark the 90th anniversary year of the gallery, the event saw the reopening of the stone door for the first time in several decades. It was originally dedicated by Her Royal Highness Princess Margaret in 1971. Mr. Speaker, Architect Gustavo da Koza, who designed the building, created a monolithic stone door to be opened on ceremonial occasions. It gives visitors a sweeping panorama of the gallery's lofty Tyndall stone main entrance hall.

Welcomed by Richard L. Yaffe, chair, Board of Governors, and Bruce Taylor from the sponsoring firm Aikins, MacAulay & Thorvaldson, those present viewed 90 of the Winnipeg Art Gallery's hottest, 90 of its best, selections taken from a collection of more than 22 000 artworks accumulated in 90 years of existence. The collection encompasses historical and contemporary art by Canadian Inuit, First

Nations and international artists, all represented in the current exhibition.

The building itself is a memorable development. It is a bold design statement fitting for a gallery of art, resembling a ship sailing the prairie. It has become a friendly and familiar symbol of our city, instantly recognized by Manitobans and visitors. Manitoba has long supported a vibrant, well-respected arts community. We are all responsible for recognizing and promoting how important the arts are to the enrichment of our cultural community and to the quality of our lives. Our Government is proud to be among the Winnipeg Art Gallery's many supporters.

Congratulations to the Gallery's board of governors, Patricia E. Bovey, director, and her staff for the splendid work done in serving Manitobans over the years.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

* (14:30)

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you canvass the House to determine if there is leave to deal with, on an emergency basis, a resolution on the special Prairie meeting on the U.S. farm bill as the first order of business today?

Mr. Marcel Laurendeau (Official Opposition House Leader): We are definitely prepared. We were going to move a MUPI, but the Government has made the right decision in bringing forward this resolution as an all-party resolution.

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

Mr. Mackintosh: Mr. Speaker, would you canvass the House to determine if there is leave to waive private members' hour in order to deal with this matter?

Mr. Speaker: Is there leave to waive private members' hour to deal with this matter? [*Agreed*]

Mr. Mackintosh: I understand that we are just awaiting the translation of the resolution which

will be moved by the two Leaders in the House. Perhaps if we could have a recess until say 10 to three.

Mr. Speaker: We will recess the House and reconvene at 10 minutes to three. Could we have the bells ring for 1 minute just to let the members know? Could we do that? [*interjection*]

We will recess the House and reconvene at 10 minutes to three with the bells to ring at 11 minutes to three until 10 minutes to three. Agreed? [*Agreed*]

The House recessed at 2:40 p.m.

The House resumed at 2:53 p.m.

Mr. Mackintosh: Mr. Speaker, I understand that we are still waiting for translation, if there is consent of the House to begin the debate, recognizing that when the translated copy comes into the House, it will be attended and will be part of the record of the House as being voted on when the time comes for that vote.

Mr. Speaker: Is there agreement of the House to start the debate? [*Agreed*]

Mr. Mackintosh: Mr. Speaker, there has been some discussion in terms of the procedures for this afternoon, given the extraordinary nature of this, if you could canvass the House to determine if there is leave to limit speaking time to 15 minutes each, maximum. We would ask, of course, for your Office to help enforce that in the House.

Mr. Speaker: Is there agreement of the House to limit speeches to 15 minutes for each member? [*Agreed*]

GOVERNMENT MOTION

U.S. Farm Bill

Hon. Gary Doer (Premier): I move, seconded by the Leader of the Opposition (Mr. Murray), that

WHEREAS a special meeting was held in Regina, Saskatchewan, on May 10, 2002, on the

impact of the new U.S. farm bill on Canadian agriculture and Canadian farmers; and

WHEREAS this meeting was attended by the premiers and their designates and the opposition leaders from Manitoba, Saskatchewan, Alberta, all of whom issued a joint resolution and statement expressing their serious concerns about the U.S. action; and

WHEREAS the Prairie leaders called on the federal government to provide a federally-funded trade injury payment as bridging to mitigate the impact of the international subsidies and to take aggressive trade action at the World Trade Organization and under NAFTA to challenge the trade-distorting elements of the U.S. farm bill; and

WHEREAS the Prairie leaders also agreed that a special joint meeting should be held on these issues in Regina at the earliest opportunity, to which federal ministers, including the ministers of Agriculture, International Trade and Finance, as well as senior federal ministers from each of the three Prairie Provinces would be invited to discuss these concerns with representatives of the Prairie governments and legislatures and farm and community leaders.

THEREFORE BE IT RESOLVED that the Legislative Assembly of the Province of Manitoba confirms its strong support of an early special meeting on the U.S. farm bill in Regina to include representation from agricultural groups, farm communities, provincial legislative leaders and key federal government ministers; and

BE IT FURTHER RESOLVED that the Legislative Assembly endorses the Prairie leaders' call for federally funded trade injury payment and aggressive federal trade action through the WTO and NAFTA.

Mr. Speaker: It has been moved by the honourable First Minister, seconded by the honourable Leader of the Official Opposition

WHEREAS a special meeting—

An Honourable Member: Dispense.

Mr. Speaker: Dispense.

Mr. Doer: I would like to thank all members of the House for granting leave for this resolution today. I understand that both parties had a similar view, that this bill was too important today, this U.S. farm subsidy bill was too important today to leave without a debate in this Chamber and a resolution on the books from hopefully all members of this Legislature.

I would like to thank the Leader of the Opposition for joining me on Friday in Regina. I know that it required for both of us late notice, a fair degree of scheduling challenges. I would also like to say to the Leader of the Liberal Party (Mr. Gerrard), the Member for River Heights, that we have expanded this endeavour to include all-party representation.

I anticipate this will include the Ag ministers, the Ag critic as well. We are all in this together now. This is very, very important.

Mr. Speaker, the media asks what is different about this bill. Well, first of all, the Leader of the Opposition and I have both said that this bill takes the ad hoc payments that were made on an ad hoc basis and continues them on a regular and ongoing basis for the next number of years.

So one element of the bill is building in the unfair subsidies in grain and oilseeds, which will be in essence three times greater than the Canadian support for our agricultural producers in grains and oilseeds. The second feature of this bill is to expand it to the pulse crops, which are not subsidized now by the federal U.S. government, the pulse crops being peas and lentils and other beans and other crops.

This will, of course, produce a great, great challenge to the incomes of our producers. The subsidies will mean that American producers will be encouraged to grow these crops. They will have an unfair income advantage by growing these crops. That will depress the prices on the world market and, by definition, affect the livelihood of Canadian and Manitoba farmers.

Mr. Speaker, this crop has grown in the last five years under both administrations. This is why it is truly a non-partisan issue. If you look at the increase in pulse crops here in Manitoba, it

has grown from about \$200 million a year to \$400 million a year over the last five years. That has been consistent growth year after year with Manitoba producers. So this is truly an issue of subsidies and very important.

The third element of this bill that is very, very potentially negative for Manitoba producers and for Canadian agriculture and farm industries is the whole area of country of origin. I have to say this is not a concern just for us here in Manitoba. We have higher prices for our hogs because of a fairly vigorous trade environment, particularly with weanlings.

Mr. Speaker, the market, the ability of having prices to be determined both south of the border and north of the border has allowed for some competition for those prices and allowed for income. The bottom line for all of these issues is: How do we get income to farmers?

This could be under jeopardy. It is the same for Alberta now that has cattle. Cattle move back and forth over say the Montana-Alberta border in various stages. Under the bill of origin, this could have, again, a very negative impact on that very, very natural grazing and raising environment, could affect the number of animals that are processed in Canada, and therefore have a definite negative impact on us.

We are not afraid of the label. If it is "country of origin" and it is "Canada," we certainly feel very confident. When you put Canadian livestock products against the European products and even other products from Argentina and other places in the world, Brazil, the Canadian products do very well in terms of consumer confidence based on the very good farming practices and livestock practices here in Canada and here in Manitoba. The credit for this reputation goes to the Canadian and Manitoba farmer. We want to pay tribute to them in this debate.

* (15:00)

But, Mr. Speaker, if this "country of origin" is used to be a surrogate way of stopping trade for livestock and as a way to politicize, we know in the South Dakota elections a few years ago trade blockades were established under different

political pretences at the detriment of the producers here in Canada. We have enough politics in this U.S. farm subsidy bill for 100 generations, let alone having more political interference into natural markets that should take place in a natural way under the NAFTA provisions.

As I said, the grain and oilseed sectors now have an over 50% percentage subsidy by the Europeans. Instead of going along with the agreement in Dubai to start reducing the subsidies, the U.S. government was in Dubai, and then it was in Mexico City. There was an agreement from the Europeans and the Americans to start to reduce the subsidies. This bill goes totally against what Canada and Manitoba want and starts rebuilding the subsidies and entrenching them, not just for the next U.S. election period but for the next number of years in a U.S. farm bill.

This is a very, very negative step against Canadian and Manitoba producers. It is a hugely troubling impact on trade. It will have devastating results in terms of Canadian trade with the United States, and we are going to test the Canada-U.S. trade agreement, which is contained within the NAFTA trade agreement. The so-called binding panel agreement will be put to the test, I believe, with this trade agreement.

Mr. Speaker, besides those three major differences from the existing ad hoc program, what is different today than a few months ago? Well, there are a couple of things: The Americans made an agreement at Dubai, and now they are breaking that agreement with their trading partners. That is a very big difference.

Secondly, the Americans are now being condemned by their own press. *The Washington Post* last Wednesday said: If trade subsidies were an art form, this would be the Mona Lisa. *The Economist* publication, which was read by most countries, called these trade subsidies literally obscene and an absolute total distortion of international trade, and an absolute retreat by the existing U.S. administration from trade liberalization to absolutely protectionist, based on pork-barrel politics of the most obscene nature.

Thirdly, there is a difference now with the back bench in Ottawa. We will see whether that makes any difference, but the Speller report produced by the federal Liberal back bench, for the first time ever, says: (1) this is trade subsidies; (2) there must be a comparable subsidy from the federal government to the producers, and the Speller report deals with the existing subsidies of \$1.3 billion, but this is, for the first time ever, that the back bench has spoken out in a way that is very consistent with all the rest of us; (3) we have, I believe, an opportunity, the federal minister has not said no to proposals, but we have unanimity from Alberta and Saskatchewan and Manitoba. We thought it was very important to start with our own provinces. We have a unanimous view from our producers, from our rural communities, and, yes, this is an impact on the city, too. This is not a rural versus city issue. This is an issue of impact and importance on all Manitobans because it is an attack on the livelihood of our farmers, and that is an attack on the livelihood of every Manitoban in this province.

So I am pleased, Mr. Speaker, that we are all joining together on this resolution. It is important for us to speak with one voice, and I want to thank the members of the Opposition. I know a lot of us have families that go back to the farms. Some members of this Chamber still live and work on the farm. I see the Member for Ste. Rose (Mr. Cummings) here. Having been doing some haying down the road at the Habkirk [*phonetic*] farm years ago, and being the last one in the bathtub on a Saturday night, I know a little bit, not as much as the member from Ste. Rose, but I know that this is a very important issue for all of us. It goes beyond partisan politics. It goes to the heart of our province, to the heart of our economy and to the hearts of our communities, and that is why I am pleased we are together today with a resolution in the House. I thank all honourable members for that.

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, I am pleased to second the motion, that resolution on special Prairie meeting on the U.S. farm bill that the First Minister makes reference to. I agree that it was a very interesting meeting. As a matter of fact, I think what was fascinating about that

meeting is I believe we were sitting around a table that members of Confederation sat around. I think all of us felt in that room, if the energy that was there to create this great nation of ours was crafted around that table, it is our hope that the meeting that took place on Friday would have the same historic value and that perhaps we can, for once and for all, solve this incredible puzzle, I guess, that our agriculture producers continually find themselves being punished, not because they are not the best producers in the world, which we all know they are, but they are being punished because the U.S. has brought in a bill that continually subsidizes their producers to the tune that nobody can possibly keep up to.

So, hopefully, that meeting on Friday will have that outcome for our producers, not only in Manitoba but also throughout western Canada, indeed, the nation. We do know that the U.S. farming community has on an ongoing basis had some levels of subsidization. In fact, I believe that it was in the 1996 Uruguay round that the WTO decided at that time that, in fact, there should be some crop subsidies, but there should be a necessary elimination of those over time. I think that was what came out of that understanding. In 1996, the farm bill in the United States, although it was an ominous bill, again, what we saw was there was all the reliance on market forces, but they felt that that would gradually, again, work towards eliminating these subsidies.

Well, Mr. Speaker, we find time and time again that our producers in western Canada are being put in a position that is just completely unfair. I say unfair because, given the chance to compete, given a chance to be on that same level playing field as those to the south and those across the pond in Europe, our producers would shine, and we know that. They produce the best product in the world. They produce it efficiently, and they produce it in very, very safe methods. The unfortunate part is that they have to compete on a very, very unlevel playing field, and that does not make things right for our producers in Manitoba or western Canada.

We know that the big issue of grains and oilseeds is out there. The farming community of Manitoba a year ago in front of the legislative steps frustrated because there was no voice, there

was no sense of anybody listening in Ottawa on the federal side as to what could be done for these hardworking men and women, who we all know would rather be seeding or harvesting or working on their land than standing in front of a Legislature saying we are being punished. We are being punished unfairly because the U.S. government continually subsidizes their producers. That was last year, Mr. Speaker.

There was a figure that was being discussed about the economic hurt, a figure to the tune of \$1.3 billion. Well, that number may have been relevant yesterday, but as of 7:30 this morning when President Bush signed the U.S. farm bill that \$1.3 billion is now totally irrelevant, and that is why it is important that we in this province and in Saskatchewan and Alberta, that we decide the economic hurt of our producers because of this new bill that the President of the United States has put in.

* (15:10)

We know on a level playing field with pulse crops, Mr. Speaker—we have seen it in Manitoba—we know full well that our producers can compete, not only compete but can grow and flourish which is what they really want to do. They want to see their businesses and grow it and make it so that it is profitable so they can reinvest and continue to grow. We have seen that in the pulse crop business. We have seen the doubling and the expansion of that in our home province of Manitoba.

Now with this new bill, what happens is those producers are now under attack. There is no place for these producers to turn. They are trying to diversify. They are trying to deal with the economic situation, but wherever they turn now a new bill comes in and slams the door on them. That is why I believe, as has been discussed today, and why it is important that we all get a chance to stand and speak to the horror of this U.S. farm bill because I believe we are all united in our approach. I believe that we are all looking out for the best interests of Manitoba. But as we will see I think as we move forward, it is all about western Canada, as well, because I think the meeting on Friday that had all the leaders of the parties representing Manitoba, Saskatchewan and Alberta, that was the

unanimous position that we decided to take and I think is being recognized and applauded.

The other side of that, Mr. Speaker, which I think is important, is that part of this is to ensure that members of the Keystone Agricultural Producers, the Wild Rose Agriculture Producers and the agricultural producers of Saskatchewan, all of those groups are also united in supporting our producers against what this horrendous U.S. farm bill is going to do to them.

We know that the amount of money that has been put into this is just so incredibly large that it is hard to even know where to attack. But the most important place I think, Mr. Speaker, if I could use the word "attack," is to start with a united position. I believe we will see that not only in this Legislature but in the Legislatures in Saskatchewan and in Alberta and the stakeholders, such as I mentioned, the agriculture groups that we mentioned before.

We do know, and it has been mentioned in this Chamber, that the backbenchers, the Speller report was put out by the backbenchers of the federal Liberal government and clearly they also recognize the horrendous impact that our agriculture producers are having in Manitoba and throughout western Canada. So we hope, as well, as was expressed by the First Minister, that some of those, of their own members, of their own party, have a chance to get the ear and resonate the message of the importance of ensuring that in the short term we address the issue but that we have a long-term plan so that each and every year we do not see our producers having to stand at the front of their Legislature saying: We need assistance, or, like my neighbour, we are going to have to auction off our farm.

I may not be accurate. I hope I am, but I believe the honourable Member for Emerson (Mr. Jack Penner) had said that he thought that there were some five auctions being held in the past couple of days. That is a shame. Those people did not get into that business strictly to see it auctioned off.

I would say that one of the best comparisons of all, and I think this will strike to the heart of anybody that understands farming or does not

understand farming, this comparison brings it home, and that is that Manitoba producers get about \$26 per tonne of wheat that they ship. Literally kilometres away in North Dakota the same producer gets \$135 per tonne. How is it that those in Manitoba, knowing full well that, given an opportunity, they could go toe to toe and produce product every bit if not better than those people in North Dakota, are being penalized because of this unfair subsidization?

Just briefly, the Premier talked about country of origin. I know we had that discussion when we were in Regina. I think that we all know that the fact is in Brandon we have a wonderful plant there, Maple Leaf. We know that it produces excellent product. I think that any time anybody in this world sees anything that has a maple leaf on it, it means one thing, Mr. Speaker, and that is first quality, first-rate product. I do know that one of the issues that was of concern is what is the price to consumers. I think that is an issue that has to be dealt with in terms of country of origin. But, overall, I applaud the First Minister for bringing in a resolution. He quite rightly said that if they had not brought in a resolution, we were prepared to introduce one because we feel it is important.

So I will just close by saying that this is a very important initiative, a very important initiative because I think we have a chance to get it right not just in the short term, because that is where hurt is, but in the long term so that those producers can see some hope and opportunity in the future for something that they are the best in the world at. We certainly are very much in favour of the resolution introduced by the First Minister.

Hon. Rosann Wowchuk (Minister of Agriculture and Food): I too am very pleased to have the opportunity to say a few words on this very important resolution, and I certainly want to commend the Premier for bringing this resolution forward and also commend him for meeting with Premier Klein from Alberta and starting the discussion at the provincial level while we were in Ottawa discussing it on a federal level. Certainly it has been a topic that has been on all of our minds. It was a huge discussion at the Agriculture ministers meeting.

I say that I am pleased that the Premier brought this resolution forward, but this is not the first time that the Premier has recognized the importance of this issue. In fact, it was only three weeks after he had taken office that the Premier led a delegation to Ottawa protesting the low commodity prices as related to the U.S. subsidies. This is not a new issue. The U.S. subsidies have been there for a long time, but it is what is happening with this bill and the increases of these subsidies that is so serious.

This bill moves the ad hoc payments that the United States had for their farmers into a core-base funding, putting them there on a permanent basis, in fact raising them higher than they were before and adding in new commodities as we have heard about, the pulse crops, as well as the issue of country of origin. They are all serious issues.

We raised this issue with the federal Minister of Agriculture. It has been raised now with the western leaders and will go to another level where more people will get together to discuss this important issue. We have to bring as much profile as possible to it. I am very pleased that we have all parties standing together saying that this U.S. farm bill is wrong and that the federal government has to put in place funding to cover trade injury. I am pleased that producers are together on this one.

I have news releases from producers who are saying that this is a federal issue and the federal government must address this trade injury. The impact is not only on producers, it is on rural communities. It is on the city of Winnipeg and on all centres. The kind of subsidy that is being put in here will hurt all producers and will hurt very much the economy.

When we were in Ottawa, Mr. Vanclief did not say no. He said he would take this issue to his federal cabinet. I think that there is additional pressure on the federal government, given the Speller report. This is a report written by Liberals for a committee put in place by the Prime Minister and a report that says the Liberal government should address subsidies and put in place funding to help farmers through this difficult time.

So I would hope that with their own study and committee going out to talk to producers that this will mean that the federal government will live up to their responsibility to address this trade injury. It is trade injury that is caused as a result of a trade agreement signed by national governments. It is funds being put in by the national government in the United States. It is certainly going to cause a tremendous amount of hardship for our producers.

When I look at what has happened in Manitoba, I have to admire producers in this province for the steps that they have taken to diversify into new crops where there is a market, crops where there are no subsidies, crops that have helped stabilize farm income in some parts of the province. The crops that we are talking about in the pulse sector are not grown right across the province, but they are a very important crop in more the southern part of the province.

* (15:20)

These farmers have diversified their business and have found markets with absolutely no support from government. Now the U.S. has decided that they want to start subsidizing in this section as well. It is going to hurt Canadian farmers, Manitoba farmers. It is going to hurt farmers in developing countries around the world as well for whom this is a very important crop. These are very important crops for them.

That is why countries around the world have raised serious concern about what the U.S. is doing with this farm bill. It flies completely in the face of their credibility. Here they are at the WTO talking about reducing subsidies. You have the European union moving in the direction of reducing subsidies. Of course, Canada's supports for agriculture are far below where they could be, but Canada made that decision and our farmers have adapted to it. Although they were not happy with it, they have made adjustments, because they are very good farmers.

The U.S. now is going completely in the opposite direction by increasing their subsidies. This is not accepted by people around the world. It destroys the U.S. credibility. That is why we asked when we were at the Ag ministers'

meeting the federal officials along with our officials to do an analysis of what the impact of this subsidy was on each commodity. We also asked the federal government to look at what the options were to challenge this at the WTO. Was there the opportunity to challenge under NAFTA? All of those things are being looked at.

I can tell the members as well that my department is working very hard to look at what the impacts on Manitobans are going to be. The preliminary numbers that we have, the injury that we have now is in the range of \$250 million annually. We anticipate that the injury could go somewhere in the range of \$345 million. It may go higher depending on what happens with the country of origin.

Mr. Speaker, I want to share an example with the members of what can actually happen in the United States. Because it is based on your five-year average, people are being advised to take their land out of production for one crop and get a payment and then plant pulses on that and get another payment, so really those farmers have the opportunity to double dip and make huge amounts of money with very little effort and put our farmers at a complete disadvantage.

So, as I say, this is a very serious issue. U.S. subsidies have always been a concern for us. European subsidies have always been a concern for us. As I said, since we have taken office, we have raised this with the federal government. I have had the opportunity to raise it and discuss it at the Provincial State Advisory group, which is an advisory group on agriculture between the United States and Canada, with state and provincial representatives discussing agricultural issues. It was a topic of discussion at our Northern Plains Producer Conference, where farmers had the opportunity to talk to counterparts about the impact of subsidies.

Mr. Speaker, we will continue to raise it. I am very pleased that we have all-party support on this and that we are going to continue to pursue this because agriculture is a very, very important industry in this province. We cannot afford to have more farmers put out of business because of the level of subsidies put in place by the United States. There is absolutely no reason for the United States to be going into

subsidization of crops that have no subsidy now, when on the one hand they say they support the WTO and are committed to reducing their subsidies and then move in this direction.

I have to say, Mr. Speaker, that, as well, the issue of country of origin and the labeling of products, of meat and fish products, particularly meat products, is a very important issue for us. When you look at the amount of product that goes back and forth over our borders, we export over \$700-million worth of meat products into the U.S. every year. They are very important trading partners for us. If we have to have some of these barriers put in place and this is going to restrict our trade back and forth across the border, it is going to be devastating for our livestock industry. But it is going to be devastating for many people in the United States as well, because many U.S. farmers ship their livestock into Canada to be fed and then ship it back to be processed, and it is going to cause a problem for their industry as well.

I know that there are people in the United States who are concerned about the impacts of the country-of-origin part of this bill, but, Mr. Speaker, as I said, we export—I want to correct the number. We export \$763.8-million worth of cattle, bison, hogs, beef and pork into the United States, and this amount continues to grow.

So, if this country of origin is used as a trade barrier, it is going to be very serious. Yes, Manitobans and Canadians can stand up in the marketplace anytime. We have a very high quality and a very credible product out there, and we can stand our credibility on that one. But, when we have to compete against this high level of subsidy or if there are trade barriers put in place for our producers, it is going to be very, very difficult.

So the bill is significant. It will have a huge impact on our producers. The exact detail of the impact is not known yet, but those are some of the details that are being worked on. Certainly, the increased loan rates and also the introduction of a new feature, called the countercyclical payment, is going to be devastating for our producers, Mr. Speaker, and we have to have a strong front. I am very pleased that we are all standing together, very pleased that western

Canada is standing together, and I look for the rest of the country to stand with us, to ensure that it is the federal government that comes through for our producers.

Ultimately, what we would want and what we have always said is that subsidies have to be reduced. We would much rather have no subsidies or much-reduced subsidies, and if you look at the pulse industry, there is an industry that has grown without subsidy, but to reduce those subsidies or to have this issue addressed at the WTO is going to take many, many years. Our farmers cannot wait for those many, many, years. We have to have the financing and the support from the federal government to get our farmers through this issue.

So, Mr. Speaker, I am very pleased we are having this debate. I look forward to the discussion from all members and other members in the House, to hear their views on this bill, and I look forward to working with other provinces and with the federal government to ensure that this issue is addressed and that our farmers do not have to compete against this level of subsidy.

* (15:30)

Mr. Jack Penner (Emerson): I really want to thank the Premier and the Government for bringing forward the resolution. We were in the process of bringing forward a MUPI that would have also given all parties in this House an opportunity to address this which I think an extremely important issue, not only to the farm community, but indeed the entire province. I think the commercial community in this province, indeed, this city of Winnipeg could in fact be some of the most severely hit area if we in fact see the devastation that could emanate out of the farm bill that President Bush signed today in Washington.

I want to take this opportunity to put a few comments on the record, excerpts from the actual bill, and comments made by some of the media commentators and some of the senators that were, in fact, actual draftees and committee members of producing this bill.

The target prices, lawmakers, it says, should not say the new farm bill revives the target price

system, which was abolished in the 1996 farm bill, the right-to-farm legislation, and it says why. Because target prices were in play in 1995 program crops, any deficiency payment was based on what a producer actually produced, and this is not the case with this new farm bill.

The new farm bill allows the base acreage crop to qualify for any countercyclical payment. That is a major difference. So think of the new target price as a safety net price, acreage-based crops designated by producers, and I think therein lies the whole difference to this farm bill. I think it allows, the minister has stated, a farmer to set aside a previous crop that he has grown, taken the last five-year average, and he will be paid 93 percent of that previous crop five-year average price and crop and allowed to plant, for instance, a crop of peas on that crop and sell the peas under the designated price under the LDP, which will be 11.93 cents a pound.

Therein is the real problem. This will give that producer an opportunity to double his money on a given acre of land. It also allows for some significant changes to the payment yields, allows producers who update base acreage to the average of 1998-2001 plantings to update yields for countercyclical payments, and that AMTA update is the higher of 70 percent of the difference between the current AMTA yields and a full-yield database, updated base on the 1998-2001 year planted, or it says 93.5 percent of the '98-2001 yields on planted acreage.

The dairy program, I think, is another program that should be looked at very carefully. This gives dairy producers in the United States a base price of 16.94 cents per hundredweight of milk. That is when the Boston price falls below that, the producers in all of the U.S. regions would receive 45 percent of the difference between 16.94 and the lower-market price. That sets a dramatically higher base rate for fluid milk and would allow the subsidies to apply if and when the American producers attempted to export much cheaper milk or price their milk to a much cheaper rate for export market.

The same thing would happen in the other commodities. It would allow, for instance, somebody to price peas into the international market. At whatever they chose to sell for, they

would be given a base-rate price plus the previous average five-year yield and price average of the previous five-year average, plus the current subsidy that is identified or the base-rate price that is identified under this program.

The one real area of concern, I believe, to the livestock industry in this province, whether it be hogs or beef cattle or, for that matter, any livestock, including poultry and all the rest of it, is a provision in this bill which indicates that meat products will be stamped U.S.-made only if the farm animals were born, raised and slaughtered in the United States. I think therein lies the dilemma for the livestock industry. We do not know exactly what that will mean or how the Americans will use that born, raised and slaughtered in the United States provision for labeling of U.S. meat.

If the Americans then want to use that as a marketing tool in the United States, in other words buy U.S.-produced products only, that could have a significant impact on those Isowean barns that we have in this province now or, for that matter, the poultry industry, the turkey industry and the ability for them to ship, export processed meat and/or live turkeys into the United States, as is currently the case, even under our supply management system. It could have a very dramatic effect, Mr. Speaker.

I think the true effect of this farm bill will not be known for quite some time. I understand this document is some 900 pages. What I am reading from is simply short excerpts of what the effects might be on this bill. This bill, they said, was initially a \$73.5-billion increase over the current farm bill. That appears not to be the case. According to commentators this morning, it is probably \$190-billion to \$212-billion total farm bill that could be used to do almost anything or support almost anything or countervail, countervail is not the right word, but to restrict movement of other countries' goods into the U.S., and therein I think lies the biggest problem.

One of the comments that one of the senators, Senator Johnson, made was: As packers continue to threaten to take their industry to Mexico and other countries around the world, I think it is going to be all the more

important that we have country-of-origin label for meat products so American consumers have a fair opportunity to know the nature of the product they are buying.

I know the Minister of Agriculture (Ms. Wowchuk) has spent a bit of time today explaining what they are negotiating with under the new provisions, under their four-tiered agriculture provisions which will also have a Canadian labeling ability. Well, when one looks at how dependent we are on the U.S. market, and when you look at the ability under the new provision within two years to force processors to label everything produced in the U.S. as U.S., and then the promotion aspect of the provisions under the farm bill would lead me to believe that this is probably one of the most protectionist bills that we have ever seen drafted and passed in the U.S. Senate and signed by a president.

This allows the Americans to target the American market and try and sell to the American public the realities of the marketplace, and that is to promote American-produced products over any other products imported. I think that is what this is all about. Where will that leave us in the debate and the discussions under the next WTO, and how will that position us in Canada in drafting a new farm bill that will be based on environment, that will be based on quality and labeled Canadian? I think that might be the exact adverse thing that we might want to see in the marketplace, and I think the minister should pay very close attention to what this farm bill does and how it is written and what sort of powers it gives to the American system.

I think we need to talk a little bit about the target prices, as I said before, and how countercyclical payments will be made, and that 93 percent of the previous base price will be used to support. I think that is absolutely important, and I think one should also note that the corn price under the LDP will be \$2.60 targeted U.S., and that means that it will be very close to \$4 a bushel that U.S. farmers will get in Canadian. I think this also clearly, again, reinstates the minor oilseed prices at about very close to 10 cents a pound. That is \$6 U.S. for Canola oil, for instance. I think that, again, gives them a huge advantage over our pricing mechanisms in our own plan.

* (15:40)

I want to spend just a minute or two on the new drafting of the new bill that the minister had talked about before. Country of origin, country-of-origin labelling, country of origin based on quality, does not sell or cannot sell if there is no marketplace. If other countries shut their doors to our products, no matter how good our products are or how high a quality our products are, if they by law or by political means shut their borders we have nowhere to go.

I would suspect that the environmental costs that the minister as one of the pillars under the new farm bill that Canada is discussing might well put us out of a competitive range if other countries do not move in a similar manner. They might in fact designate us non-competitive. I think we need to be very careful, Mr. Speaker, that we in our country do not outprice ourselves in the international marketplace. That is my biggest fear. I think we need to be extremely careful.

I believe that Canadian farmers, especially western Canadian farmers and Manitoba farmers, are probably the most environmentally conscious people that you could find anywhere, because they depend for their livelihoods on maintaining a good, clean water supply, a good land base and an economic ability to compete in that international marketplace.

Our farmers are very proud to have been able to compete against the American Treasury up to now. I think that is over. I would suspect that the rumours I hear, that the losses that farmers in Manitoba might in fact incur might approach three-quarters of a billion dollars only in Manitoba alone. The number that was touted before was \$1.3 million.

As a Canadian hurt by the American trade, I think, as our leader so eloquently stated, what we are facing now is an unknown number and we need to clearly identify that number in this province. I would challenge the Premier to encourage his staff and the minister's staff to bring forward clearly the kind of numbers that we can put some credence in, take those numbers to Ottawa and demand that Ottawa get on the same support level that Washington is on today.

Mr. Stan Struthers (Dauphin-Roblin): Mr. Speaker, I am very pleased today to be able to rise and speak on behalf of the farm community in Dauphin-Roblin. When I say farm community of Dauphin-Roblin, that includes the farms, the family farms, the people who directly make a living farming, producing products for us to eat as well as the number of communities, the number of businesses, the number of enterprises in my constituency and in constituencies of every other MLA in this building that will be affected by this bill that President Bush signed this morning.

Let us not make a mistake. Let us have no doubt about this. This is United States trade protectionism at its worst. That is all this is. On the one hand, the Americans think that they can hassle us when it comes to some of the supports we put in place for our farmers and at the same time believe that it is their right to move forward and introduce bills such as this one that the President signed this morning to negatively impact the livelihood of our farmers here in Manitoba.

I want to remind people that this bill replaces the 1996 Freedom to Farm Act that was put forward in the States, an act at that time that provided for more and more and more subsidies. This is not something that is new. This is not something that should take any of us by surprise. We have to recognize that the American government on one hand is talking the free trade rhetoric and on the other hand is acting like protectionists. The examples to prove that, the evidence before us is clear. We have had challenges to supports that were provided to Canadian and Manitoba farmers. Over and over again there are challenges to the Wheat Board. There are challenges to a whole number of supports that we, as legislators, have put in place to help our farm community, and are challenged again and again and again by the American government.

I do not need to remind members on either side of this House about the number of ad hoc subsidies that have been put forward over the years by the American government. This bill today that Mr. Bush signed provides \$180 billion worth of subsidy over 10 years. You know what is even worse than that, the worst part about this

is that the proposal is to spend the bulk of that money within the first six years of the ten-year bill. That is in effect taking \$180 billion and spending it in the marketplace in six years. That increases the amount of harm that this is going to cause our farmers. That increases the pressure on us as decision-makers to act.

This bill that we have before us also will, for the first time, provide some impact on an area of our agricultural development in this province that has seen some growth, which in the last number of years has doubled. I am talking about peas and lentils, the pulse crops. We have seen some good progress in that area. We have seen success there.

Now what is going to be the impact of this bill on a growing agricultural diversification here in our province of Manitoba? It is going to be negative. It is going to hurt people who have been working hard to make sure that that part of our agricultural industry would be successful.

Mr. Speaker, the other part of this bill that is very worrisome and I think opens up a huge can of worms is the whole area dealing with country-of-origin labelling. Do we have any doubt whatsoever that this will not be used as a trade barrier by a protectionist United States government? I submit to you that is exactly why it is being put forward. I think it is something that we should be very concerned about. I think it is something that the federal government needs to be very concerned about. I know that members of the cattle producers here in Manitoba are very concerned about that portion of this bill.

How do we deal with this huge problem that we face? I was very interested to hear some of the statements that were read into the record by the Member for Emerson. I think the Member for Emerson did a very good job in indicating just exactly what it is that we are dealing with in this debate here today.

It has been said in the past that Canada has always had a problem. It has been a mouse living next door to an elephant. Well, what we are dealing with is an elephant because of the size of this bill, but we are dealing with a rogue elephant. We are dealing with an elephant that

has gone mad in the marketplace. It is a rogue elephant because it is running against the rest of the world, the Europeans, the European Common Market also singled out by the American protectionist movement. The European Common Market has been looking to reduce the number of subsidies that hurt the marketplace in all parts of the world. They have been moving away from subsidies. They have been looking for ways to desubsidize agriculture. Canadians have been doing it for how many years now.

* (15:50)

Every member in this Legislature can think of something that we have given up in the name of free trade. We can all think of something, just within the envelope of the farm community, that we have gone forward and said: You know we are such good folks we are going to show you our good faith. We are going to give up the two-price system of wheat, or we are going to give up this, or we are going to give up that. We have been doing it. We have been doing it year after year. Every time we get in to negotiate a new free trade agreement we give up something. What has the rest of the world been doing? They have been dragging their feet. Now today we are faced with this.

I think the Member for Emerson (Mr. Jack Penner) makes a good point. I think that we have to take some of the points that the Member for Emerson was making. We have to think back to what we were told when we had the Standing Committee on Agriculture travel this province just a couple of short years ago. We have to take the statistical information that the Member for Emerson has provided this House here today, combine it with the real-life stories that we were told two years ago in Brandon, in Winnipeg, in Beausejour, in Dauphin. Those were real cases. That tells us how this bill is going to play out at the farm gate. You have to take those two and we have to marry them together and we have to turn to the federal government, with the co-operation of the Leader of the Opposition, with the co-operation of all members of this House, with the co-operation of all members of the legislatures in Saskatchewan and Alberta. We have to co-ordinate that so that other provincial premiers and their legislatures can get involved.

We have to co-ordinate this with farm groups right across this nation, in our province and across Canada. It has to be a co-ordinated effort because we are dealing with a rogue elephant that needs to be tamed.

Mr. Speaker, the key word is co-operation. I have witnessed co-operation in this Legislature in other times. I have witnessed co-operation in terms of agriculture within this Legislative Building and we have to do it again. I was very privileged to chair that Standing Committee on Agriculture, and I really was impressed with the hundreds of submissions that we received dealing with the state of agriculture in our province. That was two years ago. I can remember sitting late at night in Brandon listening to a young woman, a teenager, from the southwest corner of this province, talk about what farming means to her community in the southwest part of the province. It was an absolutely eloquent speech, and I know that any members opposite who were members of that committee can remember that young woman and how impassioned she was about what farming meant to her and her family.

I remember in Beausejour, and the member opposite probably heard this knocking on doors in the by-election in Lac du Bonnet. I remember the approach by people in Beausejour was, I think, quite global. Looking at the big picture of farming and drainage became one of the issues there, an issue that we are moving on, an issue that we are doing something about, and I know that all members in this Legislature understand how important that is, the drainage aspect in the farm community. I know that we can co-operate, on each side of this House and outside of this House, to bring other people on board to deal with this issue because I have seen it happen before here.

I want to just talk briefly about one of my own constituents who, when we were in Dauphin with the Standing Committee on Agriculture, the Premier (Mr. Doer) and I just talked about this just before Question Period today. We talked about my constituent, Mr. Elliott from Grandview, who came to the Standing Committee on Agriculture, looked at the Premier, looked at myself as Chair, looked at all the MLAs who listened intently as he

described what it was like to run a farm operation in the Parkland area.

It was not one little issue here and one little issue there. It was not this you can wave a magic wand and do one thing and make my farm operation successful. It, again, was a holistic approach to his farm operation. He talked about his daughter for whom they were attempting to find enough money to send to university so that she could take courses. He talked about how valuable this was to the community of Grandview and how important it was to instill in young people the feeling that they can enter farming, that they can take over their farms from their parents or they can, heaven forbid, maybe even buy some land from somebody else in the community and begin a family farm somewhere in rural Manitoba, in this particular case near Grandview, Manitoba.

Mr. Elliott was absolutely eloquent and impassioned about the prospects of rural living, the prospects of farming in Manitoba. He was absolutely clear, as were so many other people who presented to our standing committee, they were absolutely clear that we need to push aside our partisanship. We need to stand together as legislators, and we need to say that we have to provide a united front against this rogue elephant right now and that we need to go and bring in to the table other provincial leaders, farm groups, and most importantly you have got to get on side with us the federal government so that the federal government can provide some type of bridge financing to help in the short term and also toughen up our approach to these long-term trade agreements because, if this is what the future holds for farming, then we will be in big trouble in this province, but I know that we have the ability to approach this problem in a co-operative, co-ordinated effort. Thank you, Mr. Speaker.

Mr. Harry Enns (Lakeside): No doubt a great deal is going to be heard on this subject matter in the farm community and in the halls of politics, but what really has to be said: Look at how the American government is looking after their farmers. They are doing it, and this administration is doing it at a time that George W. Bush has before the American Congress the largest tax decrease in the history of that

country. Let me remind us all, and particularly the Minister of Finance (Mr. Selinger), that the Americans start with a considerably lower base level of various numbers of taxes, as we call them, personal and corporate. They are planning—what is it?—a trillion-dollar tax cut over the next five years. *[interjection]*

Let us not be that sure of a deficit, just as I wish the Minister of Finance well in the turnaround of the economy. But look at what that powerful country is doing because they happen to believe that agriculture is important, that food production is important, as they would say, in their national interest. They have laws on the book that preclude—have had it for a long time—levels of foreign import into their country when it exceeds a certain level, beef, sugar, a whole host of what we would call protectionist policies.

Mr. Speaker, instead of us—quite frankly, it makes for not even that good politics—railing against it, really our responsibility is what we can do about it. What can we do about it? I will tell you there are some things that we can do about it, and I just want to name a few of them in a hurry. We can do something about it at this present time in our history.

We have all acknowledged that it is a national problem. It is the national treasury of Washington or the European Union that is placing our farmers in this position, so it is incumbent for us to have a national response.

I will tell you something. Thanks to that great old prime minister whom we love to kick around the block, Prime Minister Mulroney, who introduced the GST, that took a hidden tax and made it a visible tax and, of course, applied it to a lot of other services, that to a large measure accounts for the surpluses in the federal Treasury these days—I think the Minister of Finance (Mr. Selinger) might even acknowledge that—along with some considerable pulling back of their responsibility in such fields as health care, but certainly the unbelievable revenues created by the GST which convinced the current Prime Minister who promised the people the GST would be history if they elected him in '93. *[interjection]*

*(16:00)

The Member for Dauphin (Mr. Struthers) remembers that, as do I, unfortunately I suspect, not too many voters in St. Boniface will remember it today, or elsewhere in the country. They will forgive and forget, but what it has done is it has put by current standards—and this is taking into account an economic slowdown, September 11, and everything else—the federal government in a position of some \$7-billion to \$10-billion surplus.

Am I in the ballpark, Mr. Minister of Finance? I believe so.

An Honourable Member: 15.

Mr. Enns: Okay, closer to 15. So I am saying that, when we were running huge deficits, I always found it hard, quite frankly, to rail for the Canadian Treasury to try to compete with the American Treasury or the European treasuries, but we can in this instance, I believe, make that call because that \$10-billion to \$15-billion surplus is there.

One other reason why I think we need to make it now, and I am pleased that at least the western premiers have gotten together. They have to put much more pressure on. They have to get to that money before other special interests get to it, namely the forestry people. Now, I have nothing against the forestry people. They have a legitimate case, but I will tell you something. We will win that argument. The forestry people have won that argument in the past. We will win it again when it gets fully cleared through the various panels that it will go through, just as our pork producers won a provision that was put against the import of Canadian hogs.

Do you recall that? I think the First Minister talked about it. They attached a levy on Canadian hogs, but because we served notice that we were disputing that, that money was kept in trust. At the end of the day—it took a better part of three years—we won the argument, and Canadian pork producers got all the money back. In excess of \$3 million went back to the pork producers.

I maintain precisely the same thing is going to happen to the forestry industry. When the

27% levy gets charged on Canadian softwood lumber, we will have been well under way having served notice that we are taking them to the World Court, WTO, or NAFTA agreements. It will take two years, it may take three years, it may take five years, but we will win that battle. Then those monies will be reimbursed to the softwood lumber industry. They will be held in trust as was the pork money. There is a clause that calls for these monies not to be encroached upon until a final settlement is made. I say that that is something that needs to be done and can be done.

There is one more thing that this Minister of Agriculture can do not tomorrow, she can do it today and save the Minister of Finance (Mr. Selinger) some money while she is doing it. I know one of the things that we in Manitoba can do and are doing, not solely as a result of this, but as a result of an action that took place, again, by the federal government.

That reminds me I said the federal government has the capacity with a current \$10-million to \$50-million deficit to do something, even in big numbers. I maintain they also have a moral responsibility. It was only seven years ago that western agriculture gave up some \$760 million annually in the Crow benefit. That is a pretty big chunk of what the industry now is asking for some bridge financing, some help as we sort our way out of this mess. They have a moral responsibility to do that.

But, Mr. Speaker, as a result of that action and the result of some courageous action, I might call it, by the then-government, which immediately saw that we had great opportunities in expansion of our livestock industry, particularly in our pork industry, it called for creating more flexible marketing conditions and the doing away with the single-selling desk. That has done just as was predicted, not just a doubling but a tripling increase of pork production in the province of Manitoba, and it has room to increase more.

If this Government would stop listening to ill-advised backbenchers who do not like their uncles and get on to the act of running this province, you would stop funding an organization like Hog Watch that has only one

goal in mind, the elimination of the hog industry in Manitoba. That is all they want to do. You give them \$50,000 a year to spread their propaganda.

An Honourable Member: No way.

Mr. Enns: Yes, you do. Your colleague the Minister of Conservation (Mr. Lathlin) acknowledged that in his Estimates. According to Hog Watch and according to those opponents of pork production, I mean, of course water is of great concern to us. I asked that the minister provide me the list of 35 boil orders or water advisories. Here are cases where his department people have checked water supplies for pollution. I asked him a specific question.

There has not been a single incident, let me repeat that, a single incident where a large hog barn has impacted or polluted a water supply. Not one. *[interjection]* That is your information. Yet this Minister of Agriculture allows just last week in the paper articles like this to be virtually published once a week without a response by a responsible minister. You know, this gentleman whose well has been condemned, whose water has been put under a boil order, says: I have never had this problem before the hog barns came into my area. It is a gentleman that my colleague the Member for Emerson (Mr. Jack Penner) knows very well.

I asked the Minister of Conservation (Mr. Lathlin) about this specific case during the Estimates. Do you know what he had to say? He said, first of all, that the gentleman in question did not take a proper water sample. They questioned whether he just scooped it out of the ditch or whatever he did. Secondly, they confirmed that it certainly was not from hogs.

But what I am complaining about is your Government is supporting an organization that has caused the resignation of the entire local council. There will be very few pro-agriculture people elected to the local council as a result of this kind of activity, this kind of fearmongering. I want this minister—one thing this minister can do, she can do today, she can do tomorrow, she can support this multi-multimillion-dollar growing industry by showing some aggressiveness, by showing some assistance and

putting down the blatant misinformation, the rumour mongering, the fearmongering that another colleague of hers is giving organizations \$50,000 of taxpayers' money, including these farmers' money, to promote. That is utter nonsense. That is utter nonsense.

It is not just the Government. If you ask people today, if you ask the average Manitoban today, you know, what pollutes our ground water. Well, it is those mega hog barns. Everybody knows that, when in fact that is not the case. The *Free Press* does little stories like this. They do a major issue on livestock that becomes an election issue: Reeve and two other councils resign in the member of Emerson's constituency, and then quite innocently on the next page: water tested for E. coli at homes near gravel pits in the Birds Hill area, the implication being that these big hogs have implicated the ground water supplies in my member from Springfield's constituency. We all know that is not true. It is the lovely Canada goose that has polluted those waters, but it is the little porker that takes the blame. Let us give the goose to where the goose belongs.

* (16:10)

This is the kind of stuff that an organization which this Government funds, promotes all around the province, puts the fear of the Lord into local councils to the point where they are resigning and not running again and where essentially the aim is to put a lid on all of this, and quite frankly to turn the clock back and do away with the hog production in the province of Manitoba. That is what this Government, that is what this minister could be doing right now to help the farm business.

Let us not just spend our time whining about what the Americans do. As I say, God bless the Americans. They sure as heck are looking after their farmers. They sure as heck are looking after their farmers, and we are not going to change that. We are not going to change their opinion. We can do certain things, we ought to do certain things, and we should direct our energy in those directions. Thank you.

Mr. Tom Nevakshonoff (Interlake): Mr. Speaker, it is, once again, an honour and a

privilege to have the opportunity to stand in the House today and put my thoughts on the record.

But before I even go into my speech here, I have to address the comment made by the member of Lakeside just a few moments ago in his speech in reference to a large hog producer in the R.M. of Fisher, who also happens to be my uncle, Mr. Roland Percival Barrett, just to put his name on the record. The honourable Member for Lakeside made the mistaken comment that I did not like my uncle. I want to stand in the House today and say that I have nothing against my uncle, and I still feel love in my heart for my uncle. I have to say that. He is my mother's brother, and I have always respected him as a fine businessman, although I do not think he has the greatest judgment at times. Certainly around election time, his judgment fails it seems, and it is well established.

Point of Order

Mr. Enns: On a point of order, Mr. Speaker, I do want to wholesomely regret and withdraw any inference of some family disunity. If I have been in any way the vehicle for a reconciliation between the honourable member and his uncle at Fisher Branch, I am so thrilled indeed. I will be taking a copy of this Hansard when I join him on a fishing trip later on this month.

Mr. Speaker: I thank the honourable member for his comment.

Mr. Nevakshonoff: Mr. Speaker, from the bottom of my heart, I thank the Member for Lakeside for undertaking that task.

Mr. Speaker: Order. On the point of order raised by the honourable Member for Lakeside, he did not have a point of order. It is a dispute over the facts.

* * *

Mr. Nevakshonoff: Mr. Speaker, as I was saying, I would thank the Member for Lakeside from the bottom of my heart to act as intermediary in trying to reconcile the two sides of my family here.

As I was beginning, I am very honoured to stand to speak on this issue because I am a rural

member of the New Democratic caucus here, and I represent a large number of farmers in my constituency. This current crisis that we are facing is of great importance to my constituents, and I welcome the opportunity to put a few thoughts on the record.

The Interlake is certainly not as prominent an area as southern Manitoba is in terms of agriculture, but we do quite well, I might add, even given the fact that our soils are probably not as productive as what you will find in other areas of the province. That said, as I said, we do quite well, and where the soil is not up to standards of good croplands, we have got a well-established livestock industry. The Interlake is the heart of cattle country, I would think, in the province here, especially on the western half of the Interlake. You will go up around Ashern, Lundar, Eriksdale areas, extending down into the Member for Lakeside's (Mr. Enns) constituency, a well-entrenched cattle industry. So, on that point, this current U.S. farm bill that is on the table now, especially point 2, the country-of-origin labeling, is an issue and a deep concern to me, as it is no doubt to my constituents.

You really have to wonder what the objective here is on the part of our American allies to the south of us. Where is the spirit of the free trade, brotherhood, the spirit of co-operation that we were hoping for? Yes, the former Prime Minister of this country, Brian Mulroney, signed a lot of big agreements, the Free Trade Agreement and all that, and where has that led us? It seems that it is free trade in one direction, when they want to access our market, but when it comes to Canadian producers trying to access the U.S. market, suddenly the situation becomes a lot tougher, and not just in agriculture. It is a long list.

The Member for Dauphin (Mr. Struthers) was referring to them as a rogue elephant. I would just like to maybe list a few of the rogue elephant attacks that we have experienced in the not too distant past, starting with the forestry industry that the honourable Member for Lakeside also referenced in his speech. We do quite well in Canada. We have extensive forests. Granted, a lot of our land is Crown land, and the Government, in order to try and encourage development in the industry, makes it accessible to our producers. That is all part of our competitive advantage in this province.

Under the free trade agreements, that mentality then, you would think that our lumber should be accessible. Our exports into the United States should be not a problem, and yet, no, they put up all kinds of barriers even to the point where they are driving up the price of lumber in their own country, making their own consumers pay the price, all catering to the special interest groups within their own country that lobby their politicians and make them push through regressive trade tactics such as that.

We have seen the same thing not too long ago with the potato industry. The potato farmers in Prince Edward Island, very good producers, some of the largest producers in the country. Manitoba will soon be rivaling that, thanks to our commitment to the Simplot thing. Maybe we will. I certainly hope we will. I certainly hope that members opposite hope so as well and do not wish for failure on our part just because we happen to be in office at this point in time. We saw how the Americans reacted to that. The Prince Edward Islanders, good producers and all that, what did they do? They basically invented some myth that the whole industry was rife with disease and put all kinds of trade barriers up and almost killed the potato industry in Prince Edward Island.

* (16:20)

A third example, also agriculture related, which I think we should put on the record, is the Canadian Wheat Board. How many times has the U.S. administration challenged the Canadian Wheat Board in, not the World Court, but under the WTO agreement? Eight times, nine times I think they have challenged and lost. What do they do? Do they accept the fact that the Canadian Wheat Board is a legitimate pooling organization that is marketing fairly and in accordance with free trade and in accordance with a country that thinks responsibly as its place in the world? No, they continue to challenge it. No sooner has one decision been finalized at that level than they introduce another one. Really, this free trade mentality, I think, is obviously a one-way street. They know that the elephant is sleeping next to the mouse and do not hesitate time and again to punish us whenever they feel like doing it just to cater to special interest and their own national interest, so they say.

Let us go a little further. I think the members opposite will agree with me on this issue as well. That is Devils Lake. Devils Lake in South Dakota, this also is of keen interest to me because all of Lake Winnipeg lies in my constituency. All of Lake Winnipeg in my constituency, and all that polluted water in Devils Lake is going to end up in our lake just because they feel like doing it, despite the fact that the Army Corps of Engineers, their own Army Corps of Engineers, has advised against it, not to mention, just in the last day or two, the American clean environment commission has also advised against it, stating that it is an extremely polluted lake. The threats to the Cheyenne River and to the Red River in Minnesota and North Dakota, as well as in Manitoba here, all will be threatened by that ill-advised, poorly thought out, poorly designed plan to divert this lake into the Cheyenne River, just to get rid of a problem that they have created for themselves—and they have, Mr. Speaker.

If they had put in sound water management principles, if they had staged their release instead of mainlining all this drainage from the upper areas of the basin into Devils Lake, then they probably would not be in the position that they are in today. But as soon as they get into trouble, they are going to pass it off onto somebody else, the weaker guy down river that does not have the power financially to defend themselves. So, definitely, sleeping next to this elephant has been most unfortunate for us.

Just in reference to what *The Washington Post* said themselves, as the Premier (Mr. Doer) quoted to us earlier here: If subsidies were an art form, this would be the Mona Lisa. I think that says it all. We are trying to move towards free trade agreements across North America and around the world, yet something like this comes along and sets us all back.

So I am really glad that all members of the House here are speaking in favour of this resolution today. It is not too often that we get unanimity in the House, and I applaud it today. I had the privilege of also listening to the speech of the Member for Emerson (Mr. Jack Penner) just a few moments ago. I always listen to his speeches most carefully because he is very knowledgeable in the farming industry and never

fails to put new information on the record, as he did today. I would just like to compliment him on the words that he put on the record today.

That is what we are seeking here today, and I think we have it. I think possibly if we, in combination with our neighbours to the west of us, the people in Saskatchewan, the Albertans, can all work together on this issue, possibly we can get the message across to our federal politicians, first of all, and then to our neighbours to the south of us in the United States.

I have said a few words about the Americans. I think to be fair that we have to deal with our government in eastern Canada as well. The Member for Lakeside (Mr. Enns) made a very good point. The Crow rate was equivalent to some \$600 million, \$700 million a year in freight subsidies which kept the grain industry alive and well on the Prairies here. Unfortunately, he did not add that their side of the House approved of the dissolution of the Crow, but let us not go there today because we are trying to speak in unison here.

Mr. Speaker, I see my little red light is beeping here, so I will just wrap up my remarks by once again saying let us all speak with a united voice today and try and not digress into little partisan diatribes and send a clear message to Ottawa and also a clear message to our friends and neighbours to the south of us in the United States. Thank you.

Mr. Harold Gilleshammer (Minnedosa): Mr. Speaker, I am pleased to be able to speak to this resolution which is of very great importance to Manitobans and Canadians. As I read the numbers that the American federal government is putting on the table, an additional \$72.5 billion, it is just mind-boggling how much money that American producers are going to have access to compared to Canadian farmers. I think it is just hard to imagine the programs that they are going to put in place that will truly disadvantage Canadian producers.

Personally, I have not had my income from farming in the years that I have been a Manitoba citizen but certainly have known many, many people who are farmers and make their primary

living off the land and have always been impressed with their dogged independence, with their resilience, with their free-enterprise spirit and their adaptability, that they have to adapt to prices, to weather, and of course, what is happening in other countries.

Manitoba farmers can be very, very proud of the fact that they have always found ways to survive and make a living. On the way into the city this morning I listened to Jim Pallister from Portage la Prairie talking about this and about the fact that if they are left to produce crops, they can do the best of anyone in this world, but when they have to take time out to battle foreign countries over subsidies, it is not only disheartening but it makes life very difficult for them.

I think we are all in agreement with this resolution, so I would like to talk about some other things that my colleague from Lakeside introduced here. There are things this Minister of Agriculture (Ms. Wowchuk) and this Government can do to make the life of producers easier, and I think in the big picture it is very important that the Minister of Agriculture move on some of these issues to enable farmers in Manitoba to not only make a living but to thrive.

I know when she was in Opposition, she was very much opposed to the dual marketing of hogs. I think it is very important that she come out and accept that and not have that hanging over hog producers in this province. I think it is one of the bright lights in the Manitoba economy that the pork industry has grown the way it has. I recall, during the 1990s, when members of the NDP were very much on the attack against the PMU industry, again, an industry that has grown and thrived in Manitoba and is one of those diversified parts of farming that is very, very important.

I think they should also look at the water issues that we have in Manitoba. There are opportunities for Manitoba farmers, if they are given the opportunity to have access to water. We have watched the growth of the vegetable industry and listened daily to Peak of the Market and what they have been able to do. We have seen the growth of the acres in potatoes just expand rapidly across Manitoba. This Minister

of Agriculture and this Government could be doing something about putting more land under irrigation. This would have a very positive impact on farming in Manitoba.

* (16:30)

The minister announced in her speech earlier that she is reducing the number of animal units from 400 to 300. Again, this sends the wrong message. She announces this in the middle of the night, and it disadvantages producers in Manitoba. There are so many things that this minister could be doing to offset this trade war that we have with the United States.

My colleague from Lakeside mentioned Hog Watch. Here is a special-interest group financed by the Government, which is out there attacking producers who want to expand into hogs, and they gain a great deal of publicity. They have shut down more proposals across this province than anyone else, so it is a very, very mixed message that this Government is sending to farmers, to producers who want to find other niche markets to expand into.

For instance, I know that many municipalities are asking that the provincial government play a larger role in setting the rules by which intensive livestock operations can become a reality. I referenced the Municipality of Daly, which is being ripped apart at this time by different groups, again with the concurrence of Hog Watch who are very much in there organizing, and the provincial government has an opportunity here to play a larger role in setting rules that all municipalities can live by. Again, the Minister of Agriculture (Ms. Wowchuk) is very silent in this area, and I would urge her to listen and to get more involved.

So, while we are here today to condemn the United States and their practice of subsidizing agriculture, this does not let the Minister of Agriculture and this Government off the hook. They must take a look at some of these initiatives. They must become more active to be sure that rural Manitoba grows and survives. Again, I know on this side of the House, we have so much confidence in producers and farmers to find crops, to find ways of doing it better.

The other thing that is going to happen with these subsidies is that the subsidies are not just going to producers. They are going to increase the prices paid for things like machinery, will increase the price for chemicals, for all of the additives that producers use to put in a crop and to make farming a viable entity. Again, I want the minister to take a look at that area, as well, to see if there is something she could do.

Probably the one thing in the Budget that hurts rural people more than anything is the lack of support for the harness racing industry. I noticed a number of articles in one of the daily papers recently talking about the harness racing industry, and, again, this is an important add-on. I know the Minister of Agriculture says there are only six jobs out there. Well, that is not true. That is not true. In fact, anyone who does even a little bit of looking into this issue will find out that there is much of rural southern Manitoba that has a certain amount of income coming from the harness racing circuit. In fact, I was in the little community of Minto on Friday, and the secretary-treasurer of the R.M. of Whitewater, he owns six horses. He said they were worth about \$1,500. Following this announcement, he says: I cannot even get \$300 for them.

Gerald Flood did us a great service, I think, in writing an article where he went to Holland and Killarney to look at what impact this decision will have on those communities. The people who run these little motels, who do not have conventions, who do not have a full registry every night, depend on special events like this to have people coming from across the province and other provinces to watch harness racing in order to make their livelihood and to make their entities there viable. I think the Minister of Agriculture (Ms. Wowchuk) should discuss this with her Cabinet colleagues and take another look at this. Actually, in Holland they say they stable some 36 horses there during the harness racing season.

I would ask the Minister responsible for Sport (Mr. Lemieux) in this province who doles out many millions of dollars across the province to different sports organizations to take an interest in harness racing. I know if he gets on his feet today, he is going to tell us he is a rural member and is interested in farming. I can tell

you that this harness racing is a big industry out there, and for less than half a million dollars, you are killing an industry, the people who train horses, the people who breed horses, the various groups within communities. Church organizations will serve a meal at one of the harness racing activities and raise a thousand dollars which they donate to the community. This is what makes our communities viable out there.

This is a very, very difficult decision you have made in this Budget, and, again, it is a value-added industry to agriculture. Many of these are agricultural producers who get a little more income from the harness racing industry, again a very difficult decision that has impacted the rural community and again is part of what keeps rural communities going.

So I would ask the members of the Government, besides lamenting what the American government is doing, besides asking the federal government to come to the table with hundreds of millions of dollars, take a look at what you are doing as well. The Minister of Agriculture needs to get out there and meet some of these producers who are trying desperately to find new ways to make their income out of farming. In many of the speeches she makes she talks about the family farm. This creates an image in the minds of I think urban Manitoba that the ideal farm situation out there is somebody with a quarter-section who has a few animals and some crop, and this idyllic family farm is where it is at.

Well, the world has moved past that some distance. I think that the Minister of Agriculture has a special responsibility within her caucus and within her Cabinet to educate her fellow Cabinet ministers on what these decisions, how they impact on rural Manitoba. The harness racing industry is just one of them.

While I join with all members in supporting the resolution in trying to get the federal government to the table, do not use this as an excuse to overlook the things that you can do here in Manitoba to make farming more viable. I would urge members opposite to do that. Thank you, Mr. Speaker.

Hon. Scott Smith (Minister of Consumer and Corporate Affairs): Mr. Speaker, it is a

pleasure for me to stand before the House and put a few words on the record about this important issue. I would like to as well thank the Premier (Mr. Doer) for putting this resolution forward in the way that he did. This is not the first time the Premier has taken the bull by the horn, so to speak, and dealt with important issues in agriculture, certainly in the province of Manitoba and western Canada.

Mr. Speaker, I would just like to mention that as members opposite have put words on the record, in some cases very positive, toward this resolution and the way it has been developed, others in a little more negative light, I think one thing that we certainly have in common regarding this issue is we do want to see the federal government take some specific action regarding this.

When we dealt with the issue last year and the year before in meeting with farm groups throughout the province of Manitoba and we saw the incredible subsidies that were being put forth not only by the U.S. market but by the European markets, we saw the disadvantage in grains and oilseeds certainly in the fact that Canadians were getting about nine cents on the dollar, Americans were putting somewhere around forty cents on the dollar, and the Europeans were up around the area of fifty-eight to sixty cents on the dollar.

I know the member opposite from Lakeside has mentioned that the American government is stepping up to the plate to assist their farmers and showing the farmers the wherewithal of a mighty giant. I guess that in fact is true. It is the ones with the biggest wealth in the world. It is the ones that certainly are putting money forth, but it puts a lot of the rest of the world in an incredible disadvantage. I think it is best labeled by the U.S. press when they label this that it is a complete distortion of the free trade bill. I will tell you, Mr. Speaker, it certainly is.

Some members have mentioned here today the lengths that the American government has gone to in the last little while regarding softwood lumber issues and regarding some of the farm subsidies that they are putting forth. Now to move up to this extent of a 70% increase over the previous bill that they had puts a country the size of Canada at an incredible

disadvantage. Certainly it is time for the federal government to step up and try to bridge to come to a resolve.

I will tell you the underlying need here is to take this issue to the World Trade Organization and actually really have it looked at by the rest of the world. Certainly that could take a couple of years. It takes a lot of time to bring forth these issues to the World Trade Organization and have it dealt with.

* (16:40)

It is the elephant, and I have heard the term used here today, a rogue elephant running wild. I will tell you, Mr. Speaker, when we deal with a lot of issues with our trading partner, our largest trading partner to the south of us, and it impacts and deals with agriculture, we really have to look at the way the American government is treating not only Canada but the rest of the world regarding this issue. When it suits one trading partner to an advantage and then to put the rest of the world at a disadvantage every time it suits them is certainly not the type of agreement that we wanted to get into. It is, certainly, not the agreement that anybody in this Legislature would look forward to trying to compete with, with a trading partner that has got its wallet as deep as the United States.

Mr. Speaker, our farmers certainly have stepped up to the plate over the last quarter century and diversified in a lot of areas. They have diversified in areas into livestock production. They have diversified into many other areas. Certainly, the pulse crops that they have diversified into and expanded over the last five, six, seven years has been incredible. It has doubled in size from a take of somewhere around \$200 million four or five years ago to a cash receipt now of somewhere in the area of \$400 million in the pulse crops. I will tell you, these subsidies certainly have a lot of farmers and a lot of folks out in my community and around a lot of the communities that the rural MLAs represent here almost to the point where it has had the wind completely knocked out of them. They are saying: Is it worth planting a crop this year to even try to get into this if we have not got the support, if we do not have the backing of a federal government to step up to the plate on this issue?

I know many of the members have spoken around on both sides of the House here of the importance of bringing this forward. Mr. Speaker, it certainly is a massive assault on Canadian agriculture and the rural urban communities that we represent. If the federal government does not step up to the plate on this, I have great fears for rural Manitoba, some of the smaller urban centres that we have spread out through the province of Manitoba and what impact it will have on the trickle effect. I know the numbers that we are generating here, and members opposite had asked today on the total impact of those numbers. This is one where certainly we know that it is somewhere in the area of \$350 million, in that area. It could be higher, and it will take some time of the cumulative effects that this impact will have.

Mr. Speaker, when we had the premiers meet in Regina, we had Saskatchewan, Alberta and Manitoba, certainly the message that came clear was to get this resolution dealt with in an expedient way to get all sides of all our Houses in the three provinces to come up supporting this resolution. I believe that everyone in this House certainly supports this resolution and supports the farmers in Manitoba and western Canada. We need to bring that message very, very loud and very clear to the federal government. The federal government has been using the GST to put a great deal of cash, our cash, our producers' cash and people of Manitoba's cash away to the tune of some \$10 billion that they have got stocked away. I think this is a pretty good time to pull some of that money out and start to use it.

The federal government, in many other cases regarding agriculture, seems to have turned a blind eye over the past decade to our farmers and what our farmers have accomplished. The farmers in Manitoba, with their practices, that have seen the diversification and moved in many ways to limit the production of some of the crops that had been traditionally planted in Manitoba to move to the others. Two good examples, certainly, are the pulse crops, which have doubled in the last four or five years, and the livestock industry that has grown incredibly in the last four or five years in Manitoba. The second part of that, in the diversification that they have undertaken and gotten into, is now when we look at the country of origin in the

labelling that is going to be combined with this bill as well, it again puts the producers in Manitoba at a disadvantage because it is not only going to look at where the original foods were produced but in the labeling. When you look at 91 percent of the consumers that are polled in America it makes a huge difference in their purchasing, certainly would put, I would say, the best products produced in North America at a disadvantage simply because of this.

When we look at the potential impact on our exports of some \$750 million of imports from just here in Manitoba and the diversification, we like to use that term fairly loosely. We have had farmers completely change the system of operations that they have been used to. They have gotten rid of a lot of their capital investments and a lot of others to invest in livestock production. Now again, it is a double punch and quite frankly it is very unfair.

The United States has got to realize that when you are dealing on a fair playing field, when you are talking about the NAFTA agreements that have been established and worked on and dealt with by our governments right across Canada, in the United States and into Europe and the rest of the world, that in fact instead of talking the talk they have got to start to walk the walk with the rest of us. I think, quite frankly, this is an example of overstepping the bounds of a large country and their other trading partners to suit their own needs.

It is unfortunate. It is a bill that has not been given a lot of thought certainly by the American people. It has been one of the ones that has been rammed through the House very quickly. It does support the agricultural producers in the United States, but it certainly does not do anything for our agricultural producers here in Canada.

When we take forward this bill, we intend to have all members of the House voting on this in full agreement of this important resolution that was brought forth by our Premier (Mr. Doer). We have members opposite who have spoken positively on this bill. I believe that will be reflected in the vote that we have here a little bit later today. I certainly hope so. Some of the members have gotten into a few mentions of things that have kind of tracked off or sidelined

off from this bill, but some of the insightful thoughts that I have heard from members on this side of the House and some of the information that I have heard from the other side of the House has been positive toward the resolution put forward by our Premier.

I am very happy to see the members onside in support of agriculture and farming on this bill. The number of things that have been brought forth in support for farmers by our Minister of Agriculture (Ms. Wowchuk) has been many over the last couple of years. The addition of the Prairie Grain Roads Program, the property tax savings to farmers, the \$170.5 million in foregone tax revenues for farmers in areas such as fuel, fertilizer, machinery parts, seed fertilizers and the like was well received by Manitobans over the last couple of years.

I heard members opposite speak of the investment in Simplot both in Brandon and in the great expansion we have got in Portage that is coming up. My understanding is the impact of this bill will not impact, thankfully, potato producers right now but that, I would think, would be just a matter of time from what I have seen from the Americans and some of the information that they have put forth.

I know we are going to have a vote shortly on this. I am very pleased to see all members of the House speak to this resolution in a positive way. I know members opposite would like to speak on this and, as well, we have members on this side who would like to bring their thoughts forward. So I am hoping for a speedy pass on this resolution. I look forward to the vote a little later today. Thank you, Mr. Speaker, for those words.

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, I want to put a few brief comments on the record in support of this resolution. It is very unusual that we get all members of the House to potentially support a resolution, but one of the things that cuts across all political philosophies and cuts right to the centre of the economy of this province, in many respects, is agriculture. Any time we see problems on the horizon to the extent that we see associated with this American farm bill which will put about \$190 billion into trade subsidy supports for the American farm

producers, we know that there will be a spillover effect into Canada and into Manitoba, in particular, that will be negative.

* (16:50)

Why Manitoba in particular? Well, Manitoba, probably more or certainly as much as any other province in western Canada, depends on free trade. This will not directly impact free trade, but what it will do is it will reduce the value of sales of feed grains, as an example, which will have a huge impact on the feed grain industry in this province, and it will have a huge impact on the livestock industry, because there will potentially be some question about where will the best place be to finish livestock. Certainly, we in Manitoba will still maintain our singular importance as a supplier of feeders in the cattle industry and a great place to grow and increase cattle herds, but other parts of the industry will start to take note of the changes that will occur as a result of this enormous bill.

Now, those who are somewhat closer to the background of this American bill have from time to time indicated that this is a reflection on the fact that the agricultural community in the United States has a very direct ability to lobby within Washington. I think that there is a message for all of us in this Legislature in that respect, because agriculture in western Canada does not have that same opportunity to speak to Ottawa and to have the influence in Ottawa that obviously the American agricultural lobby has.

That may also speak to the fact that we are a much smaller population in western Canada, particularly, and more heavily dependent on the grain industry which is the target of this bill. I must admit that, until I saw the implications that there could be for pulses, which is one area where an awful lot of our farmers have diversified. They have spent money in gearing up their equipment. They have spent money in acquiring land. They spent money and have risked a great deal of their capital to get themselves into an aspect of agricultural production that was not overproduced and that had a significant world value because beans, as an example, and lentils are marketed around the world. They are a universally accepted and desirable protein product. That, too, will now be impacted by this American bill.

I urge all of my colleagues to speak with one voice on this bill, because it will be one of those times, in my opinion, when ridings such as mine, certainly rural areas outside of the perimeter will be significantly impacted, but if they are impacted, so will ultimately the processors, the transportation industry, all of those other spin-off industries, many of which have deep roots and an awful lot of employees right here in our large metropolitan centre.

So, Mr. Speaker, many of my colleagues are speaking directly to some of the impacts, in terms of dollars and cents, and there is one example. As I mentioned, the pulse crops, when I see the fact that that translates into something close to \$4 a bushel in Canadian dollars, from \$6 to \$10, and that, itself, is an impact that tells you of the determination and the depth of the pockets that the Americans are willing to put behind their industries in order to influence the trade and to make sure that they have their food supplies readily available and that they, frankly, will control a lot more of the world food supply than they already do.

So, Mr. Speaker, we have to speak with a united voice. We have to make sure that Ottawa hears us and that Ottawa speaks on behalf of all of the producers in this county. If Ottawa is unprepared to do that, then it leads to the next question, and that is has Ottawa thrown up its hands—and I say Ottawa collectively to reference the national government of this country—and said, well, I guess we could import our foodstuffs.

If they have not put their mind to the problem that this poses for us nationally, then they have, figuratively speaking, entered into what I consider that no-go zone which says we will either compete or we will perish. We can compete, but we cannot compete against the American Treasury.

So I urge, through the Premier and through the current government—it will be one of the few times when we can all stand united and say to Ottawa and to our fellow premiers in western Canada—that this is a far bigger issue than scoring too many political points. This is about the survival, in some cases, of a certain tier within our agriculture industry.

The land will probably be farmed, but there are an awful lot of people out there who potentially will see their investment value drop or they will see their investment value at significant risk, and certainly there will be another purging, if you will, of the agricultural community if this bill proceeds and if the impacts that we believe are real come to pass.

So, Mr. Speaker, thank you for the opportunity. I just want to close my remarks by saying that it is appropriate that we are having this debate right at the very time when Manitoba farmers are going to the field. There are enough of them already who are asking whether or not the risk is worth the investment and if the investment is worth the risk that they are putting forward. We need to show that they are a valued part of this economy and that we will go to the wall to support them.

Hon. Steve Ashton (Minister of Transportation and Government Services): I want to put a few remarks on the record, and I want to start by commending the Premier (Mr. Doer) and our Minister of Agriculture (Ms. Wowchuk) for taking a strong leadership role on this issue, not just here in the province but nationally as well. I particularly want to commend the Minister of Agriculture. I was never more proud than when I saw the Minister of Agriculture speaking for all Canadians, particularly for the farm sector on this issue. So I want to put that on the record.

I want to also put on the record that the bottom line here is that our farmers can compete. They do not need these kinds of subsidies. We should be working for the complete elimination of these kinds of subsidies, because what is happening is, whether it is the European union or the U.S., they have far deeper pockets relative to their number of farmers than we do. That should not determine who can sell wheat or in this case now the extension into peas and lentils.

The bottom line here is who can produce the most productively, and I say on the record that Canadian farmers can outproduce anyone. We are the breadbasket of the world, but, increasingly, we have shown that we can move into other crops as well; a little known fact but, for example, 90 percent of the lentils consumed

in Greece come from Manitoba. Saskatchewan provides a lot on the Turkish side. We are in those crops. We are there partly because of the diversification efforts of agriculture in the last 10 years, and we have proven we can compete. We can have the best quality of wheat in the world. We can produce on lentils. We can produce on peas. I was never more proud than when we saw most recently the fact that the Port of Churchill is now a part of that as well, shipping peas overseas, something I think that has tremendous potential there.

I want to say on the record, too, that tomorrow I am going to be in the United States of America, in Minneapolis, signing an agreement on co-operation with our neighbours. I will tell you the message I am going to send to them, and I am sure this will be the message of my colleague, the member from Portage and others who are going to be there. This is a case where we are working in partnership with the Americans in terms of transportation and development. I want to say on the record that good neighbours should treat each other like good neighbours, and this is not neighbourly, I tell you.

I say to the Member for Lakeside (Mr. Enns), as well, I am sure he will agree with me that one of the key things we have to do is remind our good friends in the United States of just how much we worked with them over the years, not just in economic development but many other ways. I think that has been hammered home with the events of the last number of months, September 11 as well.

I say what people have to realize, and I say this on the record, too, because I think this bill is an example of a short-sighted Congress that is more concerned about the upcoming Congressional elections than it is about the future of its own farm economy. I say to them on the record here from the Manitoba Legislature that this is not going to help American farmers in the long run, because I think American farmers can probably do what Canadian farmers are doing which is compete. I mean, if the United States can compete in terms of other goods, manufactured goods and other goods, surely they can compete with us and others fairly, no subsidies, none of the kind of legislation we have seen.

I say on the record again, too: What is the use of having a free trade agreement? I will not get into the free trade debate, because I think some of us kind of predicted that is was not exactly free trade. You have heard there is no such thing as a free lunch. I can tell you there is no such thing as free trade when you see this kind of subsidy. What good is NAFTA, the North American Free Trade Agreement, if we have such a huge sector of our economy subject to the American Congress in an election year bringing in this kind of legislation and then we are stuck with it as of today and we have to fight it through trade legislation?

* (17:00)

I say on the record, as well, I combine this with looking at the other area where I think it is clear evidence of real concerns, softwood lumber. I would say neighbours should not treat neighbours the way the U.S. is treating our lumber producers. We are affected somewhat, but you look at British Columbia in particular, they are in a serious situation. I say, again, that if you want to practise what you preach, let us start with making it a level playing field for the farm sector, for our resource sectors, as well, because I have no doubt that we as Canadians can compete with anyone.

Our wheat is accepted anywhere in the world as some of the best quality wheat. You go to China and you sell Canadian wheat. They know it has the quality. They know it can stand up, and I know the good friend of the Wheat Board from Arthur-Virden knows that one of the selling points the Wheat Board has when it goes to China is the quality of our wheat.

I want to say on the record, too, we have one of the best transportation systems in the world. I do not say that because it is all under our jurisdiction provincially. We have a lot more work to do, but we have proven we can move to market. We can compete fair and square. We can do it. That is the root of why I get so frustrated over this.

I want to say that it is frustrating when we are at a point where we are making some significant initiatives that I think are going to make a real difference in terms of the rural

economy, our five-year \$600-million plan for highways that is predicated on getting more development in rural Manitoba.

I look at some of the initiatives that our Agriculture Minister is taking, the work we are doing, not portioning up but portioning down the farm tax load and some of the farm tax credits that are in place. I look at the facts on the record of what we are doing in this province. I am not saying this in a partisan way here. I am saying this in terms of the objective facts. I say to our federal government, it is time for the federal government to step up to the plate on this one.

You can blame this on Brian Mulroney and the weaknesses in the Free Trade Agreement, but it was Jean Chrétien as Prime Minister who first ran against but then signed NAFTA. So this is a government that has fully accepted NAFTA. This is a government that has thrown in its lot with—I want this in Hansard in quotations—"free" in quotations and "trade" in quotation marks, as well, because it is "free trade." It is not real free trade.

I want to put that on the record, because the key thing for us to do in this province, all 57 MLAs, and I should not speak for the Speaker, but I know where the Speaker's heart is, even though he cannot vote on this, but we are all in agreement on this. I think the clear message is, and I will be sending it tomorrow in Minneapolis, meeting with our American friends: We want co-operation. We are working with them on transportation and development, and good neighbours should not treat people this way.

Our two-prong goals should be: To get our federal government to wake up to reality; it has to support our farmers in the short run and as soon as possible get this stuff thrown out, either through negotiations with the U.S. or in the processes that are in place under NAFTA. I say that is the first step, but not only should we send that message to the federal government, we should appeal to the United States of America, our neighbours, that we want to be good neighbours, and the best way to be good neighbours on this, you know, you do not go and do something in your backyard that is going to affect your neighbour's backyard. You think

about the consequences here. I say on the record the mistake that the Congress has made on this one is something that puts a serious, unnecessary strain on our relationship with the United States.

The bottom line here is it is unfair; it is not free trade; it is not trade. It is a gross waste. Farmers in North America, and I include American farmers, do not need huge subsidies. All they need is a fair chance and they can out-compete anyone. I will put our farmers No. 1 in any commodity; wheat, peas, lentils, Canola, you run through it. We can compete with anyone. When anyone gets this massive degree of subsidies, all it does is distort the world economy. You know who ends up paying for this? Not only Canadian farmers but the consumers of the world as well, because what you end up with is an inefficient agricultural system that costs way too much money.

The American taxpayer should be our No. 1 friend on this, because I say to them get a hold of your Congress representatives, get a hold of your senators and tell them this is not the future of North American agriculture. The future of North American agriculture is not unfair subsidies; it is through competing in the world economy.

I will tell you right now in the agricultural sector we can produce widgets better than anyone, but I will put on the record I think our Canadian farmers, and the American farmers too, do not need this. This is the politics and the economy of the 19th century. We are in the 21st century. We can out-compete anyone.

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, it is my pleasure to speak to the resolution that is before us today, in full support of the idea of bringing forward a trade injury payment as an equalization mechanism to our farmers here because of the U.S. farm bill that has just been passed, and also to hold a special joint meeting of farm leaders, provincial legislators and federal key ministers to deal with this whole process of the reaction to the U.S. farm bill.

Mr. Speaker, the President of the United States, George W. Bush, signed this agreement this morning saying, his quote was: It

is not a perfect bill; I know that, but you know no bill ever is.

Well, that pretty much says it. He goes on to say: This bill is generous—and believe me that is an understatement—and will provide a safety net for farmers, and will do so without encouraging overproduction and depressing prices.

Mr. Conrad Santos, Deputy Speaker, in the Chair

As much as I would agree with his first statement, that this bill is generous and it provides a safety net for their farmers, I do not know what economist would ever admit this will not encourage overproduction and depress prices.

This is an horrendous bill that has been brought about because of the political nature of the U.S. system, the tight senate vote they have in the U.S. at the present time and the biennial elections that are up this November. I do not believe the President was willing to stand by in the United States and lose two or three Senate seats to the Democrats in regard to the tight line that there is between the split in parties in the U.S. and the senate at the present time. That is, moreover, the nuts and bolts of this whole bill. If anyone has been following this debate, followed some of the Republican speeches in the Senate and in the House, they will know that many American Republicans were not in favour of this bill. In fact, many Democrats were against it as well.

Certainly, the pulse growers of America were against this bill. They know that it could also put Canadian pulse growers out of business, but the same as some previous processes have put certain sectors of the wheat industry under a microscope in the U.S., this bill will certainly be bad for U.S. pulse growers as well.

Mr. Deputy Speaker, when the president brought this bill in, I have given you a few of the quotes that the president made, but one U.S. Kansas State University economist said that this bill specifically minimized the advantages that soybeans would have over corn. It says prior to the change in the loan rates, soybeans had an average net return of \$87.50—keep in mind these

are U.S. dollars—greater than corn, and after the change in the loan rate, the advantage of soybeans over corn is only \$61.50 an acre.

Well, Mr. Deputy Speaker, what in the world does that say to the fact that the president is indicating that this will not impact acreage, when he admits that all we have done is reduce the advantage that soybeans have over corn by some \$26 an acre, \$34, \$35 Canadian? That is equivalent to the rent that many farmers pay in Canada on a per acreage basis.

* (17:10)

Now, to carry that one further, you know, there are farmers that grow soybeans. We are going to have a record 100 000 acres of soybeans in Manitoba this year. Many more will grow corn based on the fact that they can now, with the varieties that have come out in the last few years, grow the yields and the potential that we have had for feeding in this province. We are moving towards being a more feed-deficient province, and we will need more feed in the future, but this bill on soybeans, with the advantage that it has over corn, specifically impacts the Canola grower.

If there is anywhere in the world that Canola was a major crop, it was right here in Manitoba, with the founding of the Canola varieties and the research that was done to bring these kinds of new crops into the stream in Manitoba. Canola could be one of the most hard-hit crops with this farm bill, as it was last year. The same kind of damage will be done on the pulse side of the industry, not even maybe so much this year because a lot of the 2002 crop will be seeded by now, but, certainly, the 2003 crop is going to be very much impacted. Subsequently, five years after this one are going to be very devastating if this bill continues to be carried forward with the volume of the \$190 billion that has been put forward and signed by the president in the U.S. today.

Now, I want to talk just a little bit about some of the programs that this U.S. farm bill has, but before I do, I want to just say that it is a bit ironic that we have a government standing in the province of Manitoba today looking for a trade injury payment, basically a subsidy to

farmers. We know that it is there to counteract the subsidy that our American neighbours have put in place, but, Mr. Deputy Speaker, there are a lot of things that governments could have been doing over the years. The U.S. farm bill did not just come out of the air this morning with the president signing it in the U.S. The first one came in in 1986. It was changed in the early '90s. It was changed again in 1996, and an NDP government, as a Liberal government in Ottawa, has had years and years and years to look at the kinds of programs that could be put in place to try to lessen the impact.

I have some experience in sitting at those international tables with American, European and French farmers to deal with some of these issues in the past, and I take a little bit of grain of salt when the Minister of Agriculture (Ms. Wowchuk) says she wants a commitment from Ottawa to appeal the new U.S. subsidies at the World Trade Organization level. In fact, where were these persons in regards to asking for reductions in these kinds of subsidies in the past?

Everybody knows that an NDP government has been in favour of subsidies in agriculture and subsidies in other production levels over the many years of existence. We only have to look at some of the trade programs that we have in Canada. We know that the World Trade Organization was paid for. The farmers in western Canada paid for Canada's position at the World Trade Organization when the Crow benefit that has been mentioned here earlier today was taken away at one time. Over \$700 million annually was just written off in western Canada. That made it okay for the dairy and other supply managed industries and the Canadian Wheat Board and a number of other areas to not have to change very much, and that is laudable, to try and minimize the impact on Canada, but to do it with a one-time \$1.6-billion compensation payment as the federal government, the Liberal government of the day, tried to do is heresy. There was no money put into western Canada for rural development processes in the hands of the farmers where it would have done the most good in this whole process.

I want to talk to you about a few things in this bill before I close. One of them is of course

in the area of rural development initiatives. This bill of \$190 billion packed into six years is going to lead to a lot of changes. One of them is an increase of 80 percent or \$17.1 billion. It is the single largest increase in conservation funding in the history of American politics or the history of anywhere in the world. What kind of impact that will have on our programs here in Canada I do not even think our federal government has started to look at.

One of their pillars is environmental situations for Canadian farmers and conservation mechanisms, but they are light-years away from being able to implement anything in that process. I know from some of the discussions that they have had very recently that there will be some time before any of these programs get implemented. These dollars, the 17.1 billion, will be used to increase the Conservation Reserve Program, which is designed to retire these highly erodible lands, up about three million more acres, up to 39.2. They have a wetlands project to the tune of a million acres at a cost of \$1.5 billion. That is more than all of Canada's support that our ministers of agriculture have even asked for. They have a grasslands reserve program, two million acres that could be enrolled at a cost of \$254 million; a farmland protection program to the tune of \$985 million; an increase in wildlife habitat incentives programs to \$700 million; \$600 million to the water conservation program. All of these numbers are bigger than what the Crow benefit ever thought of being.

To conserve ground and surface water, we have been trying to get the Government of Manitoba to look at holding back water to be used for irrigation and other mechanisms in the province of Manitoba and infrastructure, perhaps even hitting a nerve with our Intergovernmental Affairs Minister there, because there is no action being taken by the Manitoba government in these much needed areas in this province to assure not only our agricultural industry but the infrastructure around the province of this fine industry that could be used for creating jobs and adding to the gross domestic product of the province of Manitoba.

There is a \$275-million small watershed rehabilitation program, just to look at some of

the aging infrastructure that they have had, never mind the new projects that they are looking at. Whatever this is it is underserved states program to the tune of \$50 million. I guess if that means have-not states then I assume that from our Canadian definition we qualify for that as well; a \$200-million desert terminal lakes program. I have no idea what that is, but these are some of the kinds of initiatives that the U.S. government has put into these programs to provide infrastructure to their farming community and their agricultural industry for its long-term survival. Those are conservation mechanisms.

Now, on the rural development side, Mr. Deputy Speaker, there is over a billion in rural development initiatives that could be spent on something called the rural local television broadcast signal loans guarantee. I guess maybe that is going to bring educational programs to farmers for \$80 million. I do not know what kind of a definition that is, but it could be something that could be very valuable; I suppose. Maybe it is a program to teach them how to access and use the farm bill that is before them—\$100 million dollars in funding to broad band service in rural areas; \$40 million for value-added agricultural marketing development grants for a total cost of \$240 million in that program; \$100 million in funding for rural strategic investment programs, which creates regional investment boards that can receive \$3 million in economic development; \$360 million in funding for rural development backlogs program. Well, we have got many backlogs in the province of Manitoba. That is just the beginning of the kinds of dollars that could be put into some of these programs even if Manitoba was to move forward on a much smaller scale.

Here is one, Mr. Deputy Speaker, that of course I am sure has come out of the September 11 debacle that the United States was faced with and that we are all faced with. That is the \$50 million in funding for rural firefighters and emergency personnel grant programs. But the kicker that comes to my mind is that the American government has passed in this farm bill a \$1.3 billion funding program for research and extension programs in agriculture. That is equivalent to everything that this Government is asking for in Canada, the farm groups today have asked for, according to the shortfall of

funds that they felt were in western Canada prior to the signing of the new farm bills. So this is the kind of extent that the U.S. government is going to, to support its agricultural industry and its farmers.

I want to close by saying that this farm bill will affect Manitoba and Saskatchewan producers in many, many ways, firstly, through these higher supports for cereals, through higher supports for pulse crops. It will help the American processing industry. It will increase the subsidization of U.S. grains and the country-of-origin labeling that I have not mentioned, in two years time if it was to come into effect, would be one of the most devastating issues. I see where there are some agreements that contracts in place and weanling markets could be not impacted.

The biggest atrocity I find in this is that our input prices are going to go up for fertilizer, chemical and other items, feed, here in western Canada and that these kinds of programs always get capitalized into the base of the programs that they have and one of those bases is the value of farmland. I think that once the American farmer finds that he has all this money and cannot access American land the next best thing for him to do is to come into Canada and try and buy up the farmland here in Canada. I find that an atrocity. They will be doing it with 64-cent dollars, and that is one of the biggest atrocities to driving our farm families off the farms that this Government says they are so proud to keep in place in Manitoba. They are doing exactly the opposite, and they are closing the doors daily.

That is why we look at the number of 10 000 farmers perhaps being lost in Manitoba over the next few years. This bill will have a devastating effect on the farming community in Manitoba.

* (17:20)

Hon. Ron Lemieux (Minister of Culture, Heritage and Tourism): Mr. Deputy Speaker, it is an honour to stand and put a few comments on the record with regard to the proposed bill. I just want to say prior to making comments that there are many certainly on this side of the House that would have wished to comment and put their comments on the record.

Mr. Speaker in the Chair

I know the minister responsible for rural development, the Minister of Intergovernmental Affairs (Ms. Friesen), is one, only to name one, but there are many others on this side of the House that wish to make comments but, due to time, may not be able to do so. I will try to be brief in my comments. When we think of spending \$180 billion over 10 years and most of it being spent within the first six years, it just absolutely boggles my mind that kind of money, that type of subsidy would be put in by an American government that believes so much in free trade.

It has been mentioned many, many times, and I think all members of this House should be thanked for their comments, that when we compete on a level playing field Canadian farmers can compete with anyone, in fact outdo all of those that are competing in the same marketplace. I know that members opposite, some certainly were staying away from partisan comments because it is really nice to see that all parties are going to join in, hopefully, and all vote in favour of the resolution dealing with the special Prairie meeting on the U.S. farm bill. Just to say that, in that same vein, you had many members in this House meeting in Saskatchewan to deal with this issue, wanting to put their best foot forward with regard to the issue of farm subsidies, and I know that coming out of Regina there was a unanimous feeling about what we should be able to do. Whether or not we would be successful or not is another thing.

I just want to say, Mr. Speaker, that this Minister of Agriculture (Ms. Wowchuk) on this side and the Premier (Mr. Doer) should be congratulated, because from day one they have been very, very supportive of farmers in Manitoba, and they are working very, very hard. Now I hear some members opposite saying how much of a disaster things have been. Well, let me put a couple of things on the record of some things that we have done. This is not to be partisan. This is just to say this is what we have done and members opposite support this.

The CMAP program, about \$200 million, yes, it was federal-provincial, but working with our colleagues in Ottawa, we were able to put that kind of money forward. Changes in crop insurance; excessive moisture insurance;

increased funding for drainage which we have put in; property tax credit; Bridging Generations. Three weeks after being elected, this Minister of Agriculture took an all-party delegation and also members of the industry, farmers and others, went to Ottawa and tried to work with our federal counterparts in doing something about agriculture. Three weeks after we were elected, this minister took the initiative and tried to do something at that early stage.

Also, we have a look at the Food Development Centre in Portage la Prairie, a nutraceutical centre for value added, Simplot potato plant in Portage. All of these things that are just items that are certainly public but also are a matter of what we are doing in agriculture, just to mention a few. I know with regard to this farm bill when I take a look at the resolution that is before us and what we are trying to do is something that I believe is important to be touched on, that it should be really a consumer concern as well.

Everything that is happening south of the border, Mr. Speaker, and all the subsidies that want to be put forward are issues that are going to, in the long run, affect the consumer. In Canada we export approximately 80 percent of what we produce. We do a very good job of it, but in the United States they consume approximately half of what they are producing for the population. Now, when you take a look at European subsidies as well as the U.S. subsidies, about half of what the American farmer takes home or what they have as far as value in agriculture is subsidized by their government.

I am told by the Member for Lakeside (Mr. Enns) that it is around 60 percent in Europe or thereabouts. It is unbelievable. I mean, Canadians want to compete on a level playing field but are essentially not allowed to. You have a government south of the border who we are trying to work with closely. When I take a look at Minnesota, North Dakota and South Dakota, the legislators are going to be going down there in about a week's time to speak to the legislators in the U.S. We are trying to make some inroads with regard to tourism. I know the Minister of Transportation and Government Services (Mr. Ashton) mentioned that he is also going on to the United States to work with his colleagues there to try to make some inroads with regard to

transportation. We have agriculture. You have conservation. You have hydro. Many others are trying to work with our U.S. colleagues. How are we expected to go down there with a straight face and try to work with our colleagues, our neighbours and friends south of the 49th, and try to work hand in hand with them when we get hammered with something like this? An important sector of our population is going to be so hard pressed all of us are going to feel it. Whether or not we live in Winnipeg or in rural Manitoba or in northern Manitoba, these subsidies are going to really make it very, very difficult for us not only to compete in this marketplace but also with regard to the items we consume in the province.

I know that is something we are going to be passing along to our colleagues south of the border when we see them about how unfair this is. It is absolutely unfair. I know we are going to, and I know the members opposite who are also going to be accompanying the ministers from this side of the House down to the U.S., are going to be expressing those same views, that on one hand we are trying to work on a number of initiatives, and then we get hammered like this. I mean—*[interjection]* Well, it is not right. It is absolutely not right, as the Member for Dauphin-Roblin (Mr. Struthers) has pointed out.

I know from this side of the House, Mr. Speaker, Manitobans are always looked upon as being more than fair and more than generous. I know members opposite have mentioned the U.S. government should be thanked for stepping up and providing their farmers with much needed assistance at a time that they need it. Many of us are not going to argue necessarily on that particular point. We know that agriculture and farmers in this country, as well as in the U.S., need some assistance, but \$180 billion over 10 years? Then we are expected to compete. We are expected to compete with Europe. We are expected to compete with the U.S. on a level playing field. The Canadian government, the Manitoba government, Saskatchewan and Alberta governments do not have a hope to put that kind of money into the agricultural sector.

Mr. Speaker, I know others wish to speak on this particular issue and I will try to make a couple of more points prior to allowing others to

get a few words on the record prior to the vote happening.

We have had an opportunity to deal quite closely with our colleagues in the U.S. I know I mentioned previously that we are going to be going to the U.S. and speaking to them and having an opportunity to speak face to face about how the impacts of this are going to be felt in Manitoba.

You have someone who may be farming close to Emerson, and then you go about roughly 60 miles south of Emerson, you cross the border, and that farmer is going to be getting a subsidy of possibly \$4 million, or who knows the amount exactly, just by travelling a short distance south of them. They are going to get that kind of a subsidy to ensure that their product and their livelihood is enhanced because their federal government is going to be pouring such huge sums of money into those organizations that I do not know what.

Manitoba farmers, as was pointed out, many of them are feeling that in about 10 years' time that all this beautiful land we have, the breadbasket of the world, is going to turn into one huge moose pasture, essentially, it has been pointed out, because how do Manitoba farmers and Saskatchewan farmers and Alberta farmers hope to compete?

* (17:30)

An Honourable Member: They liked you when you were playing hockey for them.

Mr. Lemieux: Even then they subsidized their teams and they still do subsidize their teams. Hopefully this is on a sporting field. I do not want to get sidetracked by members opposite.

The poor—I do not even want to use the term "our poor agricultural sector." I mean the agricultural sector is rich in this country and has a rich heritage, but when you are trying to compete against a country like the U.S. that has such deep pockets, and because of an election coming up, not only election for governors but others coming up, and it is specifically political in nature, they are trying to address what they perceive as real need in certain sectors, the

agricultural sector being one, in order to ensure re-election, pumping that kind of money into this sector is just not right.

You know, our farmers have been forced to compete in an environment in which other countries subsidize quite heavily, as has been mentioned by many, many members in this House. I do not want to take too much time by just repeating what others have said. Many so eloquently have been able to stand here in this Legislature being able to put forward the views of their constituents, and, in a way, to show how hard hit Manitoba is going to be by subsidies like this, not to include how hard hit Saskatchewan and Alberta are going to be.

In conclusion, I just want to say that many members on this side of the House will not have the opportunity to speak with regard to this resolution. I am really grateful that I had an opportunity to put a few words on the record with regard to the subsidies and this U.S. farm bill that is going to hurt us so drastically.

I know in the corner of my province, in the southeast, I have many, many people who are involved in mixed farming, many who are hog farmers. Many who are also dealing with grain farming know what this means. They see this and they read the newspaper this morning and they see how devastating this is going to be for them. They want to be able to pass their farm on to their children, whether it be their daughter or their son.

It is really regrettable that with everything else that is going on in agriculture today and how our farmers are trying to compete, and then they have this hit them square in the face like a cold pail of water first thing in the morning when they read the paper. It is truly unfair and unjust for all our farmers who can compete with anyone and be the best in the world, and yet we have such a devastating effect on our people and our farmers with this kind of an announcement of \$180 billion over 10 years, most of it in the first 6 years. It is a 70% increase over the previous farm bill. It is just outrageous. I know this House and this Legislature will be unanimous in support of this resolution.

Mr. Denis Rocan (Carman): I would first of all like to thank the Government for bringing forward this motion on this very historic day.

Yes, May 13, 2002, is a day that farmers, governments and populations all over the world will remember as a day when U.S. President George W. Bush signed a multibillion dollar deal to subsidize American agriculture producers.

On behalf of the constituents of the Carman constituency, I would like to add my voice to all those voices rising up against the U.S. farm bill and the tremendous economic threat it poses to our farmers and to those industries that rely on the agricultural sector for their livelihood.

I fear that some people will remember this as the day that marked the beginning of the end for the agricultural economy in Canada. To make such a suggestion sends a chill up my spine, and I do not make it lightly. I sincerely hope that this does not happen. The decision to protect our agricultural economy from the negative effects of the latest U.S. volley in the international subsidy war now rests squarely with our governments.

It is difficult to put into words how worrisome this day is for all those involved in agriculture in our country and all those other countries that view the United States participation in the international subsidy war as a threat to their economic well being. The increase of some \$73.5 billion in subsidies to American producers over the next 10 years poses a tremendous risk to the financial well-being of our own producers. We hope the members opposite are listening as we encourage them to do everything in their power to soften the blow that this bill will have on our Manitoba producers.

Mr. Speaker, the farm economy in Manitoba was already experiencing about \$250-million worth of hurt each year because of past American subsidies. The Minister of Agriculture (Ms. Wowchuk) has said in this House that further subsidies are a very serious concern. We on this side of the House are now challenging her to reveal publicly the extent of the financial hurt that the new U.S. farm bill will extract on our farm economy.

It is crucial for Manitoba's Department of Agriculture and Food to arrive at a solid dollar amount, detailing the hurt that will undoubtedly

be experienced by Manitoba producers as a direct result of the U.S. farm bill. All Manitobans must be made aware of what we will be up against. With a more precise calculation of the hurt that may be inflicted by the U.S. farm bill, we can begin to prepare ourselves to meet this challenge head-on. Mr. Speaker, at a time when many producers feel extremely discouraged about the lack of government consideration for them, both at the national and international level, they need to be able to believe that their local politicians care about the future of agriculture in Manitoba and indeed Canada.

Mr. Speaker, today of all days is certainly not the time for either members of this House nor those in the House of Commons to sit idly by and watch as the U.S. threat to Canada's farm economy moves closer and closer to reality. This is a time for governments to exercise all the powers that have been bestowed upon them to save the farm families in our country. As I have just stated, governments have power. Producers in rural Manitoba, on the other hand, are powerless while trying to compete in a global market in which producers from other nations are receiving levels of support from their national government that our producers have only dreamed about. The time has come for the provincial government to show some leadership, join together and demand Ottawa's immediate attention to this matter. Any time for further delay has expired. The issue is right here right now, and the onus is on our governments to address the tremendous economic impacts Manitoba and Canada will see as a result of the ratification of the U.S. farm bill.

Mr. Speaker, each and every Manitoban each and every day relies on our agricultural sector to put food on our tables. Many other Manitobans tie their livelihoods directly or indirectly to the farm economy. We cannot stand idly by as the U.S. government passes farm bills that, although allegedly aimed at protecting their own producers, have such a tremendous negative impact on Canadian farmers. I would encourage all members of this House to speak out, to speak loud and strong to protect the interests of our farmers and in turn to protect our provincial and national economies. Thank you very much, Mr. Speaker, for those few moments.

Mr. Leonard Derkach (Russell): Mr. Speaker, I am not going to take a lot of time, but I do think—*[interjection]* Now I have just decided to change my mind. What is the limit, Mr. Speaker? Is it half an hour?

An Honourable Member: Forty minutes.

Mr. Derkach: Oh, well, I will take that.

I want to put some comments on the record with respect to this resolution, because I do believe that it is a very serious resolution and one that we needed to debate in the House. This sends a message to the producers of Manitoba, to the people of Manitoba that indeed they have a government and an opposition in this Legislature who care about the farmers of this province, who care about the economy of our province and who are very much concerned about the impact that the bill which was signed by President Bush today is going to have on the lives of many Manitobans.

Mr. Speaker, my colleague the member from Lakeside indicated in his remarks that the American president and the American government is simply looking after the farmers of its nation. Of course, the farmers in the United States, through their trade wars, are in competition with Europe, who subsidize very heavily their producers.

So, Mr. Speaker, Canada is left out in the cold, so to speak, because we have the two largest blocks competing against one another with subsidies. Our treasury in Canada cannot afford the levels of subsidies that are being thrown at agriculture from the United States or from Europe.

I think it is time that the Canadian government, the federal government of Canada, stepped up to the plate, because the producers of our country cannot compete with the subsidies and the treasuries of the United States or of Europe.

* (17:40)

So I think it is very important for the Prime Minister of this country to recognize the fact that we have farm families in this nation that are

doing a good job in terms of the production that they put out every year. We put out a high quality of product and we put out a high quantity of product. It is now up to the Prime Minister to make sure that he stands up for the people of this country who put their labour into producing a very high quality of food for not only this country but indeed add to the GNP of this nation.

Mr. Speaker, the Premier (Mr. Doer) of our province put forward a resolution that calls for several actions to be taken and identifies several problems. I think quite correctly he has identified the issues and the problems as they relate to agriculture and as they relate to trade. We support that resolution in terms of its intent, because I think its intent is to highlight that we as a government are concerned for the producers in our province.

As I was driving in from Russell this morning, I was tuned in to CJOB. I think Jim Pallister was the farmer who was commenting on this trade war, if you like, the subsidies that were going to be announced by the President of the United States. I think he pointed out very clearly that our farmers do a good job. They do what they are supposed to do. They do their homework. They have been as efficient as they can be.

We have pushed our farmers in Manitoba and in Canada to diversify. We have pushed them to become more and more efficient all the time. We have sort of gone away from the family farm concept, although some of us still own what we call family farms, but the concept itself of a small farm just does not exist anymore, because the economics are just not there. You cannot farm a thousand acres today and raise a family on it, unless you are into specialty crops. Out in my part of the world, we do not have the variety of crops that you might have in southern Manitoba, so we have to rely more heavily on growing grains and also growing forages, legumes and that sort of thing to make ends meet.

I think it is well known that a thousand-acre farm just cannot make it these days. So we have been forced to expand our operations. That again puts a great deal of stress financially and socially

on the family farm. Yet it is a concept that I think we all want to hold on to and we want to see survive, because by passing that important investment on to our future generations, we can actually I think look forward to ensuring that we have a healthy rural environment. That is what this is all about, having rural communities that are healthy, rural towns, rural farm families that can live in the country, provide a service to this province, provide to the economy of this province, and contribute in a very real way to the makeup and the general fabric of this province.

This is all threatened, Mr. Speaker, because I can see that we are going to see an exodus from the rural communities and from the rural part of our province if, in fact, our federal counterparts do not come to the rescue. There is no way that my sons will ever consider agriculture because they will never be able to compete.

So the concept of becoming your own manager, your own businessperson, is kind of a fleeting thing for them, because although they would like very much to do that, they are not given that opportunity because today it takes about a million dollars to get started on a small farm, and it is not an easy thing to do. The banks are there. We have MACC that has been there for the young farmers. The program that the minister announced this year has some positives to it I think, but in all of this, that is not enough. In all of this, we cannot get the farm to survive.

We have to have the federal government step up to the plate. Can the Province do something? Well, I think there are some things that the Province can do, and we should never say that we have done enough. We should never say look at the things that we have done, because I think we need to be looking at creative ways to sustain the farming activity in Manitoba.

There are people out there who have ideas. Let us reach out to the people who might have some solutions for what we have out there today, people who have worked in that industry. I am going to name a couple. I am going to name people like Owen MacAuley. Although Owen MacAuley has certain views of the world, if you like, as it relates to agriculture, he should be listened to because some of the programs and some of the approaches that he has are quite

different than simply throwing money at the problem.

Mr. Speaker, I do not think you can simply throw money at this problem and expect that it will go away. We have to start talking about removing the subsidies in the United States and in Europe, and we have to do that through our federal counterparts. I have to congratulate the Premier (Mr. Doer) for taking the initiative and reaching out to the Leader of the Opposition (Mr. Murray) and taking him with him to Regina, so that some meaningful discussion can take place because if we simply address this through the political rhetoric that we sometimes hear in this House, no solutions will ever come about.

So, Mr. Speaker, all I wanted to say this afternoon was that we as legislators in Manitoba have a responsibility. We have a responsibility to support our producers, to support our farmers. We have a responsibility to call out to the federal government to do what it is supposed to do and help out the farmers in this time of need. Then we can move on to step No. 2, which is trying to encourage the larger administrations of the United States and Europe to begin looking at possibly reducing and eliminating over time those huge subsidies that they pay to their producers.

Thank you very much, Mr. Speaker.

House Business

Mr. Marcel Laurendeau (Official Opposition House Leader): Mr. Speaker, on House business, I think there might be a willingness to not see the clock until 6:30 p.m., so we can put up a number of presenters on this issue between now and 6:30. If we could call the vote at 6:30 p.m., it would be appreciated.

Mr. Speaker: Is there a willingness of the House to not see the clock after 6 p.m. until the House business is complete? Is there agreement? *[Agreed]*

* * *

Hon. Jon Gerrard (River Heights): Mr. Speaker, a few comments on the resolution, which I support strongly.

First, I think given the nature of the measures which have been passed in the United States, that it is imperative that as Canadians and as representatives of the Province of Manitoba, we work together to bring trade action expeditiously against the United States under the World Trade Agreement and under NAFTA.

I think it is critical that we all work together on this, and the initiatives that have been taken to date are a first step, that we have the provinces on side, that we have the Canadian government on side and indeed that we work with other countries around the world, in particular the Cairns Group, to have a common front to the extent that that is possible to initiate trade action and that that action should look at some of the significant potential weaknesses in this legislation from an international law and trade perspective. The extent to which the labelling of country of origin is being used as a trade barrier is clearly one area which could be targeted in such action.

The ability in the United States, if this in fact is a correct read of the legislation, for a farmer to set aside land from production of corn and immediately to plant peas or other crops which would give him, in a sense, the ability to double-dip clearly seems a flagrant violation and the flagrant abuse of trade agreements which are designed to make sure that there is free trade and that there are fair practices on both sides of the law, of the border and in fact in borders around the world.

I suggest that this trade action taken under WTO and NAFTA should be strong enough that it sends a signal to farmers in the United States that they had better be darned careful because the subsidies that they think they are getting they may not get if this trade action is successful and that they had better be careful in terms of what they are planting this year, planning to plant in the immediate future, because any planting they do and any benefits they feel that they may be getting should be subject to this trade action. Clearly, if they understand this, then the damage that might have resulted may be considerably less.

* (17:50)

Second, we need to send a strong message to farmers in Manitoba and farmers across Canada

that governments at all levels are behind the farmers, that governments here are prepared to support farmers in a variety of ways at both provincial and federal levels. The precise nature of the effects of the measures taken south of the border are not entirely clear at the moment. As the Minister of Agriculture (Ms. Wowchuk) has said, that there is a certain amount of uncertain-

An Honourable Member: What is the federal budget, Doctor G.?

Mr. Gerrard: Let me finish. There is a lot of uncertainty about precisely what will happen to prices as a result of the measures taken south of the border that we need to look at and analyze carefully precisely what the effect will be on prices, on farmers and on farm incomes. This should be done as clearly and as carefully as possible, but likely also with some flexibility recognizing that prices are subject to influences like droughts and all sorts of other factors which may influence the supply of various crops around the world. So the framework needs to be perhaps flexible and clearly needs to be sufficient to make sure that our farmers are well protected.

The Government of Manitoba needs to be very careful in assessing what the need is and what the need will be, because it is not entirely easy to predict what the prices are going to be four or five or six or seven months from now even with these measures to be taken. If the prediction of one of the members, I think it was the Member for Emerson (Mr. Jack Penner), that a lot of farmers in Iowa may not plant corn but plant peas, there could be a very considerable dip in the amount of corn produced. That, in fact, might elevate corn prices. Those sorts of factors make the prediction of precisely what will happen a lot less certain than if in fact there was not these sorts of choices being made even as we speak, even as farmers are in their planting stages.

So I think that we need to make sure that there is a sufficient response, that there is a very clear certainty that there will be a response and that that response is sufficient and takes into account the variability in what may happen in terms of agricultural prices. Clearly also whatever response is taken needs to be taken in

the context of existing programs so that our farmers are not, as it were, double dipping, but that they are strongly supported to the extent that they can be to make sure that our farmers are in good shape.

There also, as I have said earlier today, needs to be movement at the provincial level to do those things which need to be done at the provincial level. There is no excuse for inaction or for slow action on the Tyrchniewicz Report for 16 months. This should have been cleared up. This should have been clarified a long time ago so that the pork industry in this province would know exactly where people stand. There is no excuse for slow action on issues like drainage to make sure the provincial drains are in strong shape.

These are fundamentals which we should make sure are there for the support of farmers at the provincial level, just as we call on the federal government to play a major role in providing strong support to all farmers to make sure that we can weather the uncertainties which are now occurring because of the actions in the United States.

On these words, Mr. Speaker, I will close. I am in strong support of this resolution. I am in strong support of measures that can be taken to ensure the stability and certainty for people in the farm community so that good planning can be occurring as quickly as possible as farmers are going into and planting seed even as we speak, planting their crops, because in fact this is a critical period, a time of year we need to have as much certainty and stability as we possibly can.

That is where we need to act to make sure that farmers can be sure that their governments are with them and behind them and for them to the extent possible.

Mr. Edward Helwer (Gimli): Mr. Speaker, I appreciate the opportunity to say a few words on the record on this important resolution. I say it is important, because it does deal with a number of my constituents and a large part of the economy from my constituency and from all of Manitoba.

When we look at the industry, agriculture and the agrifood industry is one of the largest

manufacturing sectors in the seven provinces and is Canada's second largest manufacturing sector. One in seven jobs is related to agriculture. So it is a big issue. It is valued at about \$130 billion annually. So this is a very, very important issue, and the U.S. farm bill will be affecting our industry.

Just to give you an indication of what could happen, before I get into that, the value of the total of Canada's total agrifood exports in 2000 was \$23.2 billion, which is one of the largest amounts, largest single sectors of the economy. The agrifood sector also contributes close to \$7 billion annually to our trade sector, which represents a full one-third of the total trade surplus. So that is just an example of how important our agriculture industry is to us in Manitoba and to Canada and what kind of hurt is going to be felt by our farmers here in Manitoba.

What is going to happen to our small towns? It is not only the farmers who are going to lose money big time on this because of the commodity prices, but what about the towns where we have elevators located, the fertilizer and chemical companies, the seed plants, our hardware stores and our building supply centres. All these things depend a big part on our agricultural economy and our farmers. This is going to have a very large effect, not only on the farmers themselves but also on the whole agribusiness in every community throughout Manitoba, throughout western Canada and throughout Canada.

We talked about the safety nets and what could be done. Our Minister of Agriculture, Mr. Vanclief, is not on the right page at all, because he does not realize the damage that is going to be done to us in western Canada. He already spent \$15 million on the Bob Speller study, on the agricultural study, and he wants to spend another \$15 million on another study to come up with a safety net that is going to serve western Canada or serve the farmers of Canada. If you take all he spends on studies, the \$15 million and another 15 he is going to spend, you take the \$880,000 our Government here is spending on the mosquitoes, if you put all that together, we could have a program. We could have some sort of a program for farmers in Canada. Obviously, our federal government is

not really interested in helping anybody. All they want to do is create jobs for their friends when they create another study. That does not help us. That does not help the farmers of western Canada. It does not help the farmers of Ontario. It does not help the farmers anywhere in Canada. That is not going to do anything to help us.

* (18:00)

I think if you look at the farm bill I do not think it is going to have a major effect on this year alone, 2002. It is going to have some effect, but I think this year's crop, they have decided what they are going to plant. It is not going to affect this year, but it is going to affect next year and future years, especially on the main crops, such as corn and soy beans. It is going to affect our barley, all these things. Now they are going to add the pulse crops, which are going to affect our lentils, our peas, our beans. There is no end to it.

The other issue is the milk issue. How are our farmers going to compete when they are going to subsidize the milk in the U.S.? What is going to happen to our supply managed programs such as milk or our broilers and our other things? What is going to happen to those programs, because of the fact the milk is going to come in across the border and is going to lower the price and put more of our farmers out of business? Really, this is only the start of a real downturn, as far as I am concerned, in agriculture. This farm bill will have a very, very major effect on agriculture in Canada.

One other issue that has a major effect and that is the country-of-origin issue. How that is going to affect our beef industry, how that is going to affect our livestock industry is another factor that is really unknown at this point, but we do know that our farmers are going to have to do a lot more things to be able to export our beef into the U.S. and into other countries. That is going to create more of a hassle for our farmers again and make it much more difficult to do business.

All these things, when you look at the whole farm bill, the effect it is going to have on us here in western Canada or in all of Canada, it is certainly a major issue. I cannot believe that our

federal government would not stand up for the farmers of this country when it plays such a big part of the economy in Canada and western Canada. When you look at Bombardier in Québec, they needed some protection from exports, and right away the federal government was there to help them. They subsidized Bombardier in Québec. What did they do in agriculture? They would not even look at us, would not even think about helping us. *[interjection]*

Well, Bombardier were subsidized plus they had some guaranteed loans in Québec. They employ a lot of people, but they were competing in world markets, and when they could not compete, right away the federal government was there to help them. What about us? We want some help too. All this is going to do for the farmers in the U.S. is increase the land prices, so that their farms are going to grow larger, and it is not going to increase the profitability of the farms anyway.

Just some other issues that are important to agriculture, and those are what our federal government is doing; as an example, the heavy-handed enforcement of the fish habitat, how it is affecting our drainage issues in western Canada, especially in Manitoba. *[interjection]* Yeah, it is. It is a big issue. Last week we had three inches of rain. Our culverts, our drains are running to full capacity, and we cannot do anything to improve our drainage because the federal government is saying you have to protect fish. Well, that is important, but agriculture is important too.

Just one other issue and then I will give up the floor. Another thing that has an effect on agriculture in western Canada, the Canadian Wheat Board policies that are limiting farmers from really taking advantage of other markets such as if we did not have to go through the Wheat Board, we could have maybe pasta plants. Maybe we could have more flour-milling plants.

So there are more and more issues that are affecting agriculture. I know I am being rushed a little because there are many other of my colleagues who want to speak, on both sides, I realize that, but I just appreciate the opportunity to have a few minutes to say a few words on this

very special, very, very important issue for us in western Canada. Thank you, Mr. Speaker.

Mr. Ron Schuler (Springfield): I wish to take this opportunity to put a few comments on the record in regard to an event that is taking place, that is going to seriously hurt amongst other areas the constituency called Springfield. Having a very strong agricultural component to my constituency, the \$190 billion that the United States federal government is going to use to subsidize its farmers will have a very severe and direct impact on our economies and our local communities, Mr. Speaker.

I just want to read a quote that President Bush gave today, and I think it is very telling of where the American government is coming from. The quote comes from CNN: Farming is the first industry of America, the industry that feeds us, the industry that clothes us and the industry that increasingly provides more of our energy, Bush said. The success of America's farmers and ranchers is essential to the success of the American economy.

Mr. Speaker, what concerns me as the Member for Springfield is that this could be the same thing and is the same thing that we should be saying about Canada, that farming is the first industry of Canada and that the industry that feeds us, the industry that clothes us and the industry that increasingly provides more of our energy is the farming community in Canada. I will take the last sentence: The success of Canada's farmers and ranchers is essential to the success of the Canadian economy.

What we are seeing in the United States is \$190 billion U.S., and if you convert that at 1.64, it is approximately \$312 billion Canadian or \$31 billion a year. I guess the question is: How do our farmers, the farmers in Springfield, take on this kind of a monolithic amount of money and try to succeed? The farmers in Springfield have no chance taking on a \$31-billion a year subsidy from the United States.

I list for you the Bredin families of Oakbank, the Vaags families of Dugald, the Wyrich families, Neil Van Ryssel farms, the Steinhilber families of Anola, the three Hutterite colonies. Mr. Speaker, I could go on and on and

list the families and the farms that will be affected by this terrible act that has taken place. I would encourage and continue to encourage that this Legislature work on this issue, as I know the Premier (Mr. Doer) and the Leader of the Opposition (Mr. Murray) have so courageously done, that they continue to do that and stand up for the farmers of Springfield, for all farmers in Manitoba, and that the federal Government of Canada come to its senses and react to this not just by going to the courts and the tribunals but also by giving our farmers some kind of relief that, by the time this has settled, we do not find that our farm economy is completely wiped out.

Mr. Speaker, it is indeed a very serious issue. It is a sad day for farming in our communities, and on behalf of the citizens of Springfield, I would like to congratulate the Leader of the Opposition and the Premier for having taken proactive moves to encourage the Government to do something on behalf of all of those in the farming communities.

Mr. Peter Dyck (Pembina): I too would like to put a few comments on the record regarding the resolution that has been brought before the House. I would like to put a little bit of a personal touch onto this as to how it impacts the people of my constituency, Pembina, but also in our own family. I have a son who is farming, and I have a son-in-law who is farming as well. When you look at the dramatic impact that this will have on our family alone, these are people, these gentlemen have gone to university, have in fact gotten their degrees in agriculture with the intent of wanting to stay on the farm and to be able to derive a good living.

I think very often we have attributed farming to a subsistence type of livelihood. I have always regretted that fact that there is that sense out there. I am not blaming anyone particular for that, but I believe that there is that feeling out in the communities that, as long as the people involved in agriculture, or as we call it those involved in agri-business, can basically survive, that is adequate.

* (18:10)

What this bill has done has of course put, in my opinion, the death knell on exactly that, and

that is trying to derive a living from agriculture. My area that I represent has diversified. They have seen the handwriting on the wall with some of the things that the Europeans have done and also of course now the Americans, and so they diversified. They felt that there were opportunities out there in other areas and consequently moved into other areas in order to be able to make a living and in order to be able to make a good living. That rug now, if I could use the term, has been pulled away from underneath their feet. The American bill that has come in place will now dramatically change that.

So I speak in favour of this resolution. I believe that we need to do everything possible as a province and as a country in order to be able to assist those who are involved in the agri-business. It is not only those involved in agri-business but also the communities in which they live. I would submit to you, Mr. Speaker, that the Capital Region of this province will be dramatically affected by this bill unless there is going to be something done financially to be able to assist those involved in agriculture. I would not say this other than the fact that when the federal government was continuously running a deficit, we indicated very clearly that they needed to get their house in order. They still have a huge, huge debt load that they are carrying, but I think there is a point in time now where we need to lobby and commit and continue to challenge them to put some of the surplus dollars they have back into agriculture.

I heard a comment across the way, a debt load. It is interesting, there is a big difference between a debt load and running a surplus. You can still have a tremendously big debt load, even though you are running a surplus. That same thing is happening provincially, but I do not want to get into that end of it. This is now strictly dealing with the resolution that we have on hand.

Mr. Speaker, I know time is fleeting. There are others who want to make a few comments, but I do support the resolution. We need to move and work aggressively at it. From the Leader of the Opposition (Mr. Murray) and the Premier (Mr. Doer) together, and I would suggest they take the Ag critic and the Minister of Agriculture (Ms. Wowchuk), and that they, together with the

western premiers and their ag representatives, go to Ottawa and put forward a very strong plea of encouraging them to put dollars into western Canada. Of course, Ontario as well, but the western provinces are the ones that are going to be affected most dramatically.

With those few words, Mr. Speaker, I want to thank you for this opportunity and again encourage all of us to work aggressively at trying to resolve some of the issues that are out there.

Mr. David Faurichou (Portage la Prairie): It is a pleasure for me to have an opportunity to rise and address this resolution before us. My comments will be in support of the resolution. I thank the House leaders and our leadership within the Assembly for the opportunity to debate this resolution on a very, very serious matter.

Mr. Speaker, I am very proud to be a farmer. I am a farmer by choice. My family has been engaged in farming since they emigrated to Canada some almost 100 years ago. There is no nobler a profession than that of an individual who provides nourishment and sustenance to his family and to others who are reliant upon that individual to provide for their daily nutritional intake so that they can take on their other activities, other than that of farming. I am, as a producer, very gravely concerned as to what will befall us as this farm bill comes into play.

I was a sugar beet producer in the 1980s when the U.S. government decided to support the sugar industry in the United States and impose quotas on all persons who were dealing in sugar and selling into the United States. The federal government left it to industry to try and effectively work with the United States. Obviously, we did not have the support of the federal government. Hence, we all know what happened to the sugar beet industry here in Manitoba. It was not just the support that was lent to the sugar beet producers in the United States. It was in fact the federal government's foreign policy that put quotas on us as producers being able to enter into the United States with our production, because we were very efficient. In fact, we were one of the most efficient places for sugar production in the world.

We negotiated a quota for Manitoba sugar to go into the United States. However, what was the final straw that broke the industry's back was when the owners of Blackwood Beverages here in the province of Manitoba were instructed by Coca-Cola that they had to use corn syrup as their sweetener instead of Manitoba-grown sugar. So that ended up being more than one-fifth of our annual sales as an industry, and it ultimately meant the demise of the industry here, once again, because of American ownership and American decision making on the basis of trade and ultimately their thoughts as to what is fair practice in trade. The federal government, I will say, should have and could have very well intervened, and we could still have a sugar industry here in the province.

I will look to the government side of the Assembly, Mr. Speaker, and ask though that the individual ministers consider what they can do within their own portfolios as to assist agriculture here in Manitoba. I look to the Conservation Minister and hope that he can make an impact on the agriculture in our province here by providing more drainage and conservation programming so that we can idle and potentially diversify some of the arable land here in the province.

I look to the Transportation Minister who needs to put more money into roads, Mr. Speaker, because we currently have, as we speak, 41 percent of our roadways here in the province under restriction, load restriction, and that is because our roadways are deteriorating. It is imperative that we, as producers, are able to get our produce to market year round in a most efficient manner, and it is incumbent upon the provincial government and in co-operation with the federal government to provide a road network so we, as producers, have that opportunity.

I look also to the Industry and Trade Minister, potentially her department can look and act a little bit like the army corps of engineers, which puts money into infrastructure that supports agriculture and that being irrigation and waterway maintenance that provides that valuable resource so that we, as producers, can diversify. We need a level playing field, and I am confident that the provincial government has

a role to play. I hope that some of these suggestions will be taken to heart.

In closing, Mr. Speaker, I have stated earlier that I am gravely concerned as to what our agriculture is going to look like after the impact of this bill takes place. I believe that we as a province, we as a nation, must support our agricultural producers because a country that gives up its food source, the farmer gives up its sovereignty, and if a nation gives up its sovereignty, we cease to be a nation. That, I believe, is what we are discussing here today, ultimately, our nationhood, and without support for our agricultural producers, we will indeed be in jeopardy as a nation.

Mr. Speaker, thank you very much for the opportunity to speak this afternoon, and I speak in support of the resolution.

* (18:20)

Mr. Gerald Hawranik (Lac du Bonnet): I stand here today to support this resolution proposed by the First Minister (Mr. Doer). I note that this new farm bill really comes after more than two years of consultations that took place by hearing and by committee and, of course, more than two months of joint House and Senate conferences in the United States. I am surprised that this becomes a crisis now, that government should have been planning, I believe, to counteract the effects of this bill well before this, both federally and provincially, for the last two years.

We should be ensuring that these unfair subsidies in agriculture that we see in this bill are eliminated by the international trade negotiators. The United States prides itself and, in fact, pays lip service as well to the fact that all countries should eliminate subsidies, and we have heard that many times over the last number of years. Yet the United States in fact by this bill encourages subsidies for agricultural producers in the next breath. I think that is important to note.

We have the U.S. farm bill. Of course, it is a 10-year farm bill that covers the period from 2002 to 2012 and subsidizes farmers in that country to the tune of \$180 billion for the next

10 years. That translates into almost \$270 billion in the next decade in Canadian dollars.

The bill provides for a strong safety net for agricultural producers, and crop producers will receive supports through loan rates and target prices and fixed and countercyclical payments that will limit income support when prices drop in the United States. The bill also extends subsidy coverage to provide marketing loans and loan deficiency payments for pulse crops which include dry peas, lentils and chick peas. There is even a subsidy for the dairy industry which maintains a permanent milk price supports program and a program to provide assistance to all U.S. producers.

There is money for conservation measures in this bill. The bill contains the largest single increase in conservation funding in history. It is an increase of 80 percent over the previous level of funding. The increase in conservation reserve program is designed to retire erodible lands, and there is also a pilot program for wetlands which would be expanded.

Included in that bill, there is an increase in the number of acres that could be enrolled in the wetlands reserve program, and it improves the grassland reserve program in which up to two million acres could be enrolled in the United States. It increases funding to the farmland protection program by almost a billion dollars, a billion U.S. dollars for that program. It includes spending billions of dollars on trade initiatives, nutrition initiatives, rural development initiatives, research and forestry and energy initiatives for the United States.

The U.S. farm bill gives \$180 billion to farmers in the next 10 years, and this increases subsidies to farmers in that country by more than 100 percent and pays them, as I understand it, 98 percent of the value of cropland out of production. Farmers in the United States now just do not farm the land. They farm the farm subsidy program. I think that is important to note. It creates uncertainty in our farming communities because they do not know where the prices are going. It also creates uncertainty for lenders in Canada, because they are going to be tightening up their farm lending practices in the future. It is an action entirely by the U.S.

Treasury which, of course, goes against farmers in rural Manitoba and in rural Canada. Ten thousand jobs could go in rural Manitoba. Farming is the largest single employer in the province and is the backbone of the Manitoba economy.

This bill is the largest threat I believe to the farming community and the largest threat to the family farm as we know it. It is the largest threat, of course, to communities in rural Manitoba which depend on the health of the farming community. We need to work with the federal government to ensure that there is a farm-aid package that makes sense for farmers. A Manitoba government will be required to contribute to that farm-aid package, and we encourage the Government to do that.

The state of farming in Manitoba is abysmal. We have lower commodity prices. Farmers have no control over commodity prices. Of course, they have no control over farm input and both the farm input prices are increasing, the commodity prices are decreasing, we have no control over the weather, we have no control over the prices, and they have no control over their own destiny. The farmers are squeezed in the middle and we need to help them.

The U.S. farm bill, I understand, will take at least \$250 million annually out of the pockets of farmers, and it affects everyone in rural Manitoba. It affects equipment dealers, fertilizer and chemical companies, retail businesses in all areas of rural Manitoba. All discretionary spending is curtailed and mass layoffs in rural Manitoba could occur.

It also affects employment in rural areas. The retail sector will be hurt and layoffs, I feel, will occur. A full review, I believe, of farming in Manitoba must occur to counteract the effects of the U.S. farm bill. We need a level playing field between Canada and the United States. Without a level playing field our farmers cannot compete. They produce their crops efficiently and I believe Manitoba has to be involved.

Mr. Speaker: Is the House ready for the question?

Some Honourable Members: Question.

Mr. Speaker: The question before the House is the resolution moved by the honourable First Minister, seconded by the honourable Leader of the Official Opposition,

WHEREAS a special meeting was held in Regina, Saskatchewan—

An Honourable Member: Dispense.

Mr. Speaker: Dispense.

WHEREAS a special meeting was held in Regina, Saskatchewan on May 10, 2002, on the impact of the new U.S. farm bill on Canadian agriculture and Canadian farmers; and

WHEREAS this meeting was attended by the Premiers or their designates and the opposition leaders from Manitoba, Saskatchewan and Alberta, all of whom issued a joint resolution and statement expressing their serious concerns about the U.S. action; and

WHEREAS the Prairie leaders called on the federal government to provide a federally-funded trade injury payment as bridging to mitigate the impact of the international subsidies, and to take aggressive trade action at the World Trade Organization and under NAFTA to challenge the trade-distorting elements of the U.S. farm bill; and

WHEREAS the Prairie leaders also agreed that a special joint meeting should be held on these issues in Regina at the earliest opportunity, to which federal ministers, including the ministers of Agriculture, International Trade, and Finance, as well as senior federal ministers from each of the three Prairie Provinces would be invited to discuss these concerns with representatives of Prairie governments and legislatures and farm and community leaders.

THEREFORE BE IT RESOLVED THAT the Legislative Assembly of the Province of Manitoba confirms its strong support for an early, special meeting on the U.S. farm bill in Regina to include representation from agriculture groups, farm communities, provincial legislative leaders and key federal government ministers; and

BE IT FURTHER RESOLVED THAT the Legislative Assembly endorses the Prairie leaders' call for a federally-funded trade injury payment and aggressive federal trade action through the WTO and NAFTA.

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

Some Honourable Members: Agreed.

Mr. Speaker: Agreed and so ordered.

An Honourable Member: Make that unanimous.

Mr. Speaker: The motion is carried unanimously.

Formal Vote

Hon. Gord Mackintosh (Government House Leader): Yeas and Nays, Mr. Speaker.

Mr. Speaker: Order. The honourable Government House Leader has requested a recorded vote. Call in the members.

* (19:30)

Mr. Speaker: Order. Would the bells be turned off please, seeing the hour has expired.

Prior to the recorded vote being held, I want to clarify one item for the record. The honourable Official Opposition House Leader (Mr. Laurendeau) had requested that a vote be held unanimously. I then put it to the House, and I thought that I had heard members give agreement so I stated on the record that the motion was agreed to unanimously. The Government House Leader (Mr. Mackintosh) then rose and requested that a recorded vote be held.

Now, technically, the decision of the House had already been taken and had been put on the record as the vote having been unanimously agreed to. However, given that there was a lot of noise in the Chamber, I was not sure whether the Government House Leader had said no to the request for a unanimous vote. On that basis, I proceeded to request that the members be called in for the division and ordered that the division bells be rung.

In the future, if there is a request for a unanimous vote and there are no voices heard in dissent, I will announce the outcome and the vote will be considered to be concluded.

An Honourable Member: Mr. Speaker, a point of order.

Mr. Speaker: The rules are very clear that the Speaker does not entertain points of order until the vote has been taken. This is just to clarify the vote. Now we will vote on the resolution moved by the honourable First Minister.

The question before the House is moved by the honourable First Minister (Mr. Doer), seconded by the honourable Leader of the Official Opposition (Mr. Murray). Dispense?

Some Honourable Members: Dispense.

WHEREAS a special meeting was held in Regina, Saskatchewan, on May 10, 2002, on the impact of the new U.S. farm bill on Canadian agriculture and Canadian farmers; and

WHEREAS this meeting was attended by the premiers and their designates and the opposition leaders from Manitoba, Saskatchewan and Alberta, all of whom issued a joint resolution and statement expressing their serious concerns about the U.S. action; and

WHEREAS the Prairie leaders called on the federal government to provide a federally-funded trade injury payment as bridging to mitigate the impact of the international subsidies and to take aggressive trade action at the World Trade Organization and under NAFTA to challenge the trade-distorting elements of the U.S. farm bill; and

WHEREAS the Prairie leaders also agreed that a special joint meeting should be held on these issues in Regina at the earliest opportunity, to which federal ministers, including the ministers of Agriculture, International Trade and Finance, as well as senior federal ministers from each of the three Prairie Provinces would be invited to discuss these concerns with representatives of Prairie governments and legislatures and farm and community leaders.

THEREFORE BE IT RESOLVED THAT the Legislative Assembly of Manitoba confirms its strong support of an early special meeting on the

U.S. farm bill in Regina to include representation from agriculture groups, farm communities, provincial legislative leaders and key federal government ministers; and

BE IT FURTHER RESOLVED THAT the Legislative Assembly endorses the Prairie leaders' call for federally funded trade injury payment and aggressive federal trade action through the WTO and NAFTA.

Division

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

Yeas

Aglugub, Allan, Ashton, Asper, Caldwell, Cerilli, Chomiak, Dacquay, Derkach, Dewar, Doer, Driedger, Dyck, Enns, Faurshou, Friesen, Gerrard, Gilleshammer, Hawranik, Helwer, Korzeniowski, Lathlin, Laurendeau, Lemieux, Loewen, Mackintosh, Maguire, Maloway, Martindale, McGifford, Murray, Nevakshonoff, Penner (Emerson), Pitura, Reid, Reimer, Robinson, Rocan, Rondeau, Sale, Santos, Schellenberg, Schuler, Selinger, Smith (Brandon West), Smith (Fort Garry), Stefanson, Struthers, Tweed, Wowchuk.

Madam Clerk (Patricia Chaychuk): Yeas 50; Nays 0.

Mr. Speaker: I declare the motion carried.

* * *

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I believe that we are out of business here tonight. I move, seconded by the Minister of Health (Mr. Chomiak), that the House do now adjourn.

Motion agreed to.

Mr. Speaker: The House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Tuesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 13, 2002

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