

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

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Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
First Session—Thirty-Eighth 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, Hon.	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.
SCHELLENBERG, 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

Tuesday, April 22, 2003

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PETITIONS

Highway 276

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, I wish to present the following petition. The background of this petition is as follows:

Grain farmers require a safe, dependable and efficient means by which to transport their grain to market. Grain elevators have been closed at McCreary, Ste. Rose and Makinak. Due to grain elevator closures, farmers north of Ste. Rose are required to use long-haul trucks to transport their grain to market. Load limits are in place on Highway 276 north of Ste. Rose, preventing grain farmers from using long-haul trucks to transport their grain on this highway, causing considerable additional cost. Farmers north of Ste. Rose have no alternative route to hauling their grain on portions of Highway 276.

So we petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Transportation and Government Services (Mr. Smith) to consider the reduction or elimination of load limits on Highway 276 north of Ste. Rose to permit grain farmers to haul their grain to market using long-haul trucks.

To request the Minister of Transportation and Government Services to consider upgrading Highway 276 to enable farmers to drive long-haul trucks and remain competitive.

I present it on behalf of Hal Hopfner, Tom McKinnon, Jim Smith, Jim Bass and Dale Hopfner.

Mr. Speaker: In accordance with Rule 132(6), when a petition is read, it is deemed to be received by the House.

ORAL QUESTION PERIOD

Employment Creation Statistics

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, I am sure the Premier is aware of Statistics Canada's latest report on child growth in Canada. I wonder if the Premier could tell the House, according to Statistics Canada, how many jobs there were created in Manitoba last year.

Hon. Gary Doer (Premier): We have outperformed on average the previous government more than double since we were elected. I am also aware that we have the lowest unemployment rate in Canada and the highest labour force participation rate of any province in Canada, showing confidence and hope in the future of Manitoba.

* (13:35)

Tax Reductions Employment Creation

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, according to the facts as stated in Stats Canada, last year in Manitoba there were 100 jobs created, dead last in Canada, the worst in the entire country. Even in Saskatchewan, 11 400 jobs; in P.E.I., 800 jobs.

According to what the Minister of Industry and Trade (Ms. Mihychuk) said when asked the question, she said: Well, there is no correlation between low taxes and job creation.

In light of Manitoba's dismal performance under this Premier, I would like to ask him: Does he agree with the Minister of Industry and Trade that there is no correlation between low taxes and job creation?

Hon. Gary Doer (Premier): Well, the original question and the follow-up question dealt with the year 2002 and our recent review of those 2002 stats from Stats Canada—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: The results in the year 2002 were three times greater than the average per year under the former government. I would like to congratulate all Manitobans for performing so well in terms of the economic growth in the province of Manitoba. We feel members opposite may continue to call—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I would like to take this opportunity to ask the co-operation of all honourable members, both sides of the House. It is very difficult to hear the questions and the answers when there is a lot of noise in here. I am sure you all expect me to make a ruling if there is a breach of a rule or use of unparliamentary language. So I need to be able to hear the questions and I need to be able to hear the answers. I ask the co-operation of all honourable members, please.

Mr. Doer: Mr. Speaker, the member opposite can run around the province saying the sky is falling, the sky is falling. People in Manitoba are optimistic. There is a great feeling in the air. I would ask the members opposite, the negative nabobs over the way, to join us with a positive view of Manitoba and our future.

Mr. Murray: Mr. Speaker, this surely can be the only Premier in the history of Manitoba that could take some form of pride in being dead last in job creation in the country, 100 jobs; 100 jobs in Manitoba, dead last, 10 400 in Saskatchewan, 800 in P.E.I.

We know full well that in the province of Manitoba we have seen over 5000 people leave last year. They are voting with their feet because they do not see any job creation in Manitoba.

The Minister of Industry and Trade (Ms. Mihychuk) said: Well, our economy is comparable to Ontario's.

Really? Is that not interesting. In Ontario last year they created 220 000 jobs, compared to the 100.

I would like to ask the Premier: Does he agree with the Minister of Industry and Trade that there is no correlation between low taxes and job creation?

Mr. Doer: Mr. Speaker, if the member opposite would finally do some homework and check his facts. He should start doing that. He should start some day checking the facts because it is infectious, his kind of lack of fact-checking. The 2002—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: The full 12-month total in 2002, which is of course January 1 to the end of December, is a 9000-job increase. That is three times greater than the dark days of the Tories. That is why Manitobans are positive about their future.

Out-Migration Reduction Strategy

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, Dr. Edward Ebanks, director of the Population Studies Centre at the University of Western Ontario, said, "Economic opportunity makes Canadians move."

Harry Hiller, the sociology professor heading the federally funded Alberta In-Migration study, said, "You don't go to someplace unless the economy makes sense."

Given that the number of people leaving this province has more than doubled under the NDP watch, I would ask: Where is this Government's plan to make our province more competitive and stop the exodus of our youngest and brightest?

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable Member for Tuxedo asked a question and let us give her our co-operation so she will be able to hear the answer.

* (13:40)

Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines): It is a real pleasure for me to get up and I appreciate the question. Population studies are very important, as the member across the way knows. One of the fundamental groundings is that we need a strong economy to create jobs and provide those opportunities to young people. It gives me the opportunity just to highlight, in the recent weeks, several announcements of major expansions by Manitoba companies, including a \$21-million expansion at Winkpak, a large expansion, a doubling in Cangene at SMARTpark, a \$23-million expansion at Biovail, expansion in Niverville.

Mr. Speaker: Order.

Point of Order

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

Mr. Marcel Laurendeau (Official Opposition House Leader): Mr. Speaker, *Beauchesne* 417: Answers to questions should be as brief as possible, deal with the matter raised and not provoke debate.

We have already seen the spin on the minister's press releases. We do not need to hear them again, and we know that she is proud of the 100 jobs they created.

Mr. Speaker: On the point of order raised by the honourable Official Opposition House Leader, I would like to take this opportunity to remind all honourable ministers to deal with the matter that is raised.

* * *

Ms. Mihychuk: I was trying to point out how strong our economy is growing, in fact leading the nation in many of the indicators. I look forward to reiterating a number of new economic initiatives that provide opportunities for young people to access and stay here in Manitoba.

Employment Statistics Provincial Comparisons

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, given the fact that the minister has so

much as just admitted that there is a direct correlation between a strong economy—

Mr. Speaker: Order.

Mrs. Stefanson: Let me finish the sentence.

Mr. Speaker: Order.

Point of Order

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

Hon. Gord Mackintosh (Government House Leader): On the point of order, Mr. Speaker, would you kindly remind the honourable member of *Beauchesne* Citation 409 that supplementary questions require no preamble.

* (13:45)

Mr. Speaker: The honourable Member for Tuxedo, on the same point of order?

Mrs. Stefanson: If they would let me finish the sentence and the question, perhaps they would be able to see that there is a question.

Mr. Speaker: Order. On the point of order raised by the honourable Government House Leader, I would like to take this opportunity to remind all honourable members that a supplementary question does not require a preamble. I would ask the honourable member to please put her question.

* * *

Mrs. Stefanson: Given that she has just stated that there is a direct correlation between a strong, competitive economy and keeping our youngest and brightest here in Manitoba, does the Minister of Industry, Trade and Mines still think that the increase in the exodus of our youngest and brightest is a mere coincidence under their watch?

Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines): I see that the Tory research team has their facts completely mixed up once again. In fact, we have reduced the out-migration of youth from Manitoba, have

increased the number of jobs created in Manitoba, and I think our record stands to show there are many more opportunities now than under the dark days of the Tory regime.

Mrs. Stefanson: Mr. Speaker, the fact that there were only 100 jobs created in Manitoba when there were 11 400 jobs created in Saskatchewan, does the minister think this is a mere coincidence as well?

Ms. Mihychuk: I would ask that the members across the way recite numbers that have statistical validity, and the numbers from—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. Before recognizing the honourable Member for River East, I would like to remind all honourable members that when the Speaker stands, all members should be seated and the Speaker should be heard in silence. I ask for full co-operation of all honourable members, please.

Point of Order

Mr. Speaker: The honourable Member for River East, on a point of order.

Mrs. Bonnie Mitchelson (River East): *Beauchesne* 417 says that answers to questions should be brief, deal with the matter raised and not provoke debate.

Mr. Speaker, I have to ask this minister who Manitobans are to believe, Stats Canada or a government that has fudged the numbers on health care and every other area within government.

Mr. Speaker: Order. Before making a ruling on the point of order, I would like to remind all honourable members when rising on a point of order, it is to point out to the Speaker a breach of a rule or departure of Manitoba practice or to point out unparliamentary language, not to use points of order for a matter of debate.

On the point of order raised by the honourable Member for River East, she does not have a point of order. It is a dispute over the facts.

* * *

Mr. Speaker: The honourable Minister of Industry, Trade and Mines to conclude her comments.

Ms. Mihychuk: Thank you, Mr. Speaker. When you look at the average year over year for 2002, we have created, according to the Bureau of Statistics for Manitoba and according to Stats-Can, over 9000 jobs, and the members opposite know that.

Hallway Medicine Statistics

Mr. John Loewen (Fort Whyte): Mr. Speaker, during the 1999 election campaign, the Premier promised to end hallway medicine within six months, a promise the Finance Minister (Mr. Selinger) has admitted was irresponsible. The Premier and the Health Minister have not only failed to deliver on their promise, they have resorted to forcing hardworking, health care professionals to lie about the number of patients in the hallways.

Mr. Speaker, I would ask the Minister of Health: How can the people of Manitoba believe any numbers, any numbers that his Government puts out when it has become obvious that the Premier (Mr. Doer) and the Health Minister are willing to force hardworking health care professionals to fudge the numbers to suit the Premier's political agenda?

Mr. Dave Chomiak (Minister of Health): Mr. Speaker, I see that the Tory research machine is hard at work again in its usual fashion.

Mr. Speaker, I might add that the numbers that are used to calculate hallway medicine were put in place, the only jurisdiction in the country, by one Honourable Eric Stefanson, the then-Minister of Health for the then-Tory government that then did not recognize hallway medicine but had the worst in the country.

Mr. Loewen: The minister forgets that he standardized them in 2000.

I would ask the minister if he disagrees with the president of the Manitoba Nurses' Union who complains that the method of counting hallway patients imposed by the minister through the

WRHA is not only dishonest, but it undermines the amount of work that emergency room nurses are truly performing. Does he disagree with her?

Mr. Chomiak: Mr. Speaker, only as I indicated in my first response first off that numbers used to calculate hallway medicine were put in place by the Tories. I specifically asked that the same accounting system be used so that we could show, as we have, that hallway medicine has been reduced by 80 percent in Manitoba. We have been given by CIHI, a national agency, by *La Presse* of Montréal, and by national organizations, credit for having done the best job at hallway medicine of any jurisdiction in the country.

Mr. Loewen: I would ask the minister if he would stop playing loose and fast with the truth. What CIHI said was that the results say it was too early to result. I will ask the minister if he would do the right thing and the proper thing and instruct hospitals, such as Victoria Hospital, who have identified that they tracked the real numbers of patients in the hallways three times a day, will he instruct them to make these numbers public? Does this minister have the courage to share these numbers with the people of Manitoba?

* (13:50)

Mr. Chomiak: Mr. Speaker, at this time in 1998, under the numbering system put in place by the Tories, we were talking about 20, 30, 40 and 50 people in the hallways, even in one hospital. We have reduced it by 80 percent using the same numbers that members opposite tried to do. I might in regard to this issue remind the member of the Saturday, March 15, *Winnipeg Free Press* when it dealt with this issue, and I quote: "Whoops, Tories blunder research, pair of recent press conferences soundly backfire again."

Manitoba Hydro Public Utilities Board Review

Mr. Glen Cummings (Ste. Rose): Just tell the truth, Dave. Just tell the truth. Put the real numbers out, Dave, they are there. Put the real numbers out.

Some Honourable Members: Oh, oh.

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

Mr. Cummings: The Public Utilities Board is an institution in this province that is independent, has access and ability to hire expertise to review the rates and the rate structure of our major Crowns, in particular, Hydro and Manitoba Public Insurance. This Government has been avoiding taking Manitoba Hydro to the Public Utilities Board for review even after taking a million dollars a day out of their profit side. Will this Premier now stand up and agree to take Hydro to the Public Utilities?

Hon. Gary Doer (Premier): Mr. Speaker, one wonders what planet members opposite are on from day to day. The Public Utilities Board just spent the last nine months reviewing the plans of Hydro and MPI. I should point out that perhaps the member is also not aware that in the public insurance area Manitoba's rates have been frozen for four years. There have been increases on average in Canada in this current year alone of 19 percent.

Mr. Speaker, members opposite will know that Hydro rates have also been frozen over the last four years. In fact, members opposed legislation that we introduced to equalize rates between the family farm and the city of Winnipeg. We are pleased that we passed legislation to stand up with the family farmers in Manitoba. Members opposite opposed it.

Mr. Cummings: Mr. Speaker, my question was about Hydro and the Premier went on about public insurance, even with Hydro indicating that they will need an increase to cover off where a raid by this Government to take a half a billion dollars in total off one side of the ledger and put it on the other. Why will he not commit to having that reviewed by public utilities?

Mr. Doer: Mr. Speaker, the member opposite, and perhaps this is understandable, does not remember the questions asked by his own opposition members. Last session they asked a number of questions right out of the PUB discussions and deliberations. Perhaps the member opposite was not paying any attention to the questions raised by his fellow critics. I could understand that.

* (13:55)

Mr. Cummings: I can only assume from that answer that he has no willingness to have the actions of his Government reviewed by public utilities that impact on Hydro. We know that Hydro is expecting a drop in revenues. We know there will be an increase in rates. Will it be reviewed?

Point of Order

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

Hon. Gord Mackintosh (Government House Leader): On a point of order, Mr. Speaker, would you kindly remind the honourable member that supplementaries require no preambles.

Mr. Speaker: On the point of order raised by the honourable Government House Leader, once again, I would like to remind all honourable members that supplementary questions do not require a preamble and the question had been put. I heard the question put.

* * *

Mr. Doer: Mr. Speaker, the law in Manitoba requires that all actions requiring rates must for the MPI, public insurance corporation, Hydro, be reviewed by the Public Utilities Board. The Public Utilities Board reviewed all the issues raised on the issue of the action of entities on Hydro. They determined, for at least the fourth year in a row, that no rates will be increased in Manitoba for Manitoba Hydro rate consumers. I would point out that that is in sharp contrast to the 65% rate increase that has taken place since Tories sold the telephone system here in Manitoba.

Manitoba Hydro Rate Increase

Mrs. Joy Smith (Fort Garry): Yesterday, I met with constituents of mine who presented me with a letter which I will table, in which they outlined the very difficult circumstances they have been forced into by the Doer government, and the choices they now have to make between eating, having food on the table, or between heating their home. My constituent states: Our utilities are completely out of sight and now even more

since the Premier, in all his glory, decided to balance his budget by taking millions of dollars from Hydro. We, the majority on low income and pensions, not by our own choice now have to choose as to whether we heat our homes or we buy our groceries.

I ask the Premier to tell my constituents what he will do to solve the problem he created for our most vulnerable citizens, the ones on low incomes, pensions and disabilities.

Hon. Gary Doer (Premier): Mr. Speaker, the rates are frozen. They have been frozen since we were elected. They remain frozen today. So if the member opposite has any concerns about their hydro-electric rates, the last increase was in the Tory administration

Mrs. Smith: Mr. Speaker, I ask the Premier to provide answers, not rhetoric, to those people on fixed and low incomes that will now be facing an additional 20% increase in Hydro rates because of his raiding of Hydro.

Mr. Speaker, I appreciate the Premier is a master at dodging the question. But, Mr. Premier, when will the Doer government recognize that raiding Crown corporations punishes our most vulnerable citizens?

* (14:00)

Mr. Doer: Mr. Speaker, Hydro rates were frozen in the year 2000. They were frozen in the year 2001. They were frozen in the year 2002. They are frozen in the year 2003. Those freezes are the lowest rates anywhere in North America. A freeze is a freeze is a freeze.

Mr. Speaker: The honourable Member for River Heights.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Point of Order

Mr. Speaker: The honourable Member for Dauphin-Roblin, on a point of order.

Mr. Stan Struthers (Dauphin-Roblin): I was going to ask a question, Mr. Speaker.

Mr. Speaker: I had already recognized the honourable Member for River Heights.

Red River Floodway Expansion Environmental Review

Hon. Jon Gerrard (River Heights): Mr. Speaker, flood protection for the city of Winnipeg and the Red River Valley is very important to Manitobans. I would ask the Premier if he could tell us the timetable for the environmental review and the start of construction on the recently announced \$160-million Red River Floodway expansion project.

Hon. Gary Doer (Premier): We have already started work on improving the existing floodway. One bridge has been removed which increases the capacity of the floodway. The member opposite will remember or perhaps recall that Ron Duhamel, as Minister responsible for Western Diversification, and this provincial government proceeded with the improvement of the notches, which gave us additional capacity in the existing floodway. We have had hearings, public hearings inside the city of Winnipeg. We have had Clean Environment Commission hearings already on the two options, so the projects are already underway. There will be specific filings, under the environmental, required by the Canadian government and when the engineers have completed their work those will be filed.

Mr. Gerrard: My supplementary, Mr. Speaker, to the Minister of Conservation. I ask what the procedure will be for the environmental review. Which body will conduct the review and when will it start, so that this project can move forward?

Hon. Steve Ashton (Minister of Conservation): Mr. Speaker, I appreciate that the member opposite now has an interest in the floodway because we have had some difficulty in determining whether the member supports or opposes it. It seems that it depends which part of the province he is in.

I can indicate that as we have throughout this project with my predecessor and as I have done as minister and we have done as Government, we will indeed be sharing this process with the people of Manitoba. We are at

the point now. We have done a lot of the preliminary work. We have a funding contribution now from the federal government which is quite important. We are working on the first stage in terms of the engineering work and following that we will go through the proper environmental review process which will be announced in due course.

Mr. Gerrard: A supplementary to the minister. I think it is in the interest of all of us to proceed. But the real question is—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Gerrard: —whether the environmental review is going to be conducted by the Clean Environment—

Mr. Speaker: Order. I cannot hear the question.

Mr. Gerrard: Is the environmental review going to be done through the Clean Environment Commission or through a federal panel or through some other process that the minister has dreamed up?

Mr. Ashton: Mr. Speaker, the member knows that we have a joint process. I indicated that we are currently working on the engineering details. I do want to put on the table I am very pleased to see that the member is now taking a stand because when he is in Selkirk he seems to speak differently. I welcome his interest in the floodway, joining with this Government with the foresight and vision to do the kinds of thing that need to be done to reflect protection first seen by the Roblin government. We are now seeing the Doer government do the same kind of thing, vision and investment in Manitoba's future.

SARS Management Plan

Mr. Stan Struthers (Dauphin-Roblin): Mr. Speaker, my question is for the Minister of Health. Can the minister inform the House what actions have been taken to deal with SARS?

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, as always, Dr. Joel Kettner, Manitoba's

Chief Medical Officer of Health, has provided leadership on this serious public health issue. Manitoba Health has established an outbreak response team that includes representatives from Manitoba Health, the RHAs and clinicians. Our team is actively participating in the national teleconferences that are happening daily to manage SARS. Information about appropriate protocols has been provided to front-line health care workers.

Last year we passed legislation giving our public health officials the special powers they need to deal effectively with public health threats like SARS, and at this time there are no reported suspect or probable cases of SARS in Manitoba.

I thank the member for raising that question that is on the minds of many Manitobans. As this matter develops across the country and worldwide we will endeavour to keep people updated.

Agricultural Policy Framework Transitional Funding

Mr. Jack Penner (Emerson): Over the last three years, the Province of Manitoba has had increased revenues according to the statement of the Province of Manitoba of a billion dollars. The Minister of Agriculture signed in Swan River an agreement with the federal government indicating that they would participate in an APF program.

Can the minister tell us today when she will honour her commitment to pay the 40 percent under the agreement of a 60-40 agreement to pay the transitional portion of the APF agreement to the farmers of Manitoba?

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, we did sign on to the APF and we are in the process now of negotiating bilateral agreements, as are all other provinces. None of the other provinces have signed on to their bilateral agreements.

The member talks about whether we are going to participate in the APF. We have signed on to the APF. The member cannot seem to distinguish between the APF and the transition money the federal government promised.

Mr. Chrétien, when he announced transition money, said it was for trade injury. The Province of Manitoba and other provinces are not stepping in to help the federal government in their responsibility to address trade injury. I am surprised the member continues to change his mind because at one time right in this Chamber we had an all-party member resolution saying that trade injury was the responsibility of the federal government, but of course the Opposition changes their mind every once in a while.

Mr. Jack Penner: Mr. Speaker, we have constantly said that trade injury does belong as the responsibility of the federal government.

Might I ask the Minister of Agriculture whether her word should be taken as honourable by the family farmers that the Premier (Mr. Doer) just said he would protect? Will she now commit the 40 percent of transitional funding from the old program to the new program? Maybe this minister does not understand what she signed. Maybe she should get somebody that understands it to give her the information. When will she commit and pay her debt to the farmers of Manitoba?

Ms. Wowchuk: Well, you know, this is really interesting. Yesterday, I believe we had the Leader of the Opposition (Mr. Murray) saying that this was a spending government. We were just spending more and more money. Now we have the Ag critic saying spend more money. The Opposition must not have a caucus meeting. On one hand you cannot ask for more spending and on the other hand say cut the spending, you are spending too much money.

I can tell the member full well, I know what I signed and I know what I committed to. It was not to help with the trade injury, Mr. Speaker, because that is federal responsibility, and I do not think any Manitoban wants us to take on federal responsibility.

Mr. Jack Penner: Mr. Speaker, clearly we take the Premier's (Mr. Doer) word to heart. I want to ask the Minister of Agriculture: Is it her intention to balance the budget on the backs of the small family farm?

* (14:10)

Ms. Wowchuk: Well, I can tell you that this is a government that cares about the family farm,

and this is a government that made changes. This is a government that made improvements to crop insurance that the Opposition, when they were in power, refused to do. They had a chance to bring in excess moisture insurance. They refused.

Our Government has brought in a program to help young and beginning farmers. One hundred and thirty-two farmers have taken advantage of Bridging Generations, which that member said was a joke when we introduced it, Mr. Speaker. I can tell you that farmers do not look at it as a joke, and this Government, as well, has consulted more with farmers as we developed this program than farmers have ever been consulted in the past.

We are working with the farming community and we will continue to work with them.

Sunrise School Division Funding—Collective Agreements

Mr. Gerald Hawranik (Lac du Bonnet): It was reported in the *Winnipeg Free Press* on April 19 that the Government came up with cash to end the strike at the Sunrise School Division.

I ask the Minister of Education: Can he provide this House with information about the amount of money provided to the Sunrise School Division and over what period of time?

Hon. Ron Lemieux (Minister of Education and Youth): The member opposite will have to wait certainly to Estimates for the specifics, but I just want to comment, there are many advantages with regard to amalgamation. We have taken a balanced and moderate approach to amalgamation and see a lot of the advantages are coming to fruition. They have improved and are expanding program offerings available to students, rationalization of senior management and so on, Mr. Speaker.

So there are many, many advantages to amalgamation and they are finally coming to fruition.

Mr. Hawranik: I am surprised at the minister's response. This is taxpayers' money he is talking about.

Can the minister advise whether the money was given just to ensure that the contracts for the two unions whose members were on strike were settled, or was more money committed to the division to provide for other salaries for other Sunrise employees who will also be experiencing negotiations within the next year?

Mr. Lemieux: Mr. Speaker, collective bargaining is a very, very important process that we have in Manitoba, and we certainly respect that.

We have made this division much stronger through amalgamation. They have had deficits in the past, deficits by the previous government that was in place, and we have made this division certainly a lot stronger since the day we became government.

Funding—Salary Harmonization

Mr. Gerald Hawranik (Lac du Bonnet): Mr. Speaker, since the minister has indeed added money to the Sunrise School Division, is the minister prepared to add additional money to the Sunrise School Division to ensure that the cost of salary harmonization is not borne by the property taxpayer in Sunrise School Division but instead is borne by the Province as a whole?

Hon. Ron Lemieux (Minister of Education and Youth): I mentioned about collective bargaining being a very, very important process in this province, and we have the Opposition wanting to make comments with regard to that. Solve problems. No, no, do not spend. Yes, yes, spend more, spend more.

Mr. Speaker, they were the Government when they were in place that ran down school divisions, broken down school divisions; roofs leaking in schools; mould in a lot of schools. They were the Government that ran down the system.

Flood Protection Funding for Diking Projects

Mr. Marcel Laurendeau (St. Norbert): Mr. Speaker, my question is to the Premier (Mr. Doer). I asked the Premier the question in 2000, 2001 and 2002. The Minister of Education's (Mr. Lemieux) constituency has had all their flood-proofing taken care of, paid for and it is all

finished now. I have constituents in St. Norbert who have constructed dikes who still have not been paid for their dike construction and are waiting also for this Government to fund the projects of other constructions of dikes and have been told that there is no more money. What is the difference between the minister's riding and the riding of St. Norbert? Why do they get their floodproofing and we do not?

Hon. Steve Ashton (Minister of Conservation): Mr. Speaker, I think the member is more than aware. I find it very disappointing that the member would try and pit one group of Manitobans against the other. I can tell you that we have dealt with the federal government in terms of the joint process in terms of floodproofing. The member knows the background. He has raised this specifically with that and the complications involving the City of Winnipeg. We take very seriously the floodproofing situation of all Manitobans. It is most definitely inappropriate for the member to point to the Member for LaVerendrye because no one has been more impacted than people in that area of the province south of the floodway. We are working for all Manitobans, extending the floodway and working with floodproofing across this province.

Mr. Laurendeau: Mr. Speaker, the Premier has given me his word. He gave me his word in this House that it would happen, that the floodproofing would be taken care of in the constituency of St. Norbert. Is the Premier today going back on his word that it will not happen, or are the funds available for St. Norbert residents?

Mr. Ashton: The member is aware of the background. He has raised it. He knows in terms of the approvals that are part of the process. I indicated before to the member, and he is aware of this, aware of the situation. I want to stress again that floodproofing continues to be a priority; not just for this Government, but also other levels of government. We are working, in this case, with two other levels of government and he is quite aware of this. It is most definitely not our intent, as the members opposite seems to be, to pit people in the city of Winnipeg against people in the Red River Valley. That kind of approach went out in 1999 with the Premier of

the day who blamed people for living in flood zones.

Mr. Speaker: Order. I want to remind all honourable members and the Minister of Conservation when answering questions, put the question through the Chair, not directly to the member.

The time for Oral Questions has expired.

MEMBERS' STATEMENTS

Manitoba Book Week

Mrs. Louise Dacquay (Seine River): Mr. Speaker, this is a time that our province's writers, publishers, illustrators and book lovers have all been looking forward to as April 20 to the 26 is Manitoba Book Week. This is the sixth year that the Association of Manitoba Book Publishers in partnership with a variety of sponsors and supporters from the Manitoba book community is presenting Manitoba Book Week. The event coincides with Canada Book Week and is capped off with the Manitoba Writing and Publishing Awards gala on the evening of April 26. The theme for this year is Blooming Books Manitoba, We Grow Great Books! comprised of everything from readings to launches to signings.

Mr. Speaker, the schedule of this week's events is a demonstration of the many purposes Manitoba Book Week serves. It celebrates the richness and diversity of Manitoba's publishing industry. It is a forum in which to showcase the talent of Manitoba authors, publishers and illustrators. It draws Manitobans into bookstores all over the province which will undoubtedly be great for business. Finally, with events taking place throughout the province, it is truly a province-wide promotion of literacy.

I would like to take this opportunity to thank the organizers, sponsors and participants of this year's event. I encourage all Manitobans to celebrate Manitoba's vibrant publishing industry and the many talented individuals by taking part in Manitoba Book Week.

Earth Day

Mr. Jim Rondeau (Assiniboia): I rise today to note that today is Earth Day. This day was

designated to educate and raise awareness about environmental issues. At the same time, it encourages everyone to engage in activities that will make a positive difference to the planet. First launched in the United States in 1990, it has grown to be the largest and most celebrated environmental event in the world. Over 6 million Canadians joined 500 million people around the world participating in diverse, environmentally-conscious activities and projects.

* (14:20)

The first Manitoba-recognized Earth Day was celebrated in 1989. It was celebrated at Assiniboia Downs, part of the Assiniboia constituency, where over 10 000 people attended the event. I am glad to see we led Manitoba in this type of initiative. Since then, Earth Day has grown to be celebrated over several days a year. It is now observed by events throughout Manitoba cities and in numerous rural locations. Earth Day events include tree planting, native gardens, neighbourhood cleanups, workshops, seminars, concerts, eco-fairs, parades and many other events like waste reduction programs.

Earth Day turns our focus to the environment. It is important to recognize the efforts that are made by people, organizations and this Government to protect the environment and conserve our valuable resources each year. For example, Environmental Youth Corps, the Urban Green Team, the Rural Green Team. These programs are involving young Manitobans in our all-encompassing effort to protect Manitoba's environment.

Other things are spelled out in our Government's climate change action plan, which we are already putting into action. For example, we have converted the Selkirk Generating Station from coal to natural gas. We have launched the legislation demand for the use of ethanol blends and launched an ethanol office to co-ordinate the growth of the industry. We are working on methane gas initiatives. We are expanding Manitoba Hydro's PowerSmart initiative.

Mr. Speaker: Order. The honourable member's time has expired.

Flora Greaves

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, I rise in the House today to recognize a

very important individual who has made a significant contribution to the Boissevain & Morton Foundation. Mrs. Flora Greaves, who was born in 1904 and passed away on July 3, 2002, bequeathed \$500,000 to this foundation.

Mr. Speaker, the endowment, which will be handled as the Bert and Flora Greaves Fund, is both designated and undesignated in nature. The designated portion totalled \$130,000 and will benefit the United Church, the Legion, handi-van and Evergreen Place. The interest on the undesignated funds comprising roughly \$365,000 in shares will be used to help any community project or group at the discretion of the foundation's board members.

Flora Greaves' legacy lives on, not only as a result of this particular contribution, but also as a consequence of many decades of anonymous donating to several community organizations. Also noteworthy is Mrs. Greaves' community involvement throughout the R.M. of Morton, including active participation in the St. Paul's United Church Women's Organization and the local Legion Auxiliary. Mrs. Greaves' generous contribution of \$500,000 is the largest single donation in the history of the Boissevain & Morton Foundation and brings the foundation's assets to over \$1.5 million.

Mr. Speaker, I would like to take this moment to honour Mrs. Greaves for the many significant contributions she made to the community of Boissevain and to thank her for the incredible legacy she has left to the R.M. of Morton and the province of Manitoba.

Discovery Children's Centre Inc.

Ms. Bonnie Korzeniowski (St. James): I am honoured to bring news about an event I attended last month. The Discovery Children's Centre Inc., DCC, in my constituency of St. James expanded, thanks to the commitment from the Manitoba government.

On March 20, 2003, the DCC celebrated their grand opening with the community. The Minister of Family Services and Housing, Drew Caldwell, was present at the inauguration of the centre along with staff, volunteers, board of directors and community people.

For more than 25 years the Discovery Children's Centre has provided valuable and creative services to families and children in this neighbourhood. The centre's inventive approach has outreached and responded to the community's needs. Due to their active response in the community they outgrew their facilities and decided to expand and continue to respond effectively to the community's needs. The expansion of the DCC was made possible by granting \$40,000 through the Manitoba Community Services Council and \$20,000 through Community Places.

On March 20, the centre celebrated its renovation in recognition of its new Christian pre-school program for children aged two to four. The relocation of the infant program and the expansion of the school age program were also part of the celebration.

Our Government shares the DCC's commitment to children and families and we are happy to support your good work. We are committed to investing in programs and services that so richly benefit our children and families.

Scientific research continues to indicate that the first five years of life are critical in setting the stage for the child's school years and success in later life. By providing quality, accessible and affordable early childhood education for Manitoba's youngest citizens, we are meeting a family need for today and a personal and societal gift for the future.

Mr. Speaker, I would like to extend my congratulations to the DCC director, Ron Blatz, as well as the volunteers, parents and board members of the Discovery Children's Centre. Your commitment and shared vision continues to inspire a terrific learning environment for the children of this neighbourhood and a vital service to the families. I wish you continued success.

YWCA Women of Distinction Awards

Mr. Leonard Derkach (Russell): Today I have the pleasure of acknowledging two remarkable women from my constituency: Jaime Finlay of Birtle, and Linda Pizzey of Angusville, both of whom received awards at the YWCA Women of Distinction banquet in Brandon on March 13.

Miss Finlay was a winner in the Young Women of Distinction category. She is working towards a Bachelor of Science degree at the University of Manitoba, with the intentions of entering the Faculty of Medicine. A self-proclaimed and practising people lover, Miss Finlay's personal goal is to do the best that she can.

Miss Finlay has accomplished much in her 18 years. She has received the University of Manitoba Entrance Scholarship, an MTS Young Humanitarian Award, the Governor General's Bronze Medal for Academic Excellence in an International Year, and an International Year of the Volunteer Award, in addition to many athletic awards earned in high school.

She is an excellent role model and a worthy recipient of the award.

Mr. Speaker, another inspiring woman is Angusville's entrepreneur, Linda Pizzey, winner in the Women of Distinction category. Mrs. Pizzey has seen her business, Pizzey's Milling & Baking Company, grow from a small kitchen-table operation to one that is housed in a 50 000-square-foot building that employs over 40 people. Mrs. Pizzey was instrumental in the formation of the Manitoba Food Processors Association, was a founding director of Food Beverage Canada, a founding board member of the Manitoba Rural Adaptations Council, and she currently serves on the market development committee of the Flax Council of Canada.

In 1995, Mrs. Pizzey was named Woman Entrepreneur of the Year by the Women Business Owners of Manitoba.

Mr. Speaker, other Women of Distinction nominees from my constituency were Catherine Brooks of Hamiota, Thelma Chegwin of Shoal Lake and Irene Gamey of Strathclair.

I ask all members of the House to join me in congratulating all these deserving women.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Hon. Gord Mackintosh (Government House Leader): On Orders of the Day—

Mr. Speaker: Order. I will call Orders of the Day first if you are bringing information. Orders of the Day.

Mr. Mackintosh: The Budget will be presented this afternoon, Mr. Speaker, at 2:40. So if the bells could be rung for one minute in advance of that.

Mr. Speaker, is there agreement to recess until 2:40? Then I have one other matter to be dealt with.

Mr. Speaker: Is there agreement for the Budget to be presented at 2:40? *[Agreed]*

For the information of all honourable members, for the courtesy of all honourable members, I will make sure that the bells sound, start off at 2:39, give you one minute to gather back. So it has been agreed to? *[Agreed]*

* (14:30)

Mr. Mackintosh: Mr. Speaker, of course the new rules went into effect January 1. Prior to this date there were a number of reports that were released intersessionally. Could you canvass the House to see if there is unanimous consent for the reports that were released prior to January 1 to be covered by the provision of new Rule 24(2)?

Mr. Speaker: For the information of the House, we are all aware that new rules of the Assembly went into effect on January 1, 2003. Prior to this date, there were a number of reports that were released intersessionally. So I am canvassing the House to see if there is unanimous consent for the reports that were released prior to January 1, 2003, to be covered by the provisions of the new Rule 24(2). Is there agreement? *[Agreed]* There is agreement.

We will now recess and reconvene at 2:40 p.m.

The House recessed at 2:31 p.m.

The House resumed at 2:40 p.m.

* (14:40)

Introduction of Guests

Mr. Speaker: Prior to recognizing the honourable Minister of Finance (Mr. Selinger), I would just like to draw the attention of all honourable members to the loge to my right, where we have with us René Toupin, who is a former Member for Springfield, and also Myrna Phillips, who is a former Member for Wolseley and also a former Speaker of the House. In the loge to my left we have with us Binx Remnant, who is a former Clerk of the Legislative Assembly.

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

BUDGET ADDRESS

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, I move, seconded by the Minister of Justice (Mr. Mackintosh), that the House approve in general the budgetary policy of the Government.

Motion presented.

Mr. Selinger: Mr. Speaker, I am proud to present the 2003 Manitoba Budget, a budget that is balanced, that reduces taxes, that pays down the debt and that invests for our future.

In times of uncertainty we recognize the value of working together to build the foundations for a stronger, safer Manitoba, a welcoming, affordable place to live and do business.

Four years ago we started a new growth strategy for Manitoba. Budget 2003 continues our priority commitments to education, health care and innovation, the foundations of building a stronger and brighter future for Manitobans.

A steady pattern of economic growth is already paying dividends. We are one of only two provinces to achieve four consecutive years of private investment growth. Private investment has increased 13.8 percent since 1999.

From September 1999 through the end of last year, Manitoba created an average of over 8000 jobs per year compared to less than 3000 jobs per year in the previous decade.

Recently Moody's Investor Services up-graded our province's credit rating to AA2 based on "solid economic growth, balanced budgetary performance and a reduced debt burden."

Over the past four years our unemployment rate and our youth unemployment rate have consistently been the lowest or second lowest in Canada. More youth are working in Manitoba today than at any time during the last decade, reversing the negative trend in youth employment that began in 1990.

Le nombre de Manitobains et de Manitobaines qui reçoivent de l'aide au revenu a diminué de 8,1 % depuis 1999.

Translation

The number of Manitobans receiving income assistance has declined by 8.1 percent since 1999.

English

Since 1999 we have committed \$384 million to the reduction of debt and pension liabilities. This year our net general purpose debt relative to GDP will be at its lowest level since 1982-83, following an 18% reduction in the past four years.

Between 1999 and 2002 farm cash receipts increased by 27 percent, the best performance in Canada.

I am pleased to report that the forecasts for Manitoba growth continue to be positive. Real economic growth is forecast at 3.2 percent this year, the third strongest in Canada.

Le Conference Board du Canada prévoit de nouveau cette année une baisse de notre taux de chômage, qui sera le plus bas du Canada pour la deuxième année consécutive.

Monsieur le Président, nous avons bâti une base économique solide, mais il reste encore du travail à faire. Ce budget donne aux Manitobains et Manitobaines les outils dont ils ont besoin pour améliorer leur vie maintenant et forger leur parcours vers un avenir encore plus sûr.

Translation

The Conference Board projects our unemployment rate will decline again this year and will be the lowest in Canada for the second year running.

Mr. Speaker, we have built a firm economic foundation, but there is more work to do. This Budget provides the tools Manitobans need to improve their lives now and charts a path to an even more secure future.

English

Our economic strategy is first and foremost an education strategy. To succeed economically as individuals and as a province we need a strong system of public education.

Four years ago we committed to the principle that a college or university education should be within the reach of every young person who meets the entrance requirements. To this end we reduced and then held the line on undergraduate tuitions, provided more assistance to students, increased course offerings and revitalized campuses.

Six hundred nurses will graduate this year compared to 200 in 1999. More people are taking advanced aerospace training, following the creation of the Stevenson Aviation and Aerospace Training Centre.

There are more apprentices and more Aboriginal students in training. With our new investments, more students are taking more courses in more locations throughout Manitoba.

Today's Budget continues to create opportunity for Manitoba students and youth. Budget 2003 increases funding for the College Expansion Initiative to over \$22 million, providing \$9.2 million more to revitalize and expand Manitoba colleges. Today's Budget provides funding for 1350 students to attend Red River College's downtown campus this fall. Today's Budget increases capital funding for universities by over 15.4 percent. Our five-year, \$50-million contribution to the University of Manitoba's Building on Strengths campaign is being matched by over a hundred million dollars

in private donations. Today's Budget directs funding towards the establishment of a University College of the North.

Today's Budget augmente de 2,9 % les subventions globales de fonctionnement et de programmes pour les universités.

Translation

Today's Budget boosts overall operating and program grants to universities by 2.9 percent.

English

It also keeps our tuition fees among the lowest in Canada.

The increase in operating and program funding plus another reduction in university property taxes provides Manitoba universities with the equivalent of a 4% increase in overall support.

At the same time, we are strengthening our public school system. In 1999 we promised to increase funding to Manitoba schools at the rate of economic growth; we delivered. In 1999 we promised to increase property tax credits to \$400 for every homeowner and renter, an increase of \$150; we delivered. In 1999 we promised to begin phasing out the Residential Education Support Levy; we delivered.

Over the past three years we have also committed \$200 million to capital projects to renew and rebuild our schools. Budget 2003 adds to our investments in education.

For the fourth straight year we are significantly increasing public school funding by providing an additional \$23.8 million. We are investing \$50 million to renovating and rebuilding public schools in Manitoba in the coming year. We are creating a \$1-million fund to address issues of class size and composition.

As a result of our commitment to schools, education and training, more doors are being opened to young Manitobans. At the same time, homeowners are getting property tax relief after a decade of steady increases.

Rebuilding the public health care system remains our Government's top priority. In 1999 Manitobans faced a triple threat to health care. We were training too few nurses, doctors and other professionals to meet the health care needs in our community. Scheduled capital and equipment projects had been postponed, reannounced and then postponed again. Significant negotiated salary increases had no budgetary support.

We took immediate action, and we are now seeing results of these ongoing training investments in our health sector.

We have added 500 additional spaces to train technologists, therapists and health care aides. There are now over 1300 more students enrolled in nursing following the strategic expansion in 1999.

The number of doctors in Manitoba has increased each year since 1999, reversing a period of decline. According to the most recent data, there are 2122 licensed doctors in Manitoba, 85 more than in 1999.

In addition, we have funded 20 percent more spaces in Manitoba's medical school and with new loan incentives ensured that more of the doctors we graduate will be practising in our communities.

Through expanded home care service, improved patient management and a new flu vaccination program and, above all, the hard work of our front-line health care professionals, hallway medicine has been reduced by over 80 per cent.

* (14:50)

We have implemented a strategic rebuilding program including hospital expansions and major equipment purchases for communities such as Brandon, Thompson, Neepawa, Beausejour, Gimli, Island Lake and Swan River. We created a province-wide network of 24 Tele-health sites that allow our doctors to consult through video conferencing on diagnoses and treatments. We have worked with the dedicated staff at CancerCare Manitoba. We have reduced by half the wait time for cancer radiation therapy.

By training and hiring more technologists and by extending the hours of operation, we have increased by over 40 percent the number of vital tests performed in this province. We have five new CT scanners, and, for the first time, we will have an MRI outside of Winnipeg.

As a result of major investments in upgrading health care facilities, Manitobans have increased access to day surgery and out-patient service, thereby making more hospital beds available. More surgeries are being performed in rural and northern hospitals.

Budget 2003 continues support for recruiting and retaining more health care professionals by improving working conditions through the Nursing Safety and Security Fund and by providing additional support and funding for the Physician Resource Plan.

We have also financed the largest health capital project in the province's history at the Health Sciences Centre. It will include new adult and children's emergency departments, new operating rooms, new intensive care, post-anesthesia and coronary care units. We are committing \$47.1 million for needed medical equipment and training.

Budget 2003 builds on many of the strengths of the Manitoba health care system such as home care, community health centres and special initiatives to make our communities safer. Budget 2003 provides funds pour les services vitaux de soins à domicile [*for vital home care services*].

Access centres will provide health and community services in River East and Transcona. As well, we will have community health services provided through the Gimli Hospital redevelopment, and closer to home dialysis treatment in Island Lake. We will have additional resources to Manitoba's nationally recognized West Nile virus program and meeting our commitment to reduce workplace injuries by 25 percent with our new legislation and new programming.

In recent years most jurisdictions in Canada and the United States have increased tobacco prices. Experience has shown that the price of

cigarettes has a significant impact on youth smoking. As of midnight tonight the tobacco tax rate will increase 1 cent per cigarette to 15.5 cents. This measure will raise \$7 million per year to support health care.

Our Government is committed to the principles of the Romanow report. It calls for more federal resources for health care reform. Additional federal funding announced following the release of the Romanow report is a positive step forward.

Every additional health care dollar coming to Manitoba under the new funding arrangement will be spent on health care. However, even with the additional dollars, the federal share of funding for health care and other social programs will now stand at 16 percent. Mr. Romanow recommended that the federal share be increased to 25 percent.

The shortfall in federal funding for health care will limit the pace of improvements to our health care system. We will work hard to continue our progress and we will be diligent in pursuing Mr. Romanow's funding target.

Expenditure on prescription drugs continues to be one of the fastest-growing costs in the health care system. New federal funds will allow us to cover the cost of more drugs for Manitobans. However, without a national drug plan, these resources are not enough to address the rising costs.

Changes to the Pharmacare program this year include coverage for new drugs like Gleevec and Pegetron effective May 1 and an increase in deductibles effective July 1, 2003.

For the majority of beneficiaries, this will mean an increase of between one and five dollars per month. This Budget supports a projected 26% increase in Pharmacare costs this year.

All across the province Manitobans are emphasizing the importance of child care. High-quality child care contributes to early child development and helps families with young children find and hold jobs. In communities like Neepawa, expanding child care is also seen as a critical strategy for attracting and keeping young families.

Budget 2003 contributes an additional \$6 million to our five-year plan for affordable, accessible and high-quality child care. This brings our total commitment to \$76 million. Funding for child care has increased by \$22 million, or 41.5 percent over four years.

Budget 2003 continues the vital programs of Healthy Child Manitoba, which has provided 5000 mothers with financial assistance and nutrition education in the first year of its Healthy Baby program; a remis sur pied les centres de ressources parents-enfants et fait passer leur nombre à 26 dans l'ensemble de la province; *[has restored and expanded parent-child programs. Today there are 26 across Manitoba]*; increased resources for fetal alcohol syndrome prevention and implemented the Healthy Schools Initiative to provide opportunities for schools and families to work with public health nurses to improve health outcomes.

In total, Budget 2003 will invest \$115 million in early childhood development. With the continued support of the federal government, we are helping families meet the needs of today to ensure success for children and families in the future.

We are taking a historic step in Manitoba and fulfilling an Aboriginal Justice Inquiry recommendation by providing authority for off-reserve First Nations and Métis communities to take responsibility for the welfare of their children.

As well, last year our Government funded a permanent applied behaviour analysis program for preschool children with autism. Budget 2003 doubles the resources for the ABA program to accommodate all of the children currently on the waiting list.

In 1999 we promised to phase out the National Child Benefit clawback. This Budget ends the clawback for all families by January 1, 2004.

Income assistance remains an important part of the social safety net. This Budget increases general income assistance rates for individuals by 4.5 percent and by an equivalent amount for persons with disabilities, effective January 2004.

This will help provide greater flexibility and dignity for citizens on assistance.

We are also changing income assistance regulations to allow persons with disabilities to establish trust funds that can be used to improve their quality of life without reducing their benefits.

Manitobans place a high priority on decent housing, vibrant neighbourhoods and safe communities. Four years ago we introduced a co-operative approach to community revitalization, forming partnerships with families, neighbourhood organizations and other levels of government. In place of centralized programming we created a community resources tool kit that residents can draw on to meet their goals.

Neighbourhoods Alive! will invest \$6.7 million in 2003-04 to revitalize older communities through community-based housing, employment, education and safety initiatives.

The Winnipeg Housing and Homelessness Initiative, a partnership of the Province with the City of Winnipeg and the federal government, will add up to 1100 housing units approved for renovation and construction since 2000.

Le programme Renforcement des collectivités poursuivra la réalisation d'un plan de sept millions de dollars pour la remise en état des logements et de l'infrastructure dans les vieux quartiers.

Translation

Building Communities will continue with its \$7-million plan to renew housing and infrastructure in older neighbourhoods.

English

Our Lighthouses program will continue to provide young people with a safe place to play and study in more than 20 schools and community centres across Manitoba.

Le Budget 2003 poursuit sur la lancée de ces réalisations. Nous appuyons la nouvelle entente de 50,8 millions de dollars concernant le logement à prix abordable signée avec le

gouvernement fédéral. Grâce à cette entente, les familles manitobaines à revenu faible ou modeste pourront bénéficier de la production d'au moins 2 500 nouveaux logements au cours des cinq prochaines années.

Translation

Budget 2003 builds on our achievements. We are providing support for the new \$50.8-million affordable housing agreement with the federal government. This agreement will deliver at least 2500 housing units to low- and moderate-income families over the next five years.

English

I am pleased to report that this is the largest investment in quality affordable housing in Manitoba in a decade. It is a fund of \$50 million.

We are also taking strong measures to deal with those that threaten the safety of our neighbourhoods. We are providing unprecedented levels of support to law enforcement across Manitoba. We are funding the RCMP up to full complement. We have increased funding for provincial policing by \$13.2 million or 23.6 percent since 1999. We are expanding the Victims' Bill of Rights services to deal with offences against children, and we are appointing a new co-ordinator for child victim cases to ensure timely and effective prosecution of offences.

We are countering bullying with the Safe Schools Manitoba program. Under new legislation police can now apply to the courts to shut down businesses operating as fronts for organized crime. We have enhanced support to the Criminal Organization and High-Risk Offenders Unit, which targets gangs and predators.

* (15:00)

Since 1999 our Government has increased the Prosecutions budget by 58.7 percent. We are also improving access to family law related services by increasing funding for Family Law Legal Aid by 31 percent this year and by providing two new regional family law lawyers.

Today's Budget also channels increased investment into joint police efforts to counter

organized crime, adds new resources to address recommendations of the Aboriginal Justice Implementation Commission, and invests in a new Seniors' Home Security program.

Achievements in health, education and community development depend on a stable and growing economy. Our diversified economy has served us well during the current period of economic uncertainty.

Manitoba had the lowest unemployment and youth unemployment rates in the country in 2002, with a record 69.2 percent of working-age Manitobans participated in the labour market. Our economy created 9100 jobs last year, 75 percent in the private sector. Retail sales were up 6.9 percent, the highest annual increase in five years. Manitoba's per capita personal disposable income increased 11 percent over the last three years, and merchandise exports to the U.S. increased in each of the last two years at a time when Canadian exports to the U.S. were falling.

Investments in Manitoba can deliver strong returns for investors and create new growth, opportunities and jobs for the benefit of all Manitobans.

Recent capital investments to Manitoba include J. R. Simplot's \$150 million in the first phase of a new potato processing plant in Portage la Prairie; Biovail Corporation's \$25-million expansion of its biopharmaceutical facility in Steinbach; Monarch Industries' \$13-million renovation and expansion of its Winnipeg facility; and Corner Group's \$13-million expansion to increase its supply of precision machining services.

The Premier's Economic Advisory Council concluded that local investments have the potential to deliver returns to investors and provide diversification benefits. Working with the advisory council, we created a Local Investment Council focussing on capital retention to encourage local investments.

Our economic prosperity depends in part on putting our savings to work here at home. Our existing labour-sponsored investment funds, Crocus and ENSIS, have been very successful in this regard. Their combined capital totals \$270

million, up from \$122 million in 1999. Together these funds have invested in over 80 Manitoba firms.

Today I am pleased to announce that we are extending this approach from the provincial level to the community level by introducing the Community Enterprise Development Tax Credit. This credit will provide Manitoba communities with further means to draw upon local savings to support local investment. Qualifying investments in individual community enterprises or in pools that will invest in community enterprises will be eligible for a 30% personal income tax credit on investments up to \$30,000.

Pour donner suite à une recommandation du Conseil consultatif économique du premier ministre, notre gouvernement travaille avec les communautés et le secteur privé, tant à l'intérieur qu'à l'extérieur de la province, afin de promouvoir une image positive du Manitoba auprès d'investisseurs, de vacanciers et d'immigrants potentiels.

Translation

Following up on a recommendation from the Premier's Economic Advisory Council, the Government is working with communities and the private sector, both inside and outside our province, to promote a positive image of Manitoba to potential investors, vacationers and immigrants.

English

The province is establishing the Manitoba Ambassadors program, which will involve leaders in business, labour and education in promoting Manitoba. Ambassadors will use their own networks, expertise and participation in trade missions to raise the profile of trade, investment and tourism opportunities in Manitoba.

Last November Manitoba reached an agreement with the federal government to increase the number of immigrants who can come to Manitoba under the Provincial Nominee Program. The new agreement with the federal government and the City of Winnipeg also supports increased private refugee sponsorship to Manitoba.

Our target is to more than double the number of immigrants to 10 000 per year. Budget 2003 supports that goal by funding a new Manitoba Council on Immigration, which will co-ordinate settlement supports and employment opportunities, and, in co-operation with the federal government, increase funding for immigrant settlement services by over \$718,000.

Research and innovation are key to continued growth and increased economic productivity. In fact, expenditures in research and development now account for about 1.2 percent of our gross domestic product, fourth highest among the provinces.

Provincial support for research and innovation includes \$9 million for the Richardson Centre for Functional Foods and Nutraceuticals; cinq millions de dollars pour l'Institut de recherche clinique I.H. Asper, à l'Hôpital général Saint-Boniface [*\$5 million for the I. H. Asper Clinical Research Institute at St. Boniface general Hospital*]; and an \$8-million contribution for the renovation and expansion of the Portage la Prairie Food Development Centre.

Budget 2003 builds on these investments by increasing the amount available through the Manitoba Research and Innovation Fund, supporting a new biotech training strategy in partnership with Red River College and Biovail and continuing to support private research and development through the Manitoba Research and Development Tax Credit.

We are working with Manitoba communities and businesses to promote the use of the Internet for commerce and education. Our Community Connections program has created 600 public Internet sites and supported the Churchill Community Network, the first community-owned Internet service provider in the province.

Manitoba Telecom Services is expanding its next generation service program to 60 Manitoba communities. The provincial data network is being upgraded to enhance broadband access for hospitals and provincial government buildings. Manitoba Hydro's infrastructure is being used to provide Internet access where communities have identified a need.

Parmi les innovations que notre gouvernement a introduites dans la prestation de ses services, mentionnons Service Manitoba, les centres de services aux entreprises et les centres de services communautaires bilingues.

Translation

Our Government service delivery innovation includes: Service Manitoba, business service centres and bilingual community service centres.

English

Manitoba Hydro is a cornerstone of the Manitoba economy. Its low-cost, renewable, reliable electric power gives every business in Manitoba a competitive edge. Manitobans enjoy the lowest electricity rates in North America.

Recently Manitoba Hydro renewed a contract with Xcel Energy in Minnesota that will result in \$1.7 billion in export sales. Discussions are continuing with neighbouring provinces and the federal government on expanding the power transmission grid to increase exports.

Manitoba Hydro is considering the construction of three new generating stations in northern Manitoba. Together these would be the largest construction projects in Manitoba in decades.

These mean significant long-term economic benefits for northern Manitoba and the province. Manitoba Hydro is working toward partnership agreements with First Nations to ensure that these communities share in the training opportunities, employment and profits that hydro development brings.

Our publicly owned hydro utility will continue to play an important role in attracting investment to Manitoba and creating quality jobs for young Manitobans.

Our new water management and conservation policies address the unique concerns of each region in Manitoba. The key priorities are protecting the quality of our drinking water, drainage and flood protection.

Our Government created an office of drinking water and increased monitoring of

water quality, introduced a 70% subsidy for the testing of private drinking water, initiated ground-water testing of 1000 wells in agricultural areas, and strengthened ring dikes in the Red River Valley.

Last year the Province spent \$10 million on drainage-related water projects in rural Manitoba. Budget 2003 increases spending on drainage initiatives by an additional 10 percent.

Since April 2001, we have invested over \$40 million in upgrades to drinking water and sewer systems throughout rural and northern Manitoba. Over the last three years 45 northern communities have benefited from improved drinking and waste water treatment resulting from a provincial commitment of \$26 million.

This Budget will establish the Red River Floodway Authority to oversee the planning and construction of an expanded floodway, a project that will create 3500 jobs and protect against a flood with a one in seven hundred years probability of occurrence.

The province and federal government recently announced \$160 million to begin the first phase of floodway expansion, which will double the capacity of the existing floodway and will include dredging and bank stabilization north of the outlet.

Since the flood of the century the province and federal government have spent \$110 million on flood protection outside Winnipeg, including an extensive community ring dike program which protects 1800 homes and businesses in areas such as Grande Pointe, Ste. Agathe, Emerson and St. Pierre-Jolys.

In a province as large and geographically diverse as Manitoba, transportation is crucial to economic development and quality of life in each region.

We are in the second year of a five-year, \$600-million highway construction program, budgeting \$120 million this year. This Budget also provides \$6.8 million for highway maintenance.

Agriculture and the rural landscape have undergone tremendous change over the past

decade. We want to work in partnership to provide the framework and support within which rural communities can adapt to this change and continue with diversification.

Conservation districts have become highly effective partnerships between the province, local municipalities and farmers. Funded jointly by the province and municipalities, the number of conservation districts has grown from nine to sixteen in just over three years.

Our reduction in the taxable portion of farm property put \$7 million annually back in the hands of producers. Since 2000 we have provided \$220 million of disaster assistance and have improved crop insurance coverage for excessive moisture to Manitoba farmers.

* (15:10)

Our Bridging Generations Initiative has provided \$14.5 million to assist in inter-generational farm transfers and to support the next generation of young farm families. Since 1999 we have invested over \$9 million in rural projects, resulting in over \$25 million in capital spending and 1176 jobs.

Livestock is one of the fastest growing areas of opportunity for Manitoba farmers and is generating \$250 million to \$300 million in investment each year. We continue to work with industry and rural communities to ensure the environmental sustainability of the livestock industry in Manitoba.

This Budget maintains support for the Fisheries Enhancement Initiative and the Northern Fishermen's Freight Assistance Program. We will work with all Manitobans whose livelihood depends on the fisheries to ensure a sustainable industry.

Budget 2003 continues to support agriculture and rural communities through a 7.4% increase for risk management and farm support programs; \$43 million for the new Net Income Stabilization Account program; and Hometown Manitoba, a new program supporting community-driven projects to build community pride by improving the appearance of public spaces and business; as well, a new Operating

Credit Guarantee program which will leverage \$60 million in private sector loans for farm operating expenses and provide funding to expand and renovate the Food Development Centre in Portage la Prairie as well as another \$6.5-million contribution to the Prairie Grain Roads program; as well, a 28% increase in capital grants to further expand the number of conservation districts; a two-year extension of the sales tax exemption on manure slurry tanks and lagoon liners; and support for the ethanol mandate that will create new markets for our grains, add jobs in rural Manitoba communities and generate high-protein co-products to benefit our livestock industry.

We are also committed to improving the quality of life for rural residents through such specific new measures as increasing support to rural libraries by 13 percent, equalizing hydro rates and providing resources to improve recreation centres in The Pas and Dauphin.

Our Government also recognizes that quality of life is about investing in education, the environment and health care. Since 1999 we have recruited and retained more rural doctors, expanded rural home care and provided 70 new ambulances. Last year there were 530 licensed doctors in rural Manitoba, up from 498 in 1999.

Budget 2003 builds on these accomplishments by installing new CT scanners in Steinbach, Boundary Trails, and Selkirk hospitals, by providing expanded dialysis services in Portage la Prairie, Island Lake/Garden Hill, Boundary Trails and providing new equipment such as a computerized radiographic system and a chemistry analyzer for the Neepawa Hospital.

Manitoba's northern development strategy is also based on the conviction that the priorities, strengths and experiences of the people in the North must guide northern development.

Budget 2003 provides increased funding for northern housing, employment and training, health, transportation and economic development initiatives.

In preparation for new hydro construction, we have already committed \$10 million to pre-project training for northerners. This is the first

stage in a proposed \$60-million training initiative developed between First Nations, the governments of Manitoba and Canada and Manitoba Hydro.

Transportation is of critical importance in the North and is among the top priorities in our northern development strategy. Budget 2003 underlines our commitment to upgrading transportation in the North.

Mining remains a mainstay of the northern economy. The most recent offering of our Mineral Exploration Assistance Program resulted in \$15.2 million in private sector investment for mineral exploration. Last year we supported 41 new projects, which were undertaken by 35 companies.

The Northern Forest Diversification Centre in The Pas has received national recognition for its work in assisting residents of northern communities to harvest, process, and market non-timber forest products. Budget 2003 supports an expansion of the centre's work.

We are committed to working in partnership as well with the Canadian Wheat Board and other stakeholders to increase shipping at the port of Churchill, the Prairies' only deep-sea port.

Budget 2003 provides up to \$1 million to ensure the continued operation of Canada's mid-continent gateway to the world.

We are continuing with the revitalization and rebuilding of our urban communities. We have developed a dynamic set of partnerships with community organizations, the private sector, civic governments, and our universities and colleges.

Winnipeg is a vibrant and diverse capital city with world-class amenities and a tremendous quality of life. The province is proud to work co-operatively with the City to rebuild our downtown and urban neighborhoods.

Major projects in Winnipeg include completion of the Red River College downtown campus; the Millennium Library; True North Entertainment Centre; Waterfront Drive in the

Exchange District, the expansion of CanWest Global Park; and a new downtown Manitoba Hydro headquarters.

Pour encourager la croissance de nos industries cinématographique et phonographique, cette année nous augmentons de un million de dollars notre appui à la Société manitobaine de développement de l'enregistrement cinématographique et sonore.

Translation

To promote growth in our film and recording industries, this year we are increasing support by \$1 million for Manitoba Film and Sound.

English

The Community Places program will receive a \$500,000 increase to improve community recreation facilities all across the province.

Important community investments are being made in Brandon and Thompson. Downtown Brandon will soon have 77 more new or renovated rental housing units for families with low and moderate incomes, bringing the total number of revitalized housing units in that city to approximately 400. The province has also provided support for Brandon's future by expanding the Assiniboine Community College campus. We are currently supporting feasibility studies on future expansion options.

Through the Canada-Manitoba Infrastructure Program, we are supporting a new regional community centre in Thompson.

In March, Neighbourhoods Alive! announced funding for a homeless shelter and a child care centre in Thompson.

Brandon's economy has benefited from a \$58-million capital construction project for the Brandon Regional Health Centre. This represents the largest investment in health care ever made in western Manitoba. As well, Brandon has benefited from a provincial government commitment to multiyear funding for Brandon's Keystone Centre; from a commitment by the provincial government to support to Maple Leaf Foods to help the company meet its labour force

needs; a \$3 million loan to ensure local ownership of McKenzie Seeds; a \$5-million upgrade to the nursing facilities at Brandon University; and support for Smart Communities, which involves connecting communities in Manitoba to larger centres, with the ultimate goal of providing resources and technology to remote, rural and urban areas in Manitoba.

Strategies have been developed for marketing the rapidly growing adventure travel and ecotourism industry along with cultural, Aboriginal and heritage attractions.

Funding for tourism marketing has been increased by \$750,000 in Budget 2003 to maintain our competitive position in key markets and to encourage fellow Manitobans to experience the many attractions here.

Manitoba's support for the arts is among the strongest in the country. This Budget provides an overall 6.1% increase to the Manitoba Arts Council. In partnership with the federal government and the City of Winnipeg, we are working to secure the future of the Winnipeg Symphony Orchestra.

Today is Earth Day. Environmental stewardship is a priority in any constructive plan for the future. Manitoba has taken a leadership position on a number of key environmental issues.

A new provincial park will soon be added to the Caribou River, Pembina Valley and Trappist Monastery provincial parks that we have announced recently. We have fully protected all or part of 21 wildlife management areas and extended park reserve status to East Paint Lake and Manigotagan.

Also, to support the ecotourism industry we have provided a grant to the Narcisse snake dens and developed a Watchable Wildlife initiative.

We have committed to exceeding accord targets for the reduction of greenhouse gas emissions. The Kyoto accord offers Manitoba a number of economic opportunities. We are a continental leader in the production of clean, renewable energy.

Our action plan on climate change will allow us to build on this advantage. The plan is

grounded in Hydro investments in conservation and in generating stations with low environmental impact and in our ethanol initiative. It encourages research and development of wind power, solar energy, hydrogen fuel cells and geothermal heat pumps.

This diversification capitalizes on our strengths, creates local employment and protects the environment.

We are broadening the Manufacturing Investment Tax Credit to include investment by businesses in equipment that uses energy more efficiently, or produces energy for the producer's own consumption from environmentally friendly sources such as wind power.

This measure will ensure that Manitoba firms are more competitive by reducing energy costs while also reducing pollution and helping to meet Canada's Kyoto targets.

A provincial action plan to help protect Lake Winnipeg, including the establishment of a new Lake Winnipeg Stewardship Board and new regulations to prevent erosion and reduce nutrient run-off has recently been announced.

We are continuing with the broad-based community planning process for the east side of Lake Winnipeg with the goal of improving transportation and creating increased economic opportunity in a manner that is sustainable and fits with community goals and values.

* (15:20)

We are building on our commitment to create over a thousand new cottage lots and 1900 new campsites by providing \$750,000 for cottage lot development and campsite improvement inside and outside provincial parks.

Le Budget 2003 est axé sur les priorités des Manitobains : il maintient une économie robuste et bâtit des systèmes éducationnel et de soins de santé solides. Il établit également un lien vers l'avenir.

Translation

This Budget focusses on the priorities of Manitobans, maintaining a robust economy and

building a strong education and health care system. It also provides a connection to the future.

English

In a turnaround from the 1990s, more young people are choosing to make Manitoba their home. This Budget provides a package of incentives to further encourage young people to remain in Manitoba, including a new 10% tax credit, up to a thousand dollars per student, for employers providing work placements for co-op education students. This measure encourages employers to attract students from recognized training programs from within and outside Manitoba. We are also doubling the interest-free period on Manitoba student loans to one year from six months and another significant personal income tax reduction for the middle-income tax bracket.

Since Budget 2000 we have introduced meaningful and sustainable tax reductions each year. Today I am pleased to announce further personal and business tax relief.

Highlights of our new personal income tax reductions include lowering the personal, middle-income tax rates by 6 percent in Budget 2003, saving taxpayers \$40 million annually. This will bring the total personal income tax reductions to \$220 million since Budget 2000, the largest four-year budget reduction in the history of the province. In 2004 a single-earner family of four earning \$60,000 will save more than \$1,400 annually as a result of these reductions.

Our Government recognizes the particular burden faced by many seniors in paying property taxes. I am pleased to announce today that the maximum Education Property Tax Credit for seniors will rise to \$800. Seniors and other taxpayers will also benefit from other property tax cuts, including the continuing phase-out of the Residential Education Support Levy (ESL), which has been cut by 27 percent over the past two years and now saves taxpayers \$27 million annually, and as well the \$150 increase in the Education Property Tax Credit, which now saves taxpayers \$53 million annually.

In 2003, our education support levy reductions will save homeowners \$119 on a \$125,000 home. When combined with the \$150 increase in the tax credit, this homeowner now saves more than \$250 each year.

Together our personal income and property tax cuts will save our citizens \$300 million annually. This is significant tax relief for Manitobans and their families.

In the last three years small-business tax rates fell by 37 percent. We have increased the amount of taxable income eligible for the small-business income tax rate. We introduced the first cut in general corporate income taxes since the Second World War. That continues through to 2005. As of January 1, 2004, the rate will drop to 15.5 percent.

Building upon our previous tax reductions for both small and large businesses, I am pleased to announce further tax relief for companies that are actively expanding their operations in Manitoba.

Today's Budget will exempt all corporations from paying tax on their first \$5 million of capital. This is designed to encourage investment by businesses of all sizes and will be of particular benefit to small, growing firms which will now face much lower taxes when they cross the \$5-million threshold. This Budget extends for three years the Manufacturing Investment Tax Credit, which has proven effective in promoting investment in our province's large and diversified manufacturing sector. This credit has also been enhanced for businesses that invest in energy-efficient equipment.

For the 2002-03 fiscal year, we are projecting a positive balance of \$4 million under the terms of the balanced budget legislation and a debt repayment of \$96 million. The 2002-03 draw from the Fiscal Stabilization Fund of \$77 million will be used entirely for the \$96-million debt and pension repayment.

Budget 2003 projects a positive balance of \$10 million under balanced budget legislation. For the fourth straight year the province will commit \$96 million to paying down the debt and pension liability with a draw of only \$48 million

from the FSF. This will go entirely towards our debt and pension liability.

We have balanced the Budget in each year of our mandate, a balance that has been achieved at the same time as we have paid down debt and pension liabilities by a total of \$384 million.

While other jurisdictions have run deficits and cancelled or suspended debt payments, we have continued to make significant progress in this area over four budgets.

Our Government is committed to improving efficiency and ensuring that taxpayer dollars are spent efficiently on our highest priority programs. A cross-departmental initiative will examine what we do and how we do it.

In the coming year departments will be challenged to justify their expenditures, to improve methods of operations and to deliver the services Manitobans need most. This initiative will reduce costs and increase in-year savings.

The international financial community has recognized our prudent fiscal management over the past four years.

Earlier this year, Moody's Investors Service improved our credit rating from AA3 to AA2. Debt servicing costs are down, leaving more revenue for priority public programs. Moody's noted, and I quote: "The province's prudent fiscal framework is well entrenched and should continue to generate positive results leading to further easing of the debt burden in coming years."

In 1961 the Manitoba Government stopped funding the pensions of civil servants and teachers. By 1990 pension liabilities had grown to \$1.2 billion. In 1999 this liability had grown to \$2.7 billion. Left unattended this would have grown to well over \$10 billion by 2035.

We took immediate action in 2000, introducing the first ever plan to deal with the pension liability. We are continuing to take action. In addition to the funds allocated for debt and pension liabilities in Budget 2003, each hiring department or government agency must

now fund the full pension costs of each new employee.

The medium term fiscal framework projects continued balanced budgets into the future. There will be challenges from areas of cost pressure such as health care, and revenue growth will be influenced by national and international events.

As in past budgets we are focussed on the priorities of Manitobans. Our plans include strong schools and training for success; quality public health services; healthy families in secure communities; an innovative economy that provides real opportunities; and affordable government.

Our achievements are significant in each of these areas. For four years in a row we have balanced the budget, contributed to reducing debt and pension liabilities, reduced taxes and made strategic investments in education, health care and our communities.

Grâce à ces investissements, nous générons de nouvelles et remarquables possibilités dans le domaine de l'éducation, nous développons des technologies de soins de santé, nous diversifions notre secteur agricole et nous profitons d'une gamme de nouvelles sources d'énergie propre.

Translation

With these investments, we are creating exciting new educational opportunities, developing health care technologies, diversifying our agricultural sector and tapping into a range of new and clean energy sources.

English

Manitoba is one of the best places to live in the world. Our communities are safe, our cost of living is low, our quality of life is high, our economy is strong.

With this Budget we are continuing to build on our advantages to keep young people here and attract newcomers in ever-growing numbers. Budget 2003 is about providing more opportunities today while building for our future.

Thank you, Mr. Speaker.

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, I move, seconded by the MLA for River East (Mrs. Mitchelson), that debate be adjourned.

Motion agreed to.

Messages

Mr. Selinger: Mr. Speaker, I have two messages from His Honour the Lieutenant-Governor as well as the budget documents which I would like to table.

Mr. Speaker: Would all members please rise.

The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba Estimates of sums required for the services of the Province for the fiscal year ending March 31, the year

2004, and recommends these Estimates to the Legislative Assembly.

Also, the other message: the Lieutenant-Governor transmits to the Legislative Assembly of Manitoba Estimates of sums required for the services of the Province for capital expenditures and recommends these Estimates to the Legislative Assembly.

Please be seated.

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the Minister of Finance (Mr. Selinger), that this House do now adjourn.

Motion agreed to.

Mr. Speaker: This House is now adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

April 22, 2003

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