

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

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The Honourable George Hickes  
Speaker*

**Vol. LVI No. 60 - 1:30 p.m., Wednesday, June 8, 2005**

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Eighth Legislature**

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

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Wednesday, June 8, 2005**

**The House met at 1:30 p.m.**

*PRAYERS*

**ROUTINE PROCEEDINGS**

**PETITIONS**

**Ambulance Service**

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

These are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

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

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

Signed by John Boorsma, Lynda Boorsma, Denise Boorsma and many, many others.

**Fort Garry Hotel**

**Mr. Denis Rocan (Carman):** I wish to present the following petition to the Legislative Assembly of Manitoba.

The background of this petition is as follows:

In 1987 the City of Winnipeg seized the Fort Garry Hotel from its owner, Harvard Investments Limited, a family-owned Manitoba corporation, in what has been characterized as a miscarriage of justice.

Due to deliberate actions of the City of Winnipeg, errors by the Municipal Board of Manitoba and a lack of clarity in provincial legislation, Harvard was denied the due process and natural justice that are fundamental to the property tax assessment and appeal process in Manitoba.

As a result, the company was unfairly burdened with a grossly excessive assessment and tax bill that in turn precipitated a tax sale and mortgage foreclosure, effectively bankrupted the company and caused Harvard's shareholders to be dispossessed of their business and property.

The background to this petition was outlined more fully in a grievance presented to this Assembly by the honourable Member for Carman (Mr. Rocan) on May 18, 2005.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Intergovernmental Affairs and Trade (Mr. Smith) to consider conducting a review of the circumstances outlined and to consider making a recommendation for redress to the Government of Manitoba.

Signed Jeff Meszaros, Rodrigo Mundurka and Todd Karalski.

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

#### **Teachers' Pension Plan Pension Adjustment Account**

**Mr. Larry Maguire (Arthur-Virden):** I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

After contributing to the Teacher's Pension Plan Pension Adjustment Account (PAA) which funds the Cost of Living Adjustment (COLA) since 1977 until the year of our retirement from the profession of teaching, we find ourselves facing the future with little hope of a meaningful COLA, and with the resulting severe loss of purchasing power.

We petition the Legislative Assembly of Manitoba as follows:

To request the Provincial Government to consider funding the PAA account to ensure that we receive a reasonable COLA and that any loss of purchasing power we will face will be minor.

Signed by Fred Cole, Virginia Lyons, Evelyn Mullett and many others.

#### **Wuskwatim Project Development Agreement**

**Mrs. Bonnie Mitchelson (River East):** Mr. Speaker, I would like to present the following petition to the Legislative Assembly of Manitoba.

The background of this petition is as follows:

The Government of Manitoba and Manitoba Hydro have stated publicly that a referendum vote including all NCN band members will be held as part of the approval process for the Wuskwatim Hydro project.

The Government of Manitoba and Manitoba Hydro have stated that the Wuskwatim Hydro project and associated Hydro transmission lines will not proceed without the support of the majority of NCN band members through the Wuskwatim Project Development Agreement Referendum.

NCN band members were not properly informed and consulted concerning the terms and implication of the Wuskwatim Agreement in Principle.

The partnership agreement to be approved by the Wuskwatim PDA referendum would largely determine the economic future of NCN First Nation.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister responsible for Manitoba Hydro and the Government of Manitoba consider ensuring an informed, appropriate and fair Wuskwatim Project Development Agreement referendum vote, and the vote overseen by an Independent Qualified Third Party such as Elections Manitoba.

Signed by Carol Kobliski, Kevin Bighetty, Arla Linklater and many, many others.

\* (13:35)

#### **Teachers' Pension Plan Pension Adjustment Account**

**Mr. Ralph Eichler (Lakeside):** I wish to present the following petition.

The background to this petition is as follows:

After contributing to the Teachers' Pension Plan Adjustment Account (PAA) which funds the Cost of Living Adjustment (COLA) since 1977 until the year of our retirement from the profession of teaching, we find ourselves facing the future with little hope of a meaningful COLA, and with the resulting severe loss of purchasing power.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider funding the PAA to ensure that we receive a reasonable COLA, and that any loss of purchasing power we will face will be minor.

Submitted on behalf of Jean Todd, Catherine Thaxton, Doug Reynolds, Barrie Carman and many, many others.

#### **Crocus Investment Fund**

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

The background to this petition is as follows:

The Manitoba Government was made aware of serious problems involving the Crocus Fund back in 2001.

As a direct result of the government ignoring the red flags back in 2001, over 33 000 Crocus investors lost over \$60 million.

Manitoba's provincial auditor stated, "We believe the department was aware of the red flags at Crocus and failed to follow up on those in a timely fashion."

The relationship between some union leaders, the Premier (Mr. Doer) and the NDP seems to be the primary reason as for why the government ignored the red flags.

We petition the Legislative Assembly of Manitoba as follows:

To request the Legislative Assembly of Manitoba to consider the need to seek clarification on why the government did not act on fixing the Crocus Fund back in 2001.

Signed by D. Fauni, Rolando Quinto and Sally Phillips.

## COMMITTEE REPORTS

### Standing Committee on Legislative Affairs Eighth Report

**Mr. Daryl Reid (Chairperson):** Mr. Speaker, I wish to present the Eighth Report of the Standing Committee on Legislative Affairs.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Legislative Affairs presents the following as its Eighth Report.

**Mr. Speaker:** Dispense? Dispense.

*Your Standing Committee on Legislative Affairs presents the following as its Eighth Report.*

#### Meetings:

*Your committee met on the following occasions. All meetings were held in Room 255 of the Legislative Building:*

*Monday, June 6, 2005, at 6:30 p.m.*

*Tuesday, June 7, 2005, at 9:30 a.m.*

*Tuesday, June 7, 2005, at 6:30 p.m.*

#### Matters under Consideration

*Bill 33—The Planning Act/Loi sur l'aménagement du territoire*

*Bill 48—The Teachers' Pensions Amendment Act/Loi modifiant la Loi sur la pension de retraite des enseignants*

*Bill 51—The Labour-Sponsored Investment Funds Act (Various Acts Amended)/Loi sur les fonds de placement des travailleurs (modification de diverses dispositions législatives)*

*Consideration of Bill 48—The Teachers' Pensions Amendment Act/Loi modifiant la Loi sur la pension de retraite des enseignants commenced in the Standing Committee on Legislative Affairs on June 6, 2005, at 6:30 p.m. with presenters being heard and written submissions being agreed to but was transferred to the Standing Committee on Human Resources for consideration at meetings to be held on June 7, 2005.*

#### Committee Membership:

*At the June 6, 2005, meeting, your committee elected Mr. Nevakshonoff as the Vice-Chairperson.*

*Substitutions received prior to commencement of meeting:*

*Ms. Irvin-Ross for Hon. Mr. Lemieux  
Hon. Mr. Rondeau for Hon. Mr. Mackintosh  
Mr. Nevakshonoff for Hon. Ms. Oswald  
Hon. Mr. Bjornson for Mr. Swan  
Hon. Mr. Smith for Hon. Ms. Wowchuk  
Mr. Loewen for Mr. Eichler  
Mr. Maguire for Mr. Faurichou  
Mrs. Driedger for Mr. Goertzen  
Mr. Hawranik for Mr. Reimer*

*Substitutions made, by leave, during committee proceedings held on June 6, 2005, at 6:30 p.m.:*

*Mr. Eichler for Mr. Loewen  
Mr. Martindale for Hon. Mr. Selinger  
Mr. Loewen for Mr. Eichler*

*At the June 7, 2005, 9:30 a.m. meeting, your committee elected Ms. Irvin-Ross as the Vice-Chairperson.*

*Substitutions made, by leave, during committee proceedings held on June 7, 2005, at 9:30 a.m.:*

*Mr. Jennissen for Hon. Mr. Bjornson  
Mr. Aglugub for Mr. Nevakshonoff  
Mr. Caldwell for Mr. Martindale  
Mrs. Mitchelson for Mrs. Driedger  
Mr. Eichler for Mr. Hawranik*

*At the June 7, 2005, at 6:30 p.m. meeting, your committee elected Mr. Nevakshonoff as the Vice-Chairperson.*

*Substitutions received prior to commencement of meeting:*

*Mr. Nevakshonoff for Ms. Irvin-Ross  
Mr. Maloway for Mr. Aglugub  
Hon. Mr. Selinger for Mr. Caldwell*

*Substitutions made, by leave, during committee proceedings held on June 7, 2005, at 6:30 p.m.:*  
*Maguire for Taillieu*

**Public Presentations:**

*Your committee heard 18 presentations on Bill 33 – The Planning Act/Loi sur l'aménagement du territoire, from the following individuals and / or organizations:*

*David Rolfe, Keystone Agricultural Producers  
Larry Schweitzer, Manitoba Cattle Producers Association  
Chris Fulsher, Manitoba Municipal Administrators Association  
John Bannister, Dairy Farmers of Manitoba  
Garry Wasylowski, Association of Manitoba Municipalities  
Cheryl Kennedy Courcelles, Private Citizen  
Carol Clegg, Private Citizen  
Leon Clegg, Private Citizen  
Alan Baron, Private Citizen  
Ruth Pryzner, Private Citizen  
Fred Tait, Private Citizen  
David Sanders, Private Citizen  
Glen Koroluk, Private Citizen  
Peter Mah, Manitoba Pork Council  
Lindy Clubb, Wolfe Creek Conservation  
Al Rogosin, Private Citizen  
Glenda Whiteman, CROW Inc. (Concerned Residents of Winnipeg Inc.)  
Andrew Dickson, Private Citizen*

*Your committee heard 10 presentations on Bill 48 – The Teachers' Pensions Amendment Act/Loi modifiant la Loi sur la pension de retraite des enseignants, from the following individuals and / or organizations:*

*Ray Sitter, Private Citizen  
Ray Derksen, Manitoba Association of School Superintendents  
Pat Bowslaugh, Private Citizen  
Gordon Henderson, Private Citizen  
James Penner, Private Citizen  
Jean Todd, Private Citizen  
Laurena Leskiw, Private Citizen  
Deanna Dolff, Private Citizen  
Doug Kinney, Private Citizen  
Shirley Augustine, Private Citizen*

*Your committee heard 3 presentations on Bill 51 – The Labour-Sponsored Investment Funds Act (Various Acts Amended)/Loi sur les fonds de placement des travailleurs (modification de diverses dispositions législatives), from the following individuals:*

*Bernie Bellan, Private Citizen  
Paul Sveinson, Private Citizen  
Chris Christensen, Private Citizen*

**Written Submissions:**

*Your committee received 8 written submissions on Bill 33 – The Planning Act/Loi sur l'aménagement du territoire, from the following organizations:*

*Charles Arklie, Private Citizen  
Larry Powell, Private Citizen  
Ted Ross, Roseisle Creek Watershed Association  
Clair English, Private Citizen  
Reed Wolfe, Private Citizen  
Rodger Mawer, Private Citizen  
Joe Dolecki, Brandon University  
Kurt Siemens, Manitoba Egg Producers*

*Your committee received 6 written submissions on Bill 48 – The Teachers' Pensions Amendment Act/Loi modifiant la Loi sur la pension de retraite des enseignants, from the following individuals and / or organizations:*

*Barbara Teskey, Private Citizen  
Bob Swayze, Private Citizen  
Gayle Robertson, Private Citizen  
Leota Nelson, Private Citizen  
Fred Cole, Private Citizen  
Judy Goodman, Private Citizen*

**Bills Considered and Reported:**

*Bill 33—The Planning Act/Loi sur l'aménagement du territoire*

Your committee agreed to report this bill, without amendment.

*Bill 51—The Labour-Sponsored Investment Funds Act (Various Acts Amended)/Loi sur les fonds de placement des travailleurs (modification de diverses dispositions législatives)*

Your committee agreed to report this bill, with the following amendments:

THAT the proposed clause 11(2)(f) of **The Crocus Investment Fund Act**, as set out in Clause 8(2)(c) of the Bill, be amended by striking out "an investment in an entity" and substituting ", directly or indirectly, an investment in an entity, other than a wholly-owned subsidiary of the Fund,".

THAT Clause 17 of the Bill be amended

(a) in the proposed subsection 5.5(3), by replacing the second sentence with "But the chair of a committee and a majority of its members must be board members."; and

(b) in the proposed subsection 5.5(4), by striking out "and" at the end of clause (a), adding "and" at the end of clause (b) and adding the following after clause (b):

(c) a person cannot be the chair of the board and the chair of the committee at the same time.

THAT the proposed clause 8(d) of **The Labour-Sponsored Venture Capital Corporations Act**, as set out in Clause 20(b) of the Bill, be amended by striking out "an investment in an entity" and substituting ", directly or indirectly, an investment in an entity, other than a wholly-owned subsidiary of the corporation,".

THAT the proposed subsection 8(2) of **The Labour-Sponsored Venture Capital**

**Corporations Act**, as set out in Clause 20(c) of the Bill, be amended by striking out "No person" and substituting "Subject to the regulations, no person".

THAT Clause 23(1)(b) of the Bill be amended by adding the following after the proposed clause (o.2):

(o.3) limiting the application of subsection 8(2);

THAT Clause 24 of the Bill be replaced with the following:

Coming into force

24(1) Subject to subsection (2), this Act comes into force on the day it receives royal assent.

Coming into force — certain provisions

24(2) The following provisions come into force on a day to be fixed by proclamation:

(a) clause 8(2)(c);

(b) clause 5.5(4)(c) of **The Labour-Sponsored Venture Capital Corporations Act**, as enacted by section 17 of this Act;

(c) clauses 20(b) and (c).

**Mr. Reid:** Mr. Speaker, I move, seconded by the honourable Member for Interlake (Mr. Nevakshonoff), that the report of the committee be received.

**Motion agreed to.**

### Standing Committee on Human Resources Third Report

**Ms. Marilyn Brick (Chairperson):** Mr. Speaker, I wish to present the Third Report of the Standing Committee on Human Resources.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Human Resources presents the following as its Third Report.

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

*Your Standing Committee on Human Resources presents the following as its Third Report.*

**Meetings:**

*Your committee met on the following occasions:*

*Tuesday, June 7, 2005, at 9:30 a.m.*

*Tuesday, June 7, 2005, at 6:30 p.m.*

*All meetings were held in room 254 of the Legislative Building.*

**Matters under Consideration:**

*Bill 48—The Teachers' Pensions Amendment Act/Loi modifiant la Loi sur la pension de retraite des enseignants*

*This bill was also considered by the Standing Committee on Legislative Affairs at a meeting on June 6, 2005, at 6:30 p.m. in room 255.*

**Committee Membership:**

*Substitutions made, by leave, during committee proceedings at the Tuesday, June 7, 2005, at 9:30 a.m. meeting:*

*Mr. Altemeyer for Hon. Ms. Allan*

*Mr. Swan for Mr. Maloway*

*Mr. Schellenberg for Hon. Ms. McGifford*

*Hon. Mr. Bjornson for Mr. Martindale*

*Mrs. Stefanson for Mr. Cullen*

*Mrs. Driedger for Mrs. Rowat*

*Mr. Dyck for Mr. Schuler*

*Substitutions received prior to commencement of the meeting held on Tuesday, June 7, 2005, at 6:30 p.m.:*

*Hon. Mr. Struthers for Mr. Altemeyer*

*Mr. Schuler for Mr. Dyck*

**Public Presentations:**

*Your committee heard 20 presentations on Bill 48 – The Teachers' Pensions Amendment Act/Loi modifiant la Loi sur la pension de retraite des enseignants, from the following individuals and/or organizations:*

*Margaret Warrion, Private Citizen*

*Terence Clifford, Private Citizen*

*Arnold Ross, Private Citizen*

*Lorraine Forrest, Private Citizen*

*Anne Monk, Private Citizen*

*DeeDee Rizzo, Retired Teachers Association of Manitoba*

*Brian Ardern, President, Manitoba Teachers Society*

*Peggy Prendergast, Private Citizen*

*Kay Arnot, Private Citizen*

*Norma Lacroix-Gagné, President, Chapter of E.M.R. (French Chapter)*

*Anne Monk for Wayne Hughes, Private Citizen*

*David McDowell, Private Citizen*

*Jake Peters, Private Citizen*

*Ron Anthony, Private Citizen*

*Marj Grevstad, Private Citizen*

*Jean Ogren, Private Citizen*

*John Carroll, Private Citizen*

*Karen Boughton, Private Citizen*

*Ruth Livingston, Private Citizen*

*JoAnne Irving, Private Citizen*

**Bills Considered and Reported:**

*Bill 48—The Teachers' Pensions Amendment Act/Loi modifiant la Loi sur la pension de retraite des enseignants*

*Your committee agreed to report this bill, without amendment.*

**Ms. Brick:** Mr. Speaker, I move, seconded by the honourable Member for Rossmere (Mr. Schellenberg), that the report of the committee be received.

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

\* (13:40)

**Introduction of Guests**

**Mr. Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the Speaker's Gallery where we have with us today Brent Hunter, Heather Cummings, Evelyn McConnell, Eleanor Nicholson, Barrie Strohman, Ken Waddell and Joyce Schrader of the Neepawa Lily Festival. These visitors are the guests of the honourable Minister of Transportation and Government Services (Mr. Lemieux) and also of the honourable Member for Ste. Rose (Mr. Cummings).

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



Also I would like to draw attention to the Speaker's Gallery where we have with us today Mr. Brian Marshall. This visitor is the guest of the honourable Member for Brandon East (Mr. Caldwell).

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

In the public gallery we have John Morgan, Carol Morgan, Shawna Morgan, Diane Magill who are the family of our page, Heather Morgan.

Also seated in the public gallery we have from Beausejour Early Years School 87 Grade 5 students under the direction of Ms. Lorraine Kozussek, Mrs. Fran Goalan and Mrs. Lea-Anne Bangert. This school is located in the constituency of the honourable Member for Lac du Bonnet (Mr. Hawranik).

Also in the public gallery from Manitoba School for the Deaf we have 6 Grade 5 students under the direction of Mrs. Patricia MacDonald. This school is located in the constituency of the honourable Minister of Industry, Economic Development and Mines (Mr. Rondeau).

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

## ORAL QUESTIONS

### Crocus Investment Fund Proposed Legislation Amendments

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, on Monday this Premier and his Finance Minister indicated that former NDP Industry Minister MaryAnn Mihychuk was not being truthful when she admitted publicly that her department was working on legislation in 2002 and early 2003 to improve accounting and reporting measures at Crocus.

In fact, *The Winnipeg Sun* reported yesterday that the NDP Member for Brandon West (Mr. Smith) stated emphatically, and I quote, "There was no legislation I was working on or the department was working on." The problem with that statement, Mr. Speaker, is it does not tell the whole story. The reason the member from Brandon West was not working on any legislation when he replaced Ms.

Mihychuk was because a higher authority in his NDP government told him to squash it, and he stood by silently and watched it happen.

Ms. Mihychuk is willing to testify under oath at a public inquiry, and we believe that officials in the government that had red flags brought forward would also like to testify under oath and tell the truth to all Manitobans.

They will testify under oath. Why will the Premier not?

**Hon. Gary Doer (Premier):** One would be tempted to talk about testifying under oath in terms of the Monnin inquiry where there were three different affidavits from some of the former Premier's senior staff, but that would not go with the question raised.

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

**Mr. Speaker:** Order. We have just started Question Period and you can see we have a lot of guests in the gallery that have come here to hear questions and answers.

**Mr. Doer:** Thank you, Mr. Speaker. The Auditor General's report is clear. There have been newspaper reports from the *Free Press* and *The Sun* talking about this issue. It was reported in one paper one way. I would suggest that members opposite read the Auditor General's report. The Auditor General's report is the document we should be discussing. There is lots of material in there.

I would suggest instead of having to invent things he read the report and page 145 is very specific on this issue. The legislation that was being contemplated was, of course, the pacing and liquidity issues. The allegation that, I think, the terms that are used by the member opposite, some of these emotive terms, when one looks at the fact that we did not proceed with it, I think our record is very clear.

\* (13:45)

**Mr. Murray:** Mr. Speaker, we see from this Premier and his Finance Minister, they say to reporters that they were not disputing what Ms. Mihychuk had admitted. Then they refused to admit that they knew departmental officials in both Finance and Industry were even in discussions about legislation. When they were asked why they were kept in the dark

about these discussions, the Minister of Finance (Mr. Selinger) says that he was not kept in the dark.

Well, Mr. Speaker, they cannot have it both ways. While the Premier clearly and carefully selects the words, then states that neither caucus nor Cabinet were aware of the legislation, he will not come clean about what individual ministers knew.

So, Mr. Speaker, I would like to ask this Premier very clearly was he or any of his ministers aware of the legislation that Ms. Mihychuk and her department were working on in 2002.

**Mr. Doer:** The Auditor General's report is accurate.

**An Honourable Member:** Yes or no.

**Mr. Speaker:** Order.

**Mr. Doer:** The Auditor General's report is accurate. He documents the matters that were raised with Cabinet and they are specific to liquidity and pacing.

Yes, I was aware of that legislation, and, yes, I was aware that we did not proceed.

#### **Request for Public Inquiry**

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, again on Monday both the Premier and his Finance Minister tried to downplay Ms. Mihychuk's admissions by stating that they were going with what the Auditor said and we hear it again in this Chamber.

Well, according to the Auditor, I remind this Premier that Mr. Singleton's office did not have the ability to interview Ms. Mihychuk. The Auditor had said that it is very clearly possible that the department was working on legislation that was not covered in the Auditor's report, Mr. Speaker. As has happened in the past with many governments, when there are very serious allegations as we see with this Crocus scandal, an independent public inquiry has been called.

I would like to remind the Premier that according to The Manitoba Evidence Act, where the Lieutenant-Governor-in-Council deems it expedient to cause inquiry to be made into, and concerning any matter within the jurisdiction of the Legislature and connected with or affecting the good government of

the province, and the conduct of any part of the public business thereof, the conduct of any provincial institution or of any institution with the province receiving provincial aid or any matter which, in his opinion, is of sufficient public importance to justify an inquiry, he may appoint one or more commissioners to make that inquiry.

Mr. Speaker, will the Premier do the right thing today? Will he ensure that all Manitobans get to the truth of this Crocus scandal and will he stand in his place and call for an independent public inquiry today?

**Hon. Gary Doer (Premier):** Mr. Speaker, some of the issues that have been raised by the former member at the same time he was accusing the board member from the government of being a provincial appointee, he also asked six times for an inquiry before he read the report. He has no credibility on this issue because he calls for an inquiry before he even reads the report. It is obvious he is now calling for an inquiry after the report is issued where he still has not read the whole report.

It clearly states that the Department of Industry was working on legislation. It clearly specifies the legislation was dealing with pacing and liquidity. It is very specific, and I would very much point out to the member opposite that legislation is drafted in writing or in forms of writing. It would be inside the Department of Industry. The Auditor General has access and had access to every file in the Department of Industry. That is what is the practice. That is why he was able to identify some e-mails. He was able to identify also some documents dealing with the pacing and liquidity. That was the legislation that was in the report. That is well documented by an independent officer of this Legislature.

\* (13:50)

#### **Crocus Investment Fund Responsibility for Legal Fees**

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, if members opposite want to talk about credibility, they should look in the mirror and ask themselves why they did not do anything three years ago.

The facts are in. The unitholders have been fleeced of \$60 million. Management did not act in a responsible manner, the board did not act in a responsible manner and the government did not

act in a responsible manner. Unfortunately, the unitholders are left swinging in the wind, being forced to mount and pay out of their own pockets for their own defence while all those that offended them are receiving payment from the fund they invested in. Their money is going to pay the individuals who the Auditor General clearly indicated wronged them in the first place. How fair is that to the unitholders and the taxpayers?

I would ask the Minister of Finance if he could tell us today whether he thinks it is fair that the unitholders are paying for the defence.

**Mr. Speaker:** Order.

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, The Class Proceedings Act that was brought in by this government and proclaimed in the early part of I believe January of 2003 is among the strongest legislation in the country to protect consumers. That legislation was never brought forward during the 11 years when the members opposite were in government. This legislation has a couple of unique features in it that are very important for consumer protection.

First of all, if a class proceeding is registered in the courts all affected shareholders that have the same grievance are included in the action. They do not have to opt in. They have the option to opt out, but they are automatically included in the action.

The second feature of this legislation which makes it very strong is that court costs cannot be awarded against a group taking a class action proceeding unless it is vexatious. Clearly these members, if they get it registered, will have a case.

**Mr. Loewen:** Mr. Speaker, the question was not about the class action suits. The question was about the fact that the unitholders are paying legal fees for all those who wronged them, paying out of unitholders' pockets to cover legal fees for people who have wronged them. The Auditor General very clearly indicated in his report that, during the course of our review, we noted several problems that should have alerted the fund's board, as well as government officials responsible for monitoring the fund and that a deeper review of the fund's operations was necessary. The minister has turned a blind eye for three years and now the unitholders are paying again and again and again.

I would ask this minister today to stand up and tell the unitholders when is he going to stop turning a blind eye. When is he going to stand up for them?

**Mr. Selinger:** Mr. Speaker, it was about three years ago that the member signed a secret agreement that forced him to clam up, and then he wishes to cast aspersions on others. No members of this side of the House agreed and complied with the shakedown attempt.

Now, on The Class Proceedings Act, Mr. Speaker, the other third feature that I did not get a chance to put on the record is The Class Proceedings Act can award damages. In other words, if the members of a class action suit are found to have been wronged and mistreated, the court could award damages which will compensate them for the losses they have incurred. This legislation did not exist until 2003. The members opposite should be supporting this legislation because it protects all the consumers in Manitoba including Crocus shareholders.

#### **Request for Public Inquiry**

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, I want to assure the minister we support the legislation. We just do not support their notion that the unitholders that have been fleeced of \$60 million continue to pay legal fees for those who fleeced them. We do not believe that the taxpayers of Manitoba should be on the hook to pay for damages and legal fees for these ministers and this Premier (Mr. Doer) who stood idly by and turned a blind eye.

This minister said when he got the report he would take action. He has had it for four weeks and, yet, he does nothing for the unitholders. The one thing his government can do today is call a public inquiry, get the truth out in the open so that the unitholders at least know who to go after and why, and help to limit the expenses that they have to pay day after day after day.

Will they do the right thing today and encourage this Premier to call a public inquiry so that unitholders can finally get off the hook?

\* (13:55)

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, a public inquiry can do nothing but make recommendations. It cannot award damages. The

Class Proceedings Act can award damages. If the members are truly interested in seeing shareholders compensated for any damages they may have received as a result of what has happened at the Crocus Fund, The Class Proceedings Act is a very strong piece of legislation which can award damages.

The member does not seem to understand that. He wants to pursue an inquiry which cannot award damages. The legislation we put in place will actually help shareholders. What the members opposite want to do is they want to fix blame; we want to fix the problem.

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

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

#### **Flood Damage Assistance to Producers**

**Mr. Ralph Eichler (Lakeside):** Mr. Speaker, here it is June 8. Rain is still falling. There is flooding in the west, east, north and south. Many areas have been seeded and now flooded out. There is little hope that these areas can survive. As the minister knows, input costs have skyrocketed and will exceed the \$50 insurance per acre.

Can the Minister of Agriculture tell this House what her department's proposal is to deal with the seeded acres now sitting under water?

**Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives):** Mr. Speaker, it is indeed a very difficult situation for producers who are suffering because of the unprecedented amount of rain that we are seeing in regions of this province. It was this government that put in place excess moisture insurance so that if producers are not able to seed they are able to collect \$50 an acre, but there are others. As well, if the producers have seeded already, there is a process. There is insurance for reseeded. It is our hope that the weather will improve, but if the situation does not improve certainly crop insurance will be working very closely with the producers.

**Mr. Eichler:** Mr. Speaker, last year's crop is still on some of our farmers' fields and awaiting payments. There is enough hardship in our farming community. Now farmers are struggling and losing their recently seeded crops due to the floodwaters.

Can the minister assure this House that the program will be in place for those farmers who have been flooded by the most recent rains?

**Ms. Wowchuk:** Mr. Speaker, crop insurance is a program that is in place and will continue to be in place to help producers if they are not able to seed or if they have seeded and will lose their crops. It is a well-recognized program, one in which we have a majority of producers participating. I can assure the member that, as soon as there is the ability to get out and start to check fields, staff from crop insurance will be there working with the producers.

**Mr. Eichler:** Mr. Speaker, days are so precious in order to get our crops planted. Some have and some will not make it for this crop season. Our forecast is not good and offers no hope for replanting. Many Manitoba farmers simply do not have the cash flow for reseeded.

Mr. Speaker, can the minister assure this House that their government dollars will be meaningful to assist those farmers who have been flooding and no hope of reseeded?

**Ms. Wowchuk:** Well, Mr. Speaker, what I can assure this House and Manitobans is that this government cares about the producers, and it was this government who recognized that we needed an excess moisture insurance program. That was one of the first changes we put in place when we became government and we have made improvements to crop insurance. I want to assure members opposite that, as soon as we are able to and as soon as there is a need to start doing adjustments on crops, staff from Manitoba Crop Insurance will be there.

\* (14:00)

#### **Safe Schools Forum Participation**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, a Safe Schools summit is being held on Monday, something that we have pushed for since a number of bullying incidents became known in the last recent while. Two days ago my staff phoned the minister's office to find out if I would be allowed to attend that conference, at which time the minister's office told me that no, I would not be able to attend the conference. The Leader of the Opposition (Mr. Murray) has been forbidden to attend the conference

and the minister's office said the media are not going to be allowed to attend the conference.

I would like to ask the Minister of Education why.

**Hon. Peter Bjornson (Minister of Education, Citizenship and Youth):** Mr. Speaker, the Safe Schools forum is an opportunity for a number of different partners in education to share the best practices that have been successful in the schools. There are a number of very important partners who will be at the table including the police liaison, including Child Guidance Clinic, including Child Find Manitoba.

I think it is important, Mr. Speaker, that this is not a political event. This is an opportunity to share the best practices and engage in meaningful dialogue around what has been going on in the schools to ensure the safety of our children.

**Mrs. Driedger:** The minister's office told us that I, as the Education critic, could not go but I was told that the Minister of Education was going to be there. Mr. Speaker, another person that was told that they would not be allowed to go to the conference is a parent of a bullied child.

I would like to ask this minister how he could possibly say no to a parent of a bullied child who wanted to attend this conference to seek some help and support, to offer some input, and was told no by the Minister of Education's office.

**Mr. Bjornson:** Mr. Speaker, the agenda for the day, the forum, is an opportunity to bring school division teams together and that will be comprised of teachers, students, parents, superintendents, principals and school trustees to discuss effective practices. That is the agenda for the day.

The second part, if the member had listened in the early part of my answer, I did say that parents are part of the teams that are invited to participate. The second part of the exercise will have specific schools share their new and innovative experiences in making their schools safer or dealing with instances of bullying. This is the opportunity to share best practices, to engage in dialogue with other jurisdictions around what makes a school a safe environment and it is an opportunity to reflect on other community partners that have been engaged in

assisting with creating that safe environment, Mr. Speaker.

**Mrs. Driedger:** Mr. Speaker, it seems that parents of bullied children would have a lot to offer to that conference and I am surprised the minister is not allowing them to attend. All of these raise some very serious concerns because of how badly this minister has mismanaged this bullying issue right from the beginning, and this summit looks like more of a top-down approach of lectures and presentations. Bullied children and their parents want a voice. They want to be part of the solution that is going to be dealt with on Monday.

I would like to ask the Minister of Education why they are being denied a voice at this conference.

**Mr. Bjornson:** Mr. Speaker, as I said, parents and students are going to be a part of this conference. This has been a very serious issue that we have taken very seriously since we have been in office, the Safe Schools Charter and all the initiatives that have been brought forward by this government since 2001 by various departments. As I said, it is not a departmental issue specifically. It is a societal issue, and every single Cabinet minister, every single MLA on this side of the House has been standing up for Safe Schools since we have been elected.

Furthermore, Mr. Speaker, as a teacher, in 1993 I was part of a Manitoba Teachers' Society lobby that identified this issue. We lobbied the government of the day in 1993. They did nothing. We have been doing something ever since we have been in office. We will continue to work with our partners to address this issue. We are committed to school safety.

### **Aiyawin Corporation Operational Review**

**Mrs. Mavis Taillieu (Morris):** Last year, concerns around Aiyawin Housing Corporation prompted an operational review and a review by the Auditor General. Following that operational review, Aiyawin was to submit a plan to address the problems at the organization.

Can the Minister of Family Services and Housing say if she is satisfied with Aiyawin's progress, and is she unconditionally funding Aiyawin?

**Hon. Christine Melnick (Minister of Family Services and Housing):** Mr. Speaker, serious concerns were indeed raised. The department did complete their operational review. We did send a letter of our concerns to Aiyawin. We did receive a plan. We are monitoring the progress of Aiyawin, but we are concerned with the progress that is being made. We did not cut funding to Aiyawin at that time because we were not prepared to put 219 low-income and often senior households out into the street.

**Mrs. Taillieu:** Well, Mr. Speaker, we recognize that there are families in this housing corporation, and certainly we do not want to see them on the street, but the minister has a duty here. It was with great reluctance the minister released to us the plan that Aiyawin had to address concerns. It was no wonder she was reluctant because most of the issues that were to be dealt with there were going to be dealt with at an annual general meeting that was to be held on June 15, but we have learned from people within the Aiyawin Corporation that there was no such meeting ever scheduled.

I would ask the minister this: What agreements are in place to assure accountability for the funding that continues to flow to the corporation?

**Ms. Melnick:** Mr. Speaker, there was no reluctance to release the plan. I simply made sure that, under FIPPA, releasing the plan would be respecting the laws of Manitoba.

We know members opposite have trouble respecting the laws of Manitoba. We most recently saw in an election not long ago that there was a lot of trouble respecting the elections law of Manitoba by members opposite. We do respect the law, Mr. Speaker.

We are monitoring. I am concerned about Aiyawin, but I will not jeopardize the 219 families nor will I work beyond the Urban Native Housing Association in Manitoba. We inherited this when members opposite walked away from social planning in '93-94. That is where the problem originated.

**Mrs. Taillieu:** Mr. Speaker, we have heard from people that live in the Aiyawin Corporation. There are many things going on which have not been addressed, and, in fact, it is the same business as usual there. The minister does not recognize what is going on there, and she should go and examine what is going on there.

The minister stated on November 28, 2004, "if the agency does not address the Province's concerns, the funding will cease," and that is a quote. The minister cannot be comfortable here because, on one hand, she knows that if she ceases funding she does put people out on the street. We would not want to see that, but if she continues to unconditionally fund the agency with no assurances she risks a further misuse of taxpayers' dollars, another Hydra House scandal brewing.

She has had six months. When will she act and what is she going to do?

**Ms. Melnick:** Mr. Speaker, we did appoint a professional property manager to monitor on a day-to-day basis. Members opposite should be relieved of their worries of another Hydra House scandal developing as we have reimplemented the monitoring capacity that they cancelled in '93-94 that led directly to the Hydra House problems. We will continue to monitor with Aiyawin, but I want the House to be very clear that I am very concerned with the lack of progress at Aiyawin Corporation. However, we will not jeopardize the families, and we will not work beyond the capacity of the Manitoba Urban Native Housing Association which for the first time received funding under this government to carry out their work.

\*(14:10)

### **Red River Floodway Expansion Labour Agreement**

**Mr. Jack Penner (Emerson):** The Manitoba Floodway Master Labour Agreement consists of 14 separate union agreements. It is becoming very clear now, Mr. Speaker, what the additional costs will be of this agreement. Each agreement outlines exactly how much every employer will be forced to pay into these trust funds.

I ask the minister does he feel that it is fair that Manitoba taxpayers will be contributing up to \$7.36 an hour over and above the floodway employees' normal salary into a union-managed trust fund.

**Hon. Steve Ashton (Minister of Water Stewardship):** I thought, Mr. Speaker, given the excess rainfall that perhaps the member opposite might be asking some questions about flooding or even asking the question about the degree to which

the floodway expansion is going to protect 450 000 Manitobans against floods in the future. That is the No. 1 goal of the floodway expansion.

I realize the member opposite has always opposed the project management agreement. I realize that when the project management agreement was released the member opposite opposed payments for pensions and benefits. I remind the member again that this is the year 2005, and, indeed, there are provisions for pensions and benefits for both unionized and non-unionized employees and that is what Manitobans expect.

**Mr. Penner:** The 14 agreements, Mr. Speaker, clearly indicate that employers will be forced to contribute up to \$7.36 an hour for every hour worked by every employee on that floodway. That is a huge amount of money.

What assurances can the Minister of Water Stewardship give the people of Manitoba that the contribution to these trust funds will actually be accrued to the workers who work on that floodway?

**Mr. Ashton:** Well, Mr. Speaker, I can assure Manitobans of one thing that, unlike the members opposite, we do believe that if you are going to build a floodway you have to have decent wages, decent working conditions and you do have to have pensions and benefits. This is the year 2005.

**Mr. Penner:** Well, Mr. Speaker, it is very clear that the minister is trying to hide something behind because normally the union dues are subtracted from the paycheque of union employees. It is very clear that this master agreement will be contributing large amounts of money into a trust fund that is managed by the unions.

Will the minister concede that this whole master plan labour agreement is simply a scheme cooked up by the Premier, his right-hand man, floodway authority chairman Eugene Kostyra and Manitoba's labour leaders to fleece the Manitoba taxpayers of tens of millions of dollars?

**Hon. Gary Doer (Premier):** Mr. Speaker, I always note—

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

**Mr. Speaker:** Order. The honourable First Minister has the floor.

**Mr. Doer:** Thank you, Mr. Speaker. The member opposite goes on but he does not talk about the feature that is important in the public interest. This is an agreement to have no strikes or lockouts for the agreement. I know members opposite—

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

**Mr. Speaker:** Order. The honourable First Minister.

**Mr. Doer:** Thank you, Mr. Speaker. Just like the Confederation Bridge, that great friend of labour, Brian Mulroney, the former boss of the Leader of the Opposition (Mr. Murray), also went with no strike or lockout. That was—

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

**Mr. Speaker:** Order.

**Mr. Doer:** Thank you, Mr. Speaker, and I just want to say for the record that Brian Mulroney was right, and the honourable Member for Thompson (Mr. Ashton) was right to have no strikes and lockouts. Brian Mulroney was correct. We agree with him.

#### **Crocus Investment Fund Election of Board Members**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, it is curious to see that the Premier (Mr. Doer) is such an avid supporter of Brian Mulroney.

Critical decisions on the future of Crocus have got to be made in short order. More than 33 000 Manitobans who invested their hard-earned money in Crocus deserve to know this government's plan for the fund. Is the NDP going to sit idly by while the remaining money in Crocus is frittered away by management operations? Is the NDP going to watch from the sidelines as any remaining funds are eaten up in legal costs?

If this fund is to be saved at all action needs to be taken quickly. I ask the minister when will the four new Crocus board members be elected by the Class A shareholders.

**Hon. Jim Rondeau (Minister of Industry, Economic Development and Mines):** I encourage all members of the government and all members of the opposition to look at the bill and to pass it because part of our role was to look at the Auditor

General's report and look at the recommendations to government. The fund is supposed to look at the recommendations to management and the board and to move further ahead. That is the role of all of us in this Chamber. That is the role of management, that is the role of everyone.

What we want to do is to get a good, solid foundation on which venture capital can move forward. We made improvements in 2001. We will continue to make improvements, but the decisions of the fund's management is left in the hands of management. What our role is is to pass the legislation, to have good, solid legislation, to have good board representation and move forward to improve the venture capital fund.

**Mr. Gerrard:** Mr. Speaker, more than 33 000 Manitobans who have invested in Crocus now face an uncertain future. The NDP failed to ensure with this bill that the majority of Crocus board members would be elected by the Class A shareholders. Now we see that the Class A unitholders who have invested more than \$177 million of their hard-earned money in the Crocus Fund will get to elect only four board members, yet, the Manitoba Federation of Labour which contributed a mere \$200 to Crocus will appoint half the board.

Why does the Manitoba Federation of Labour get so much for so little? Can the Premier please explain why his government's new Crocus bill puts the majority of the board members and the control of what happens in the hands of his friends at the MFL rather than the elected Class A—

**Mr. Speaker:** Order.

**Hon. Gary Doer (Premier):** Well, the federal legislation, and the member opposite was in parliament for a period of time, requires that under labour-sponsored funds in Canada that the sponsor have the majority of shares. Obviously that was signed off by Eric Stefanson in 1992-93 and, I believe, Mr. Hilliard at the inception of the fund. It was in a memorandum of agreement. It was contained within legislation.

Mr. Speaker, we do believe that some of the constructive advice about the lack of shareholder representation should be met in the new legislation, but the federal requirement on sponsorships, and I think it is under the federal Income Tax Act, the

amendments to get the 15 percent from the federal government have to have a requirement on the sponsor. That is clearly the legislation, but the legislation in Manitoba has to comply with the legislation in Ottawa, and obviously that part is missing in his question.

**Mr. Gerrard:** As I said, critical decisions around Crocus have to be made as soon as possible to salvage things for the Crocus shareholders, yet the new board members have not been elected. Why, is the question, are the Class A shareholders who have more than \$177 million invested only allowed to elect four board members while the MFL, a paltry contributor of 200 to the Crocus Fund and a contributor of untold amounts particularly in the eighties and nineties to the NDP, get to appoint half the board?

Mr. Speaker, in ENSIS, the labour sponsor of the fund has provided two board positions for general representation rather than being appointed by the labour sponsor directly. I ask the Premier will the government ask the Manitoba Federation of Labour to allow for two of its board members to be elected by the Class A shareholders in order to provide for greater democracy in decision making around Crocus.

\* (14:20)

**Mr. Doer:** Mr. Speaker, the member opposite might want to look at the fact that our research indicates that the federal Liberal Party of Canada got the majority of political donations that were made by Crocus and their individuals. So I think that the member opposite should not try to be too holier than thou. The member opposite would also know that he had a co-investment, which he announced along with the former Premier, where they talked about turning straw into gold with the Isobord plant. He was at that press conference. I want to—

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

**Mr. Speaker:** Order.

**Mr. Doer:** I do want to thank the members of this Chamber—

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

**Mr. Speaker:** The honourable First Minister.



**Mr. Doer:** I do want to thank the members in the Chamber. I think the legislation that we passed, or proposed last week, it has not been passed, deals with more representation for shareholders, deals with more definition on return on investment, deals with the issue of perceived ambiguity of the government board member. That legislation has passed second reading at committee.

I want to thank members for that co-operation. Hopefully the bill will be passed in such a way that the annual meeting that does take place will be able to achieve the objective that has been stated in this House by opposition members and by the government to give greater representation on the board level with the shareholders having elections for those spots. I appreciate the support we have had.

### **Neighbourhoods Alive! Program Progress Report**

**Mr. Rob Altemeyer (Wolseley):** As the MLA for Wolseley, I consider myself very, very fortunate to have not one, but pieces of two designated Neighbourhoods Alive! communities in my riding. I have reported on several occasions that many of the success stories have come from our government's collaborative approach to inner city renewal, an issue which was completely abandoned and betrayed by members opposite for over a decade.

The work that we have to do now to rebuild these communities is ongoing, and I am wondering if the honourable minister might care to share with us news of a very important announcement that was held on this award-winning program earlier today.

**Hon. Scott Smith (Minister of Intergovernmental Affairs and Trade):** Mr. Speaker, it is a pleasure to stand in this House and announce today our fifth anniversary of Neighbourhoods Alive! in the province of Manitoba.

Mr. Speaker, as the member from Wolseley mentions, this program was revitalized by this government certainly, and was first launched in June of 2000. It was a strategy that supported and encouraged community-driven revitalization in neighbourhoods in Brandon, Thompson and Winnipeg.

Mr. Speaker, to date we put \$26.5 million into this program. We have worked with many of the

neighbourhood local support groups with this program, and you are seeing a difference in every corner of every neighbourhood in Brandon, Thompson and Winnipeg because of it.

Mr. Speaker, I would like to congratulate all the neighbourhood folks—

**Mr. Speaker:** Order. Time for Oral Questions has expired.

### **Introduction of Guests**

**Mr. Speaker:** Order. Before we proceed, I would like to take this opportunity to draw the attention of honourable members to the public gallery. We have from Nellie McClung Collegiate 15 Grade 11 students under the direction Mr. Grant Caldwell. This school is located in the constituency of the honourable Member for Pembina (Mr. Dyck).

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

\* \* \*

**An Honourable Member:** On a question.

**Mr. Speaker:** Order. I want to take this opportunity because it is very important that we all as members maintain decorum, because I had stated to the House that Oral Questions time had expired. *[interjection]* Well, I had stated it on—

**An Honourable Member:** There is so much noise here.

**Mr. Speaker:** Order. That is one of the problems. That is why I am glad to have this opportunity to address it, because it is a good experience. That is why I draw attention to honourable members about the importance of my ability to hear the questions and the answers because if there is a breach of rule, you rightfully expect me to deal with it and make a ruling. That is why it is very important that we maintain decorum in the House so I can hear every question and the answers to those questions.

I saw the honourable Member for Arthur-Virden (Mr. Maguire) had stood up, and I went like this to signal, and I had stated that time for Oral Questions has expired. So it is very important.

## MEMBERS' STATEMENTS

**Mr. Speaker:** Now we are on Members' Statements, and I had recognized the honourable Member for Ste. Rose.

### Neepawa Lily Festival

**Mr. Glen Cummings (Ste. Rose):** Thank you, Mr. Speaker, and I appreciate the enthusiasm of my House Leader. I could have asked a question.

I want to acknowledge the visitors in the Speaker's Gallery today. They represent the Neepawa and area Lily Festival, and I appreciate their attendance here today because they represent the founders of the concept of the Lily Festival. They represent more than 300 volunteers that make the Lily Festival work in our community.

Barrie Strohman, who is with the group today, is a dedicated developer of lily varieties and has a long history in the development of lilies in our area. Eleanor Nicholson and Barrie recognize the unique and important aspect of the fact that we had 1500 varieties, now over 2000 varieties that are grown and named in the area of Neepawa.

The balance of the folks represented here today in the gallery are part of the core of what makes our festival work. They are dedicated volunteers and they do this because they love lilies, they love Neepawa and they love sharing these joys with other people.

Today, along with Evelyn McConnell, Brent Hunter and Chairman Ken Waddell, and with the assistance and the support of the Minister of Government Services (Mr. Lemieux), we planted a lily in the formal gardens at the back of the Legislative grounds, and it is named the Neepawa lily.

**An Honourable Member:** Is there a Russell lily?

**Mr. Cummings:** I am asked from beside me, here, if we will soon have a Russell lily and perhaps that could be arranged.

**An Honourable Member:** What colour would it be?

**Mr. Cummings:** Mr. Speaker, I recommend to all members of this Chamber that they take the

opportunity in July between the 22nd and the 24th to attend the Lily Festival, and for a little warmer-upper go and visit the Neepawa lily at the back of the grounds.

### Biodiesel Fuel Industry

**Mr. Tom Nevakshonoff (Interlake):** Mr. Speaker, I rise today to draw the attention of the House to Manitoba's newest initiative to develop clean and affordable energy sources.

Yesterday, our government announced that Manitoba Hydro will be purchasing biodiesel fuel from Bifrost Bio-Blends of Arborg. Biodiesel is a safe, non-toxic, renewable fuel which is biodegradable in water, produces fewer emissions and has a more pleasant odour than petroleum diesel.

Along with many environmental benefits, the production of biodiesel has the potential to give a boost to Manitoba's agricultural industry. The Bifrost Bio-Blends plant has created a new market for Manitoba-grown crops including a variety of off-grade oilseed crops. This is great news for Manitoba's farm families and rural communities. Biodiesel fuel could provide them with an additional source of income and expanded economic opportunities. Also, as animal fats are a good potential feedstock for the production of biodiesel, this new industry will work well with the expansion of livestock production in our province, especially in terms of profitably disposing of the offal resulting from processing.

Mr. Speaker, given its positive aspects in terms of lubricity, biodiesel fuel also has the potential to reduce maintenance costs and down time for Manitoba's fleet vehicles and creates a healthier work environment for our employees. Biodiesel ignites at a higher temperature making it safer to transport and easier to store.

Bifrost Bio-Blends is the first biodiesel plant in Manitoba. I would like to commend Mr. Paul Bobbee, president and owner of Bifrost Bio-Blends, and a member of the Manitoba Biodiesel task force, as am I, for having the vision necessary to be a leader in this field.

Biodiesel fuel is a wonderful addition to our province's clean energy plan. I would like to thank our government for continuing its commitment to

developing clean and affordable energy sources. Thank you, Mr. Speaker.

\* (14:30)

#### **Ambulance Service for East and West St. Paul**

**Mr. Ron Schuler (Springfield):** Mr. Speaker, I began presenting petitions signed by citizens of both East and West St. Paul to this House over the past three months. The reason for this petition is that ambulance service in East and West St. Paul is provided from Selkirk which is located nearly 25 kilometres away. The residents of East St. Paul and West St. Paul are very concerned that this NDP government is forcing them to wait approximately 25 minutes for an ambulance to arrive. In urgent situations, this is far too long.

One example was the case of Mr. Peter Krahn, a 46-year-old resident of the city of Winnipeg who suffered a severe heart attack while exercising in East St. Paul. The local first responders did everything that they could for Mr. Krahn. However, it was determined that he needed to be transported to the hospital for urgently needed treatment. Reports show that it took nearly 18 minutes for the ambulance to arrive. Unfortunately, Mr. Krahn was pronounced dead just under an hour later at Concordia Hospital. The IRHA claims that 21 minutes is an acceptable emergency response time, whereas the City of Winnipeg uses a benchmark of 4 minutes.

Mr. Speaker, on May 2, 2005, I asked the Minister of Health (Mr. Sale) what plans he had to provide local ambulance coverage to East and West St. Paul. The minister's response was that he believes that this is a volume indication for better coverage to East and West St. Paul. He also stated that there are many citizens in Manitoba that would be delighted to have an ambulance arrive within 22 minutes. The population of East and West St. Paul exceeds 12 000 residents, not including highway traffic. Twenty-two minutes is unacceptable for a population of this magnitude. That is over 12 000 people who are forced to risk their lives every day. Should they urgently need an ambulance, they will be forced to wait, possibly reducing the chances of full recovery.

Mr. Speaker, I would like to table for this House over 175 additional signatures from concerned residents of both East and West St. Paul asking the

provincial government and the Minister of Health to consider providing our communities with local ambulance service which would service both East and West St. Paul. To date, I have presented over a thousand signatures to the Legislative Assembly on behalf of those concerned citizens. I look forward to the day when our communities will receive ambulance coverage with acceptable urgent response times.

#### **MAFTI Event**

**Mr. Cris Aglugub (The Maples):** Mr. Speaker, I rise today to highlight a special event that occurred on Tuesday, June 7, 2005. This event was a cultural presentation hosted by the Manitoba Association of Filipino Teachers Incorporated, also known as MAFTI. It was held at the Philippine Canadian Centre of Manitoba as part of the 2005 Philippine Heritage Week celebration. This event showcased and highlighted the good work the Manitoba Association of Filipino Teachers is doing in our communities.

Mr. Speaker, MAFTI is an important organization in Manitoba's Filipino community. It is a non-profit organization that was founded in 1977 and formally organized in 1981. MAFTI actively participates in multicultural activities and liaises with school divisions in developing Filipino educational programming. This programming helps Filipino children and youth integrate into the mainstream of the school system and also develop a sense of self-confidence, self-esteem and self-worth. One of the most important programs it supports is the teaching of the Filipino language. After school hours, heritage languages are taught at several Winnipeg schools. These classes help students learn about their culture and traditions. MAFTI also encourages foreign-trained teachers to continue their teaching careers by supporting them in acquiring their Manitoba teaching certificate.

Mr. Speaker, I thank Gemma Dalayoan, president of the Manitoba Association of Filipino Teachers Incorporated, and all the officers and members of MAFTI for hosting this event. I also thank all the children, parents and participants that attended last night's event. Lastly, I thank the MLA for Burrows (Mr. Martindale) and the MLA for Point Douglas (Mr. Hickes) for attending this event. I wish all the members of Manitoba's Filipino community an enjoyable Heritage Week. Thank you.

### Government Organizational Issues

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I rise to put a few words on the record about the poor organization of the NDP and the government in this session. It has been a problem, when we saw this in spades on Monday evening, where we had three bills before the committee and huge numbers of people and not even enough chairs for them to sit in and how it could have been so much better handled. It was just symptomatic of the kinds of problems that we have been seeing.

Bills 44, 48, 50 and 51 were not even introduced until well after the April 28 deadline for bills which were expected to be passed by the end of session. You know, we would like to know the government's intentions, and are they serious in wanting this legislation passed before the end of the session or not?

I would like to indicate on our part that, because we know that the government has been kind of disorganized and things have not moved quite as fast as they might have expected, we are prepared in our caucus to not see the clock on Thursday evening if this would allow the government to get some of these critical bills through by the deadline that we have in the agreement of last year, which was, in fact, an NDP and Progressive Conservative party agreement, which we did not agree to, and that that agreement to end the session June 9, which is tomorrow, we are ready to accommodate to make sure that critical things get done for the people of Manitoba.

We realize that it would send a rather strong signal if the NDP or the Conservatives decided to break the resolution of the contract of last year which ended the session on June 9. It was a contract or resolution which we did not agree to at the time, although we did agree to the one which would allow for the two full weeks of June for us to be sitting. But, as I said, we would certainly allow for not seeing the clock on Thursday—

**Mr. Speaker:** Order.

### ORDERS OF THE DAY

#### GOVERNMENT BUSINESS

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, we will be dealing with bills this afternoon. Would you please call, to begin with,

debate on report stage amendments, Bill 22, The Water Protection Act? I wonder if we could deal with that until 3:30, at which time we will call other business.

**Mr. Speaker:** Is there agreement of the House to call report stage, Bill 22, until 3:30 p.m.?

Is there agreement? Then we will look to the Government House Leader for further instructions. It is agreed to? *[Agreed]*

### DEBATE ON REPORT STAGE AMENDMENTS

#### Bill 22—The Water Protection Act

**Mr. Speaker:** Resume debate on report stage amendments. There are eight amendments, moved by the honourable Minister of Water Stewardship (Mr. Ashton). We will deal with the first one, that is to clause 4.2.

The honourable Member for Emerson (Mr. Penner), who has 13 minutes remaining.

**Mr. Jack Penner (Emerson):** Mr. Speaker, the one thing, I think, that is becoming very, very evident is that when the Minister of Water Stewardship and the people that he had working with him were drafting this bill, it had become very evident that many people in this province were very concerned at how the bill was drafted and what was missing from this bill.

*Mr. Conrad Santos, Deputy Speaker, in the Chair*

\* (14:40)

I want to commend the minister that he has listened to many of those people who have indicated how badly flawed the bill was in its initial state of drafting and has recognized that and has made an attempt to at least fix parts of this bill. We believe strongly that if a lot more attention would have been paid to the clauses that we are amending now and many other areas of the bill that will need significant regulations to be put in place to make this a workable bill—I have said this a number of times before. This bill is, in large part, enabling legislation that is simply drafted in such a way that, should the minister decide to do regulations in regard to Bill 22, he can. We all know that those kinds of regulations are drafted in the secrecy of the Cabinet facility.

It is important to note that, in clause 4.2(1), when he is now saying in his amendment that at least 90 days before a regulation is made under section 4(1) the minister must, in a newspaper in general circulation in the affected area, advertise the fact that a draft of the proposed regulation has been filed in the public registry. To me that is not good enough, and to many Manitobans that is not good enough. I would suggest that the minister should have written into this draft amendment that at least 90 days prior to any regulations being enacted or proposed there must be public consultation on these regulations to ensure that municipalities, individuals, businesses, industries and others would have a clear indication of how they would be governed in the usage of water, and how regulations would be done to ensure that they would at least have some operational understanding of what the regulations would mean and how this legislation would, in fact, affect them.

Then it goes on to say written objections within 60 days after an advertisement is published under subsection (1), subject to subsection (3): any person may refer a written objection to the proposed regulation to a director in a form approved by the minister. Now does that mean that the person who is objecting to the proposed regulation to the director, that that criticism or objection must be approved in a form or manner that the minister has approved of? Well, the reason I ask that question, Mr. Deputy Speaker, is this, again, seems very authoritative on how this bill has been drafted and how the minister is now proposing to deal with the regulations that indeed will enable this legislation to be used.

The reason I raise this is because I found it rather interesting that at the Legislators' Forum that was held here in Winnipeg, which consisted of legislators and senators from North Dakota, Minnesota, South Dakota and, indeed, the Minister of Agriculture (Ms. Wowchuk), my colleagues and I from Manitoba, at that forum there was a presentation made by Minnesota on how they were dealing in their state with water issues, water regulations and water legislation. There was also a presentation made by Manitoba.

*Mr. Speaker in the Chair*

There was a stark reality that set in when we did the comparison. It was very obvious that Minnesota was using the incentive approach in

dealing with water issues, with drainage matters, with confinement of water, with building dams and how to drought-proof their state. It was largely driven by incentives offered to society as a whole to ensure that better quality water at the end of the day would be derived and, if needed, be released into rivers such as the Red River. I find this in every state in the United States that I go to, that much of their directive, many of their initiatives are in fact incentive kind of initiatives that they are taking, where we in this province are seeing our NDP socialist government using the true analogy of what authority really means.

This bill is no different. When you look at this bill and you read at the outset in one of the clauses that the minister will have total authority, the minister may take any action, make any regulation or issue any order that, in his or her opinion, are necessary, that is what clause 7(2) states in this bill. I made a little note to myself when I first read this. This is one of the most authoritative statements I have seen in legislation in a long, long time.

When I read the Minnesota description of how they deal with it, they will offer incentives, they will work with people, they will co-operate and co-opt, and here we will use any force necessary to get government's way. What a difference. What an extreme example of how differently many political jurisdictions will deal with matters such as this.

The scientific technology and the scientific information that we have been seeking is included in this amendment. I congratulate the minister for recognizing the scientific requirement that we should be seeking when we are dealing with water. We have already heard far too many rumours. We have seen far too much rhetoric and heard far too much rhetoric on matters such as clean water, on matters such as hog operation as we heard here the other day on The Planning Act.

I was actually shocked at how misinformed some people that made presentations at that committee actually were. It just totally took me off stride. I had no idea that we had done such a poor job of educating the people of Manitoba that they did not understand how the effluent of many of our livestock operations were handled these days. It simply shocked me to hear some of the things that were said.

This bill and clause 4(2), (3) says an objection under (2) must be based on written scientific or

technical information relating to an area proposed to form all or part of the water quality management zone. This information must be provided to the director at time of an objection. Here again, you know, I congratulate the minister for wanting scientific information when people make objections. I think that is necessary. However, nowhere do I see here that the minister must use the same scientific analogy when he or she gives an order.

He does not need the proof, the scientific evidence, and that is what is wrong with this bill. That is what is so interesting about this bill. I hope that we will at one point be dealing with the actual requirement for the minister to also use scientific evidence because only by using scientific evidence will we finally clear the air and cause the debate in public to be done in such a way, to be dealt with in such a way that we will use facts and factual evidence in determining what action should be taken.

\* (14:50)

I believe the general public is looking forward to that. They have heard far too much rhetoric, and they would be just too pleased to hear that some government was actually going to use scientific evidence before they portray another body of water as a sewage lagoon or a sewage dump site. That is, I believe, the terminology that we have used, or someone, not we have used, but that the minister and his colleagues have used to describe a water body that is not within our own jurisdiction. That is unfortunate because it causes deep divisions. It causes deep hurt feelings. We have no evidence if what the minister was saying when he described Devils Lake in that manner was, in fact, factual. We do not know that. When I look at all the environmental studies, Mr. Speaker, when I look at—

**An Honourable Member:** It is on a waste water permit.

**Mr. Penner:** Now the minister says, well, it is done by a waste water permit. That is how they do business, but it has nothing to do with the actual content of the lake. That is unfortunate that this minister does not understand that. He uses the terminology "waste water management technology" or "assessment" to describe what the water quality is actually like. Unfortunate, very unfortunate.

But, I believe, in clause 4.2(6), "Before providing advice under (5), if the director determines

that there is an unresolved scientific or technical issue, he or she must obtain expert advice in such a manner as may be set out in the regulation."

Now expert advice, Mr. Speaker, is not scientific advice. It is interesting that this minister is requiring those who object to provide scientific evidence but he and his department in responding need only ask for expert advice. No requirement for scientific analogies, and that is why we are proposing an amendment that will also indicate that the minister must provide scientific evidence of the action that he is taking, that it is actually verified or justified.

So, Mr. Speaker, I would suggest that the minister take a hard look even at this one and make—

**Mr. Speaker:** Order.

Is the House ready for the question?

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is amendment to Bill 22, clause 4.2.

Is it the pleasure of the House to adopt the amendment? *[Agreed]*

\* \* \*

**Mr. Speaker:** Now we will move on to the next amendment to Bill 22 and that is clause 4.3, standing in the name of the honourable Member for Russell (Derkach).

What is the will of the House? Stand?

**An Honourable Member:** No.

**Mr. Speaker:** No. It has been denied.

**Mr. Penner:** Mr. Speaker, I would ask that maybe we should ask the honourable Member for Arthur-Virden to speak ahead of me, and I will speak after him.

**Mr. Speaker:** Is there leave for the honourable Member for Arthur-Virden to speak now, and then we will recognize the honourable Member for Emerson? *[Agreed]*

**Mr. Larry Maguire (Arthur-Virden):** Sorry for any confusion there. I wanted to just have the

opportunity to speak to this amendment. We have seen a number of amendments come before the water bill, and I believe this is the first time I have had an opportunity to speak to some of the amendments on this historic bill and an important bill in Manitoba. There is no doubt about it. Bill 22, The Water Protection Act, has had a great deal of discussion in the House and a great deal of discussion, perhaps, I guess, in some areas of the province, and I think that it is important that we look at a good number of these amendments that have come forward.

Mr. Speaker, the minister has put up a number of amendments to the bill that was some time coming forward. There is no doubt that I want to make sure that it is on the record that, I, on behalf of the people of Arthur-Virden, want to guarantee that we have the cleanest, most pristine water that we can possibly have in Manitoba for the use of not only the citizens that we have today but every future citizen in Manitoba and every guest that we can possibly bring to the province of Manitoba. I think that would go without saying.

I think the concern that we have, and I just want to speak for a moment in regard to the situation in Arthur-Virden, is we have many water courses, as I have stated in this House before. Southwest Manitoba, if you look at crop insurance maps, is supposed to be a dry region in the province of Manitoba. The southwest corner is part of the Palliser Triangle. It is a geographic fact. I think it is very important that we look at the overall situation in regard to the water bill. I want to point out that southwest Manitoba has a great deal of water, in spite of the geographic situation that I just referred to.

I want to say how important it is that the water we have in relation to the southwest part in the areas like Metigoshe, some of the other lakes, Lake William, Lake George, Oak Lake, the Souris River, the Assiniboine River, the basins that we have, Mr. Speaker, are those visual appearances of water that are there throughout the region, but we have an extremely valuable resource in the aquifers of water that we have. I think that the reason we really need to be careful about the future of water in our region is so that we not only maintain the water courses that we have but also the aquifers that we have.

So I want to take the opportunity to say that the other area that we have of very much importance, is a lot of the water that comes in from Saskatchewan,

from our neighbouring province off the edge of the Moose Mountains through the area of the Antler Creek, the Jackson, the Stony, the Graham and others that come in through the Pipestone, that come in through the western side of the province and eventually end up in the Souris River, ending up in the Assiniboine River.

I think that we have a situation here in an amendment like this where we are looking at reviewing—that under Bill 22 that is amended, the minister has come in by adding the following after clause 4(2), Mr. Speaker, and that is a section that speaks to the review of regulation that the minister no later than five years after the date on which a regulation under section 4 comes into force requires a water council—and I will speak to that in a moment—to review the effectiveness of the regulation and, in the course of that review, consult with any person affected by the regulation that the council considers appropriate.

Mr. Speaker, it goes on to say that this water council could recommend, if it considers it advisable, that the regulation be amended or repealed. The minister again may, in addition, require the council to undertake such a review at any other time. Of course, so, while the review would take place every five years automatically, by the looks of this type of an amendment, and I have no problem with reviewing regulations I guess, I think one of the things that we would probably review, if I was looking at this amendment, would be, in the first place, we would have to make very clear the make-up of the water council, and of course the minister has included that in the bill.

There is a make-up of the water council, and I think there is a lot of importance to be placed on the role and the resources of that council, the resources that are made available to that council. I think the fact that, when the water council is done making some of the regulations that will be put into place under clause 4, for the minister, I want to back up, Mr. Speaker, for the most part, the council is making all of these regulations, and I guess in this case it is saying in not later than five years that review will have to take place.

\* (15:00)

Mr. Speaker, I would also recommend that, or I would look at this situation. This amendment allows the water council to make amendments and repeals

to this particular act. I guess I need to look at this from the point of view of a government that was bringing bills forward, that had a lot of time to put it together, that had a lot of resources, if you will, to deal with a situation like this, and that perhaps this might have been put together in the original bill. Of course, I am not going to chastise the minister because, I guess, if you are bringing amendments forward, there is an opportunity to improve a bill.

We have seen a lot of amendments from my colleagues, the member from Portage la Prairie, the former Conservation critic, and the member from Emerson, our present Conservation critic. It is my extreme pleasure to work with both of these gentlemen in this House as the deputy critic for Water in this particular area. I want to say, however, as we have seen with a whole host of bills in this House, this government has, you know, I guess, under the auspices of listening, that is why you bring amendments forward. When you get to this kind of an amount of amendments, and I have not had an opportunity to say this to this bill, I guess there are a lot of amendments coming forward and it may be a large bill. At the same time I want to make sure that we are just on the record to say that if these are amendments, I guess I do not have a problem with reviewing it on a regular basis. I believe that it is always good to look at reviews of anything we put in place, but the bottom line is, with this amendment, the minister can do whatever he wants at any time.

So, with that, Mr. Speaker, I would close my comments on this amendment.

**Mr. Penner:** Mr. Speaker, I just want to indicate clearly that I support what the honourable member has just put on the record. I want to say, again, in this part of the amendments, in section 4.3, that the minister clearly has all the authority under this bill. Even though he is going to appoint a water council, it is clear that, any direction they want to take or any time they want to take any action to do something, they must first consult with the minister.

I guess therein lies a major part of the problem, the authoritative approach being used by this government to deal with a matter that affects every single one of us in this province. I believe we as people should also be allowed some comments and be able to give advice to the minister and/or give him clear direction on matters that are so important, as this water issue is. Thank you, Mr. Speaker.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is amendment to Bill 22, clause 4.3.

Is it the pleasure of the House to adopt the amendment? Agreed? [*Agreed*]

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**Mr. Speaker:** Now we will move to amendment to Bill 22, clause 8.1, standing in the name of the honourable Member for Russell (Mr. Derkach).

What is the will of the House? Stand?

**An Honourable Member:** No.

**Mr. Speaker:** It has been denied?

**An Honourable Member:** There is a subamendment.

**Mr. Speaker:** Oh, sorry about that. There is a subamendment. I did not notice.

I will call subamendment to clause 8.1, Bill 22, standing in the name of the honourable Member for Selkirk (Mr. Dewar).

What is the will of the House? Stand?

**An Honourable Member:** No.

**Mr. Speaker:** No. It has been denied.

**Mr. Penner:** I am just looking, Mr. Speaker, for a copy of the subamendment. [*interjection*] Pardon? Hang on a second. No, I have it.

**Mr. Speaker:** The honourable member has already spoken to the subamendment.

**Mr. Penner:** Yes, I was just going to say, Mr. Speaker, I believe that I had already made comment on this subamendment.

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

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is subamendment to clause 8.1.



Is it the pleasure of the House to adopt the subamendment?

**Some Honourable Members:** Agreed.

**Some Honourable Members:** No.

**Mr. Speaker:** No? It has been denied? Okay, it has been denied.

#### Voice Vote

**Mr. Speaker:** All those in favour of the subamendment, say yea.

**Some Honourable Members:** Yea.

**Mr. Speaker:** All those opposed to the subamendment, say nay.

**Some Honourable Members:** Nay.

**Mr. Speaker:** It has been defeated. In my opinion, the Nays have it, so the subamendment has been defeated.

\* \* \*

**Mr. Speaker:** Now we will move on to the amendment to clause 8.1, standing in the name of the honourable Member for Russell (Mr. Derkach).

What is the will of the House? Stand?

**Some Honourable Members:** No.

**Mr. Speaker:** No. It has been denied.

**Mr. Penner:** One of the reasons we had proposed a subamendment to this bill was to assure that some of the fears that have been expressed by some people in this province would, in fact, be addressed in this bill. I am a bit disappointed that the minister has chosen not to include the subamendment in this new bill. However, I guess, it is, again, an indication of how authoritative the minister wants to become in the application of this bill.

Clause 8.1(1), there is a real concern here in this clause. It talks about the cancellation or reduction of water to any point or place or person holding a licence under The Water Rights Act. Normally, all of us, regardless of where we are, once we have

received a licence to draw water out of an aquifer, to take water out of a river or a stream, or to dig a pond and impound water for use on our own farms or whatever, the impoundment of water in farm dugouts has never required a licence until now. However, this also indicates that, when an allocation is lifted and awarded and water is awarded to somebody else, the compensation will have to be paid by the person that is awarded the water. This causes a real question in many people's minds.

This bill, in my view, in fact for the first time that I know of, will allow for the sale of bulk water, and there is no restriction. There is no restriction in this bill as to what would happen with that water once it is sold. So one could assume, one might assume, that the restrictions that have been there up until now in bulk water sales for export might, in fact, be allowed now, allowable under this bill the way it is drafted. I do not think that is really what the minister was trying to achieve here, but this has been brought to my attention by those who have looked very carefully at this bill. So we do not know what this means in the final analysis.

If we had a bit of time here, I think I might have been able to look at the subamendment that we had put. Maybe I could ask the Clerk's office whether they might have a copy of the subamendment, but, really, what is important to note under this area, the allocation or the increase of the allocation of water at that "point or place to another person who does not hold a licence, or whose licence is, relative to the licence referred to in clause (a), lower in precedence under subsection 8 (precedence of licences) of The Water Rights Act; the person whose allocation is cancelled or reduced is entitled to receive from and shall be paid by the other person compensation for any loss or damage resulting from the cancellation or reduction." That means simply that, not only would that person have to be compensated for the loss of the water, it would actually have to be paid for, any damages resulting from the cancellation or the reduction of the water.

\*(15:10)

It would lead me to believe that, if the minister actually did the cancellation and the diversion to another person, it might in fact be the Province of Manitoba that might have to pay for the damages. But let us, for instance, just hypothesize a bit. Let us say that the minister saw that there was a significant

shortage of water in the province of Manitoba, and let us say the minister looked at an industry such as the potato processing industry

He said, "Well, we are going to reduce. Because we are in such short supply, we are going to reduce the usage amount, be it McCain Foods or any of the other processing plants." He would say then, "Well, we are going to reduce that, but we have another processor downstream who is virtually out of water. We will allocate part of this water to that person downstream."

It would lead me to believe that, if the original user of the water would then claim damages, those damages might well have to be incurred by the minister or by the Province of Manitoba. I think this needs some clarification. I would suggest the reason we had proposed that the Lieutenant-Governor-in-Council in fact be the decision-making body, instead of the minister, we thought this issue was important enough that that kind of decision would be taken out of the hands of a single person and given actually to the total government, in other words the Cabinet. The Cabinet should have the authority to look at those issues, instead of that being authorized and a given responsibility to a single minister.

Of course, as I have said before, it is clear that this government is so enamoured with the power that is given by legislation that I believe it almost looks like a self-fulfilment. That the minister was able to write a bill such as this and give himself the power, without any respect that maybe he will not be the minister very long, maybe it will be somebody else in this power, and maybe they will not have the same wisdom that he has to put the proper applications and regulations in place to make this bill in fact function.

So I say to you, Mr. Speaker, there are some very significant concerns in this bill that need to be amended and changed. We see enough amendments and subamendments in this bill that one would almost suggest that there might have been a complete rewrite done of this bill with greater consultation in the general public and those who are quite aware of what this kind of a bill really means to them.

We know also, however, that, if anybody would stand and vote in the final stages against a bill such as this, they would be deemed voting against clean water. I am not so sure that it is entirely the minister's intent to deal only with clean water in this

bill. There seems to be a desire by the minister to wield an authority over industry, over commerce, over production, the primary producers and others, that the minister of this bill will be the final authority. I think that is unfortunate that we have that.

Mr. Speaker, in saying that, I want to conclude remarks by saying we will do a significant review of this bill in our final comments in third reading of this bill.

**Mr. Maguire:** It just reminded me, while the member from Emerson was speaking to this amendment, that certainly it outlines very clearly why he brought the subamendment forward, clause 8.1 to Bill 22, Mr. Speaker.

I just want to open my comments by saying that I think it was Mark Twain who said, and I am sure that this will come up by the minister or others before the debate on this bill is over, but I believe Mark Twain at one point said, "Whiskey is for drinkin' and water is for fightin'."

I only speak to this bill because I want to try and eliminate for the minister any opportunity to have a conflict of interest in his department and for him personally if he were to be the minister who actually was in charge of this bill, or any future minister, Mr. Speaker. It could be myself or the member from Emerson in the future, or some other member.

I guess I wanted to say that the member from Emerson only brought the amendment forward to say that he would replace the word "minister" in clause 8.1(2), and replace it with the words "Lieutenant Governor in Council" so that all of the onus was not on the minister to make these decisions in regard to the declaration of a particular decision that could impact the whole industry, never mind the importance of how it would impact one particular individual or one particular enterprise. I think that is clearly why the member brought that forward, I guess, in spite of the fact that the minister wanted to maintain the control by defeating that amendment, speaks a bit highly to his intentions with this bill.

He may respond that he has to be able to make quick actions at some point. But I know that, in one of the biggest floods we ever had, in 1997, there was very much a team approach taken to dealing the issues of water and the flood around Winnipeg.

There were a lot of decisions that had to be made very quickly and very fleet of foot, on the spur of the moment, but those issues were dealt with. The government moved forward as a government and not as an individual minister on many of those decisions.

So I guess we are looking at areas where when these decisions are made, the minister's amendment here very clearly states that there would be no compensation for these circumstances taken by the minister. We all have some circumstances and some concern with those kinds of decisions being made on these types of important bills. With those few comments, I will end my comments on this particular amendment.

**Mr. Peter Dyck (Pembina):** Mr. Speaker, I, too, would like to just put a few comments on record. Regarding this whole area of compensation, where allocation cancelled or reduced is the amendment. Again, I just want to bring back the area that I represent. The minister is well aware that Winkler draws about 50 percent of its water from the Winkler aquifer, as we know it. Morden gets the majority of their water from Lake Minnewasta, which, of course, is water that is held back. Those are, of course, the main communities that I represent. They are looking at the usage of water and of course, they are supplementing their usage of water by the water that is coming from the Red River. So those are the larger communities. I would assume that they have precedence when there is a rationing of water taking place.

On the other hand, though, Mr. Speaker, I just want to also indicate that the livestock industry is a huge industry in our area, as well of course as the potato industry. As the minister may or may not be aware, in fact the companies that are contracting the potatoes in most cases are requiring by now that there be irrigation taking place. Now, it is a little difficult to talk about irrigation today when we see what is happening outside, and of course—

**An Honourable Member:** It is coming down faster.

**Mr. Dyck:** That is right, as the Member for Arthur-Virden (Mr. Maguire) indicates, it is coming down faster than the pivots could ever put out. But I also remember very vividly the years back in the eighties, 1988, for the southern area, '89, were very, very dry days. Our processors are very, very dependent on having a good, steady supply of potatoes and they

are going to do their processing. So they need to have assurance that the product is going to be there.

\* (15:20)

Now, on the other hand, the way I read the amendment, it would also indicate that the minister, rather than Cabinet, would be able to make that determination as to who would be able to receive water, who would be cut off from the usage of water, and then, consequently, also, when the community or whoever would not be able to have a water supply, would have to pay compensation to the others. So this whole area is of concern to me as I represent an area where we are very much in need of a good, steady, sound supply of water.

So, with those few comments, I just wanted to add my concern as I represent an area that, again, is one of the fastest growing areas in the province of Manitoba, in rural Manitoba so we are very, very dependent of water as is everyone. Again, I would hate to see that there would be restrictions put on the livestock industry, the area that is using it for irrigation purposes. I just feel that all areas need to be represented, that there needs to be the concern that is expressed as I have done, and the fact that it is interesting that we have amendments that are put in place, and the many amendments that have been added to Bill 22, and is a concern of mine as I represent the area of Pembina, that these were not taken into consideration early on and so the bill was put forward prematurely.

So, with those few words, thank you very much, Mr. Speaker.

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

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is amendment to Bill 22, clause 8.1.

Is it the pleasure of the House to adopt the amendment? *[Agreed]*

\* \* \*

**Mr. Speaker:** Now we will move to amendment to Bill 22, clause 11(1)(b)(iv), standing in the name of the honourable Member for Russell.

What is the will of the House? Stand?

**Some Honourable Members:** No.

**Mr. Speaker:** No. It has been denied.

**Mr. Penner:** This amendment is very self-explanatory, and I believe that the amendment is warranted. I think many of the people that have made presentations to the minister and us and that we have met with over this bill clearly indicated that there should be an addition of wetlands and after riparian areas in this bill recognizing the fact of the importance of the wetlands in the whole of Manitoba. We know that all the waterfowl are very dependent on wetlands, and we also know how important the wetlands are in the matter of filtration of water and cleaning up lakes and rivers and streams and how important they are in providing a filtration system to our waters in Manitoba, and I think sometimes we badly underestimate the effects of the natural process of cleaning our water.

The reason I wanted to make a few comments on this, it was brought to my attention by a scientist the other day that we have made a big to-do in the whole process of dealing with zebra mussels, and the province of Manitoba has been very, very adamant that they did not want any zebra mussels in the province of Manitoba. However, this scientist pointed out to me that if it had not been for the zebra mussels in the Great Lakes, the Great Lakes would not have been cleaned up as quickly as they have been. The scientists tell me that the zebra mussel is one of the best cleaning agents in any water system, and the only reason it is so hated in urban areas is that it is the first species that willglom onto for instance a sewage pipe outlet, and a whole bunch of them will crawl in and fine-clean the pipes and get rid of the nutrients that come out of the system.

The scientists tell me that it is not nature that is averse to the zebra mussel. It is human beings that are absolutely appalled by the effect of the zebra mussels and how they clog up sewage systems and those kinds of excrement ejection systems that have been put into lakes and rivers and streams. I would suspect that if a zebra mussel inhabitation actually happened on Lake Winnipeg and on Lake Manitoba, that we might find that the cottagers might be the first ones that would have some real concerns about it because I believe we still allow the ejection of sewage out of some of the cottages into our lakes and streams. I might ask the minister whether he is aware of that, but I thought I would put that on the record

because it was a scientist that gave me this information. He said, "Just so you are aware, Jack, of what the reality of the situation is."

Thank you, Mr. Speaker.

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

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is amendment to Bill 22, clause 11(1)(b)(iv).

Is it the pleasure of the House to adopt the amendment? *[Agreed]*

\* \* \*

**Mr. Speaker:** Now we will move on to the next amendment to Bill 22, clause 20(a.1), standing in the name of the honourable Member for Russell (Mr. Derkach).

What is the pleasure of the House? Stand?

**An Honourable Member:** No.

**Mr. Speaker:** No. It has been denied.

**Mr. Penner:** Mr. Speaker, this is a clause added to the bill which indicates clearly that there will be a review of regulations respecting water quality management zones and provide advice to the minister, and this is in reference to the authority being given to the board of, I believe the minister calls it, the water council. Some of us like to call it the superboard of water. I think the council will have, now, the authority, or will be given the authority, not only to monitor the development and implementation of watershed management plans, but will, in fact, also be designated the authority that will review regulations respecting water quality management zones and then provide advice to the minister. We would hope that the minister will heed their advice and take appropriate action based on the advice that they will extend to the minister.

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

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is amendment to Bill 22, clause 20(a.1).

Is it the pleasure of the House to adopt the amendment? Agreed? *[Agreed]*

\* \* \*

**Mr. Speaker:** Now we will move on to Bill 22, clause 32.1 as amended, standing in the name of the honourable Member for Russell.

What is the will of the House? Stand?

**An Honourable Member:** No.

**Mr. Speaker:** No. It has been denied.

**Mr. Penner:** Mr. Speaker, this one, I think, is fairly relevant. It basically speaks to that the minister must maintain a public registry. That is, when there are complaints and/or proposals or declarations made or regulations made or any orders made under regulations, that there must be a public registry provided, and that, if there is an order respecting a commercial, and I believe the subamendment here was an ag or an agricultural operation, there would be a registry kept of those complaints that were registered against anybody in this province, and there would be, clearly, an indication and a record kept of those kinds of matters.

I would support this resolution.

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

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is amendment to Bill 22, clause 32.1 as amended.

Is it the pleasure of the House to adopt the amendment? Agreed? *[Agreed]*

\* \* \*

**Mr. Speaker:** Amendment to Bill 22, clause 33(1)(h), standing in the name of the honourable Member for Russell (Mr. Derkach).

What is the will of the House? Stand?

**An Honourable Member:** No.

**Mr. Speaker:** No. It has been denied.

\* (15:30)

**Mr. Penner:** Mr. Speaker, I think this is, if I remember correctly, the clause adding "or agriculture" to "commercial" in this amendment, and we support the addition of "agriculture." That is dealing with the amendment that we have just passed, and therefore this amendment is in order to ensure that "agriculture" will also be registered.

**Mr. Speaker:** Order. As previously agreed, the hour is 3:30.

**Hon. Gord Mackintosh (Government House Leader):** I wonder, Mr. Speaker, if there be agreement just to complete this clause then.

**Mr. Speaker:** Is there leave of the House to continue on until we pass this clause? Agreement? *[Agreed]*

**Mr. Penner:** Well, Mr. Speaker, again, we agree with this amendment, and we would encourage that there would be proper records kept. So we concur with the passage of this amendment.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is clause 33(1)(h) to Bill 22.

Is it the pleasure of the House to adopt the amendment? *[Agreed]*

### House Business

**Mr. Speaker:** The honourable Government House Leader, on House business.

**Mr. Mackintosh:** Would you please call report stage amendments, followed by second readings, followed by concurrence and third readings in the order they appear?

### REPORT STAGE AMENDMENTS

#### Bill 17—The Regional Health Authorities Amendment and Manitoba Evidence Amendment Act

**Mr. Speaker:** Report stage amendments, Bill 17, The Regional Health Authorities Amendment and Manitoba Evidence Amendment Act, amendment standing in the name of the honourable Member for River Heights (Mr. Gerrard).

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I move, seconded by the MLA for Inkster,

*THAT Bill 17 be amended in Clause 2 by adding the following after the proposed section 53.4:*

**Critical incident: notification by others**

**53.4.1(1)** Any of the following who believes that a critical incident has occurred in respect of health services provided to an individual may notify the regional health authority for the health region in which the incident occurred:

- (a) the individual himself or herself;
- (b) a relative of the individual;
- (c) an individual working at or for the regional health authority, the health corporation or the prescribed health care organization, that provided the health services.

**Action where notification received**

**53.4.1(2)** Promptly upon being notified under subsection (1), the regional health authority must

- (a) inform the minister that such a notification has been received; and
- (b) investigate, in accordance with guidelines established by the minister, whether a critical incident has occurred.

**Review committee provisions apply**

**53.4.1(3)** If the regional health authority determines that a critical incident has occurred, it must ensure that the incident is investigated and reported on, and sections 53.3 and 53.4 apply, with necessary changes.

**Mr. Speaker:** It has been moved by the honourable Member for River Heights (Mr. Gerrard), seconded by the honourable Member for Inkster (Mr. Lamoureux),

*THAT Bill 17 be amended in Clause 2 by adding the following after the proposed section 53–*

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

**Mr. Gerrard:** Mr. Speaker, the intent of this amendment is to allow a critical-incident event to be reported through the procedures which have

been outlined in the bill to the appropriate Regional Health Authority, and what is critical here is that every once in a while a critical incident may not be reported by the physician, nurse or other health care worker but be brought up by a patient.

*Mr. Conrad Santos, Deputy Speaker, in the Chair*

I would think that it would be very important that the patient or, on the death of the patient, a family member be allowed to bring forward a concern about a critical incident, and that concern would then be evaluated by the regional health authority, so it would not become a critical incident per se until it has actually been evaluated carefully.

I believe that this is an important amendment based on my experience, and it would provide an important safeguard in that an incident which might be missed by health care workers or not felt to be significant or not reported could be reported directly by the patient or, on the death of a patient, by a family member would be the intent here, Mr. Speaker.

Those are my comments on this report stage amendment, and I hope that the minister would give it due consideration.

**Hon. Tim Sale (Minister of Health):** Mr. Speaker, I have had a chance to talk with the member briefly about his amendment, and we think that the intent of his amendment is sound. However, I am advised by Leg Counsel that there are some drafting difficulties. I have asked that Leg Counsel draft an alternative which would meet the intent of the member, but I will just tell the member a couple of reasons why there is a problem with the way this is drafted.

There are two kinds of health providers in Manitoba. There are designated institutions, such as CancerCare Manitoba, as well as regional health authorities, and there are institutions, such as the Selkirk Mental Hospital, which is not in a regional health authority framework. So, the way the amendment is drafted, it applies only to incidents that happen in an agency which is responsible to the regional health authority. It is drafted to, not with intent, but it is drafted to exclude CancerCare and other institutions that the critical incident framework apply to.

So I have asked Leg Counsel to draft an amendment which would follow the intent that the

member has which I believe is correct. I have spoken to him about this, but unfortunately we are not able to support the amendment as it is currently worded for primarily technical reasons.

**Mrs. Heather Stefanson (Tuxedo):** Mr. Deputy Speaker, just to put a few words on the record with respect to this amendment introduced by the Member for River Heights (Mr. Gerrard) with respect to Bill 17. We do believe and would agree in principle, certainly, that patients themselves should have the opportunity to bring forward critical incident reports as well. It should not just be the health care workers in facilities and so on. We believe it is very important that patients should have the right to bring these incidents forward, and we do believe, as it is written in this amendment, that it clearly does indicate and provide for that.

So, Mr. Deputy Speaker, I would say that, certainly in principle, I mean, we would actually support this amendment as it does stand. Thank you.

**Mr. Deputy Speaker:** What is the pleasure of the House?

It has been moved by the honourable Member for River Heights (Mr. Gerrard), seconded by the honourable Member for Inkster (Mr. Lamoureux),

*THAT Bill—*

**An Honourable Member:** Dispense.

#### Voice Vote

**Mr. Deputy Speaker:** Okay. All those in favour of the amendment, say yea.

**Some Honourable Members:** Yea.

**Mr. Deputy Speaker:** Those opposed to the amendment, say nay.

**Some Honourable Members:** Nay.

**Mr. Deputy Speaker:** The Nays have it. The amendment is accordingly defeated.

\* \* \*

**Mr. Sale:** Mr. Deputy Speaker, just to assure the House, if I receive the amendment in time, I will

bring it forward. If I do not receive it in time, then we will bring it forward at the next available opportunity.

\* (15:40)

**Mrs. Stefanson:** Mr. Deputy Speaker, I move, seconded by the Member for Pembina (Mr. Dyck),

*THAT Bill 17 be amended in Clause 2 by adding the following after the proposed section 53.5:*

#### Notice of recommendations

**53.5.1(1)** If a report provided to the minister upon the completion of the investigation into a critical incident makes recommendations of a general nature that would be relevant to the delivery of health services elsewhere in the province, the minister must give each regional health authority a summary of those recommendations.

#### No disclosure of personal information

**53.5.1(2)** When giving a summary of recommendations, the minister must not disclose any personal health information or personal information about a person.

**Mr. Deputy Speaker:** It has been moved by the honourable Member for Tuxedo, seconded by the Member for Pembina (Mr. Dyck),

*THAT Bill 17 be amended—*

**An Honourable Member:** Dispense.

**Mr. Deputy Speaker:** Dispense.

**Mrs. Stefanson:** Mr. Deputy Speaker, on completion of an investigation into a critical incident where a recommendation is made of a general nature that would be relevant to the delivery of health care services in other regional health authorities, this report would be given to the minister.

*Mr. Speaker in the Chair*

What this amendment essentially does is that it requires the minister to pass that information on to other regional health authorities to, hopefully, prevent similar critical incidents from happening in those regional health authorities. In doing so, we want to make sure that the minister does not disclose any personal health information or personal

information about a person, which follows along the intent of the bill as well. I believe this is something that all members of this House would support in strengthening a bill that we believe, and we would like to see pass in this House.

Thank you very much, Mr. Speaker.

**Mr. Gerrard:** Mr. Speaker, I just rise to speak to the amendment of the MLA for Tuxedo. I think what is clear is that this amendment would make eminent sense that where there is a result of a critical incident, that result, to the extent that this, from a privacy perspective, can be shared with other regional health authorities so that we can in this way build on the expertise that is learned from one critical incident and make sure that mistakes do not happen in other regional health authorities. This clearly is a sensible thing. One would hope that this sort of activity would occur without necessarily having to be written into law, but going that the government may sometimes need some prodding that it would be quite reasonable to put it into law. I think the Member for Tuxedo has made a good contribution. Thank you.

**Mr. Sale:** I understand the intent of the honourable member's amendment. I should tell her that although she references Saskatchewan in her remarks, we spoke with Saskatchewan earlier when she made her remarks in second reading, and we confirmed more recently that, in fact, the Minister of Health in Saskatchewan is not required to do what this amendment would require. The concern that she has is a valid concern, but a Saskatchewan Health official does confirm that the issuance of alerts is not required by legislation but is done pursuant to an informal policy.

Saskatchewan Health does not issue alerts on all issues because they felt, and continue to feel, that such a strategy would result in too many alerts, and if you have too many alerts you desensitize people to the importance of the really critical ones. What happens is that they discriminate as when an alert should be issued. In the past two years they have issued 13, and, as in Manitoba, the alerts are not based solely on incidents in Saskatchewan but sometimes have to do with issues that have come up in other jurisdictions, both nationally and internationally. Manitoba Health also, Mr. Deputy Speaker, or Mr. Speaker rather, has issued alerts in the past. We are also aware that critical-incident alerts are issued by manufacturers, networks and other sources.

So, with respect, I am afraid that we are not able to support this amendment although the intention, I think, of having the whole system learn from incidents that occur in a particular area is sound, and we do do that. We make sure that does happen. I can give the member, for example, when we had some problems with the sterilization of particular equipment in St. Boniface Hospital, we ensured that all holders of that equipment throughout the province were immediately aware of the problem and what protocol to follow to ensure sterilization did occur in an appropriate way.

So, Mr. Speaker, with regret, we will not be able to support this amendment.

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

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is the amendment moved by the honourable Member for Tuxedo (Mrs. Stefanson) to Bill 17.

Is it the pleasure of the House to adopt the amendment?

**Some Honourable Members:** Yes.

**Some Honourable Members:** No.

#### Voice Vote

**Mr. Speaker:** All those in favour of the amendment, say yea.

**Some Honourable Members:** Yea.

**Mr. Speaker:** All those opposed to the amendment, say nay.

**Some Honourable Members:** Nay.

**Mr. Speaker:** In my opinion, the Nays have it.

\* \* \*

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

**Mr. Speaker:** Order.

**Mr. Gerrard:** Mr. Speaker, on the discussion on the amendment which I brought forward, we now have a redraft of that amendment. We are waiting for copies



of that report stage amendment on Bill 17, which are being made as we speak, to be brought back to the House so that they can be distributed. I would ask for leave that, you know, whether it is now, or we could return to this as soon as those are available, that we would have the opportunity to bring this redrafted amendment to Bill 17 back to the House.

**Mr. Speaker:** Is there leave of the House for the honourable Member for River Heights to bring forward—oh, the honourable Government House Leader, on the same issue.

**Mr. Sale:** Mr. Speaker, I believe the Clerk has sent out for copies, and they probably will be available within a minute or two for the House. So we are quite prepared to either wait for that minute or to agree to return to it. But I think we will have it, you know, very shortly, like maybe now.

**Mr. Speaker:** Is there leave for the honourable Member for River Heights to introduce a revised version of his amendment and that we would recess for a few minutes for the new revised amendment to come forward? Is there leave for that?

**Some Honourable Members:** Agreed.

**Mr. Speaker:** Is there agreement? The honourable Member for Carman (Mr. Rocan), on a point of order? Okay. Is there leave for that? [*Agreed*]

Okay, there has been leave, so we will recess for a few minutes for the amendment to come into the House.

*The House recessed at 3:49 p.m.*

—————  
*The House resumed at 3:51 p.m.*

**Mr. Gerrard:** Mr. Speaker, I move, seconded by the Minister of Health (Mr. Sale),

*THAT Bill 17 be amended in Clause 2 by adding the following after the proposed section 53.4:*

**Critical incident: notification by others**

**53.4.1(1)** Any of the following who believes that a critical incident has occurred in respect of health services provided to an individual may notify the health corporation, prescribed health care

organization or regional health authority which provided the health services:

- (a) the individual himself or herself;
- (b) a relative of the individual;
- (c) an individual working at or for the regional health authority, the health corporation or the prescribed health care organization.

**Action where notification received**

**53.4.1(2)** Promptly upon being notified under subsection (1), the health corporation, prescribed health care organization or regional health authority must determine if a critical incident occurred.

**Review committee provisions apply**

**53.4.1(3)** If the regional health authority determines that a critical incident has occurred, it must ensure that the incident is investigated and reported on, and sections 53.3 and 53.4 apply, with necessary changes.

**Retaliation prohibition applies**

**53.4.1(4)** Section 53.9 applies, with necessary changes, to an individual described in clause (1)(c) who gives a notification under this section.

**Mr. Speaker:** It has been moved by the honourable Member for River Heights (Mr. Gerrard), seconded by the honourable Member for Inkster (Mr. Lamoureux),

*THAT Bill 17—*

**An Honourable Member:** Seconded by the Minister of Health.

**Mr. Speaker:** Okay, seconded by the honourable Minister of Health (Mr. Sale),

*THAT Bill 17 be amended—*

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense? Dispense.

**Mr. Sale:** Just on a matter of procedure, Mr. Speaker, I wonder if I could ask for leave to allow the French translation to be completed and verified at a later time, because there are apparently a couple of French translation issues. I believe that is in order if we put it on the record.

**Mr. Speaker:** Is there leave of the House for the French translation to be completed at a later date? Is there leave? *[Agreed]*

**Mr. Gerrard:** Mr. Speaker, I want to thank the Minister of Health for moving quickly and making some changes which would improve the amendment which I had originally put forward. I hope that, now with these changes which satisfy the concerns of the Minister of Health, we will get all members of the House to support this. Thank you.

**Mrs. Stefanson:** I just wanted to say, just to note, that, yes, minor changes have taken place with respect to this amendment originally brought forward by the Member for River Heights (Mr. Gerrard). I think we would agree with, again, the principle behind the fact that patients deserve the right to bring forward critical incidents.

I think, however, it is unfortunate that the Minister of Health (Mr. Sale) does not see fit, or did not see fit to support the previous amendment that we had introduced on the basis of the fact that it is not something that takes place in Saskatchewan and I had mentioned that today. Well, I did not even mention Saskatchewan at all today, Mr. Speaker, and regardless of what goes on in Saskatchewan even though this does actually take place in Saskatchewan, I think that this Minister of Health could come forward and do the right thing and could have supported that amendment, and I think that is unfortunate.

Having said that, we certainly do, on this side of the House, support patients' rights and patients' ability to bring forward critical incidents to health care authorities. So, on that basis, Mr. Speaker, we would support the amendment. Again, it is just unfortunate that the Minister of Health and, indeed, many members opposite, ministers opposite, who bring forward bills cannot seem to get it right the first time, but we are happy that there is this process here so that we can strengthen bills.

Thank you very much, Mr. Speaker.

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

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is the amendment moved by the honourable Member for River Heights (Mr. Gerrard).

Is it the pleasure of the House to adopt the amendment? *[Agreed]*

**Bill 21—The Oil and Gas Amendment and Oil and Gas Production Tax Amendment Act**

**Mr. Speaker:** Now I am going to be calling report stage amendments to Bill 21, The Oil and Gas Amendment and Oil and Gas Production Tax Amendment Act, as amended, and the two amendments are by the honourable Member for River Heights.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I move, seconded by the MLA for Inkster,

*THAT Bill 21 be amended in the proposed subsection 93(2), as set out in Clause 23, by striking out "environment and to mitigate the" and substituting "environment, including air quality, and to mitigate any".*

**Mr. Speaker:** It has been moved by the honourable Member for River Heights, seconded by the honourable Member for Inkster (Mr. Lamoureux),

*THAT Bill 21 be amended in the—*

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

**Mr. Gerrard:** Mr. Speaker, the intent of this amendment is pretty clear. It is to make sure that air quality is included when one considers the environment, and certainly this would be the normal expectation, but when we were at committee stage, there was clearly some concern that there might at some juncture be interpretation of the word environment which would not necessarily include air quality. I believe that it is worthwhile to make sure that air quality is included, and I would hope that the minister and the Progressive Conservative opposition would support this.

**Hon. Jim Rondeau (Minister of Industry, Economic Development and Mines):** Mr. Speaker, the proposed amendment of subsection 93(2) is not seen as necessary as The Oil and Gas Act already contains a reference to pollutants that may affect air quality.

In fact, clause 30 of Bill 21 addresses the issue of control of pollutants from wells and batteries. The clauses make reference to pollutants as defined

in The Environment Act, and The Environment Act specifies air pollution or air quality, so it is redundant. I say again for the member, it is redundant to continue to say the same thing. So the clause is covered under The Oil and Gas Act, and the definition is used under The Environment Act that is already in the law. It is already covered. So air quality is covered directly in this legislation. Thank you.

\* (16:00)

**Mr. Larry Maguire (Arthur-Virden):** Well, Mr. Speaker, I, too, would like to just put a few words on the record in regard to this amendment that the Member for River Heights (Mr. Gerrard) has brought forward. I, too, was at the committee meetings the evening that the minister is speaking of. I cannot imagine why he is saying that this is redundant; I cannot imagine why he is saying that this is not a recommendation. It clearly just points out that the environment should—"including air quality, and to mitigate any", replacing "environment and to mitigate the" in this amendment.

It is at report stage. It is just an opportunity to add some clarity. I know that the member from River Heights, as I am from Arthur-Virden, is concerned about the safety of the individuals in this area. Yet we are not putting an onerous restriction on anyone in the industry from an amendment like this. So I feel that I can support this amendment, Mr. Speaker.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is the proposed amendment to Bill 21.

Is it the pleasure of the House to adopt the amendment?

**Some Honourable Members:** No.

**Some Honourable Members:** Agreed.

#### Voice Vote

**Mr. Speaker:** All those in favour of the amendment, say yea.

**Some Honourable Members:** Yea.

**Mr. Speaker:** All those opposed to the amendment, say nay.

**Some Honourable Members:** Nay.

**Mr. Speaker:** In my opinion, the Nays have it. The amendment has been defeated.

\* \* \*

**Mr. Speaker:** I will now call the second amendment to Bill 21, in the name of the honourable Member for River Heights (Mr. Gerrard).

**Mr. Gerrard:** Mr. Speaker, I move, seconded by the MLA for Inkster,

*THAT Bill 21 be amended in the proposed subsection 111(5), as set out in Clause 28, by adding ", unless the single well is located within 1.5 kilometres of a dwelling or land used to graze livestock" at the end.*

**Mr. Speaker:** It has been moved by the honourable Member for River Heights, seconded by the honourable Member for Inkster (Mr. Lamoureux),

*THAT Bill 21 be amended—*

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense? Dispense.

**Mr. Gerrard:** Mr. Speaker, the intent of this amendment is fairly clear. It addresses one of the concerns that was raised at the committee stage. That is that the bill, as it was initially drafted and put forward by the minister, gave a blanket exemption when it came to single wells. Clearly, what we heard at committee stage was that this blanket exemption for single wells was not warranted, but that single wells which were close to a dwelling or close to livestock should, in fact, be given special consideration and make sure that they were not causing problems for the people who were living there or for the livestock.

I believe this is quite a reasonable amendment. I would say that there is an interesting difference, Mr. Speaker, with this amendment and the last one. I think the last amendment, which added the reference to air quality, that what the minister has done by assuring the House that air quality is included is put this on record, so that if there is some judicial ruling

in the future the lawyers and judge will be able to come back and record the intent of the minister to consider air quality.

In the case of single wells, it cannot be just an intent. This has to be actually in law, and I would hope that the minister would agree to considering this amendment to ensure that single wells are considered when it comes to assessing their effects on the environment and the health of our citizens.

**Mr. Rondeau:** Mr. Speaker, I am pleased to put a few words on this amendment. The proposed amendment to subsection 111(5) should not be approved as it would require virtually all wells to obtain a battery operating permit.

All wells are initially produced to tanks on the well site prior to being tied in to a battery. The Drilling and Production Regulation provides for the safeguards in the following sections: 85.2, 85.3. In those sections the emissions from wells and tanks on the well site are regulated. These provisions provide a double-level protection. Under 85.2, wells and tanks on a well site must meet air quality standards, and section 85.3 provides an even higher standard related to the protection of odours.

Sections 85.2 and 85.3 outlined below were introduced in 2001 regulatory amendments for batteries. From that time there has been a large concentration of monitoring. There have been huge improvements to the batteries and upgrade of the batteries by the industry. All the batteries have been re-permitted. So during the discussion and during the public hearings we heard lots of stories about what happened prior to 2001. We heard what has happened in the industry. I trust the honourable member can see that there has been huge progress in environmental.

I would like to assure the member opposite that the pollutants as defined in The Environmental Act include omissions such as smoke, gas and odours that may impact their quality. It is not just hazardous chemicals. So it is tied to the definitions in The Environmental Act, and it has improved the situation considerably over time. I think a lot of the provisions in the act will continue to improve the environment. I thank the member for his input at committee and earlier.

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

**An Honourable Member:** No.

**Mr. Maguire:** Well, Mr. Speaker, I wish to rise on this amendment as well. I believe that it is important that we look at distances in regard to the single wells as well. I just want to put on the record that I believe the distances as amended in this particular circumstance are something that the industry is certainly willing to look at it here as an exemption from the provisions in this section, and the minister has already put that in there. So I believe that the amendment is another one that is certainly something that would enhance the conditions of the persons in those areas and not be onerous on the industry as well.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is the amendment moved by the honourable Member for River Heights to Bill 21.

Is it the pleasure of the House to adopt the amendment?

**Some Honourable Members:** No.

**Some Honourable Members:** Yes.

#### Voice Vote

**Mr. Speaker:** All those in favour of the amendment, say yea.

**Some Honourable Members:** Yea.

**Mr. Speaker:** All those opposed to the amendment, say nay.

**Some Honourable Members:** Nay.

**Mr. Speaker:** In my opinion, the Nays have it. The amendment has been defeated.

#### Bill 30—The Manitoba Agricultural Services Corporation Act

**Mr. Speaker:** I will now call the amendment to Bill 30, The Manitoba Agricultural Services Corporation Act, brought forward by the honourable Member for River Heights.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I move, seconded by the MLA for Inkster,

*THAT Bill 30 be amended by adding the following after Clause 37:*

#### DIVISION 4

#### CROSS-SUBSIDIZATION PROHIBITED

##### No cross-subsidies between Divisions

**37.1** The corporation must not subsidize the administration or operation of a program or service under Division 1, 2 or 3 with money intended for the sole use of, or received or earned by, a program or service under one of the other two Divisions, including, without limitation,

- (a) a grant of money appropriated by the Legislature under section 49 for the purpose of a program or service under Division 1, 2 or 3;
- (b) money borrowed under section 50 or 63 for the purpose of a program or service under Division 1, 2 or 3;
- (c) insurance premiums received under contracts of hail insurance or production insurance; and
- (d) income earned on investments by a program or service under Division 1, 2 or 3.

**Mr. Speaker:** It has been moved by the honourable Member for River Heights, seconded by the honourable Member for Inkster (Mr. Lamoureux),

*THAT Bill 30 be amended by—dispense?*

**An Honourable Member:** Dispense.

**Mr. Gerrard:** Mr. Speaker, the intent of this amendment is to ensure that the three activities which would fall under this amalgamated corporation would not be cross-subsidizing one or other in their activities. This would not prevent, for example, the sharing of services, financial services or administrative services, because these could be allocated in proportion to their use by the various divisions.

\* (16:10)

What it does prevent is the subsidy of one activity by the money which was destined for another activity in another division. I think that the importance of this is severalfold. One, that now and increasingly, it is important when you are able to audit what is happening, that there is a clear separation of funds and accountability in terms of how they are spent, and, being perhaps even more important in terms of the agricultural industry, if there are trade disputes, it becomes very important that the programs do not have cross-subsidies.

So I would say, Mr. Speaker, that it is quite important that we do not have cross-subsidies between divisions, because this could result in circumstances where we might have trade challenges, for example, to the crop insurance program if it was cross-subsidized by another program. So I think it is actually quite important that we include this amendment. It adds an important piece to the legislation which would facilitate the operation and the delivery of services by the three divisions, provide for greater clarity and accountability in the money coming in and where it was being spent and would be fundamentally quite easy, not only to follow and implement, but would be important to be able to do that.

**Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives):** Mr. Chairman, the member has raised a very important issue and one that I talked with staff about, and the drafters, before we brought this legislation forward. I want to assure the member that this issue is covered off so his amendment is unnecessary.

If you look at the legislation, if you look at clause 58, Payments out of Production Insurance Fund, it says only the following are to be paid out of the Production Insurance Fund: "indemnities payable under contracts to production insurance; (b) premiums and other amounts payable for reinsurance under an agreement referred to in clause 28(b) or section 67; and (c) interest on any money borrowed under subsection 50(1) for the purpose of the fund, but not including any interest on advances repaid under subsection 66(5)."

It goes on in 59, as clause 59, Reserve—Production Insurance Fund, and it says, "After making the payments out of the Production Insurance Fund in accordance with section 58, any surplus of money remaining in the fund must be set aside by the

corporation as a reserve for further indemnities payable under the contracts of production insurance." I want to indicate as well, Mr. Speaker, that under the Hail Insurance Fund there is a similar clause that says only the following are to be paid for this Hail Insurance Fund, and they are the same.

As I said, this was a very important issue to me when we were drafting the fund. It is a very important issue because there is federal money as well in the crop insurance. We have verified with the federal government and with legal counsel that this is adequate and covers off all of the issues that the member refers to so the amendment that he has suggested is unnecessary, although I welcome his ideas and recognize the concerns that people have with regard to making sure that the money that is there for crop insurance remains for crop insurance. That is adequately addressed within the bill so there is no need to support this amendment. Thank you.

**Mr. Ralph Eichler (Lakeside):** Mr. Speaker, I, too, want to put a few things on the record regarding the proposed amendments by the Liberal Party in regard to the amendment on Bill 30.

The minister brings up some good points in respect to the amendment and I, too, had this very same concern. Actually, I want to support the amendment. If it is unclear for the Liberal Party to understand that the legislation covers off the protection to make sure these funds cannot be used by the government for other intents and purposes, and we do know that this has happened in the past, and I can see the concern that the Liberal Party has.

The current government took some \$250 million from Manitoba Hydro and so that probably brought up a red flag for the Liberal Party and they are saying, "Gee, you know we are not too sure that this is real clear." So this amendment is just a bit of a housekeeping thing on their behalf and, who knows, they might form government one day and we can say that, by golly, you will make sure that this money does not get spent in the wrong place. So we know that the intent is honourable and I know that the Leader of the Liberal Party has done his homework in trying to make sure that money does not go astray.

Whether or not the amendment needs to be there, as the minister said, it is covered off within the bill. I see this as nothing but more of a housekeeping issue. It makes the bill a little bit cleaner, and I know that

in meeting with the different groups that I have met, with the Keystone producers and the cattle producers and the other sectors that are involved with respect to crop insurance, I know that was one of the things that the number of people that brought up is, do not mess with our money, do not touch our money.

Having said that, I see no reason for us not to move forward on the amendment as proposed by the Member for River Heights (Mr. Gerrard).

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

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is the amendment brought forward by the honourable Member for River Heights to Bill 30.

Is it the pleasure of the House to adopt the amendment?

**An Honourable Member:** Agreed.

**Some Honourable Members:** No.

#### Voice Vote

**Mr. Speaker:** All those in favour of the amendment, say yea.

**Some Honourable Members:** Yea.

**Mr. Speaker:** All those opposed to the amendment, say nay.

**Some Honourable Members:** Nay.

**Mr. Speaker:** In my opinion the Nays have it. The amendment has been defeated.

#### SECOND READINGS

##### Bill 44—The Budget Implementation and Tax Statutes Amendment Act, 2005

**Mr. Speaker:** Second reading of Bill 44, The Budget Implementation and Tax Statutes Amendment Act, 2005.

**Hon. Greg Selinger (Minister of Finance):** I move, seconded by the Minister for Family Services and Housing (Ms. Melnick), that Bill 44, The Budget

Implementation and Tax Statutes Amendment Act, 2005; Loi d'exécution du budget de 2005 et modifiant diverses dispositions législatives en matière de fiscalité, be now read a second time and be referred to a committee of the House, and I thank you for your patience.

His Honour the Lieutenant-Governor has been advised of the bill, and I table the message. Thank you.

**Mr. Speaker:** It has been moved by the honourable Minister of Finance, seconded by the honourable Minister of Family Services and Housing, that Bill 44, The Budget Implementation and Tax Statutes Amendment Act, 2005, be now read a second time and be referred to a committee of this House.

His Honour the Lieutenant-Governor has been advised of the bill, and his message has been tabled.

\* (16:20)

**Mr. Selinger:** Just very briefly because we have lost a couple of minutes, this bill basically implements all the measures that we have debated and presented to the House in the form of the budget. There are many important measures in there that I know all members of the House would wish to see brought into law so that they can be implemented in our various communities. Thank you.

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I definitely would like to put a few words on the record on Bill 44. One of the nice things about Bill 44 is that it is very wide in its scope in terms of debate, given that it is all about the budget. I thought, why not take this opportunity just to kind of put some thoughts, maybe reinforce some ideas on the record, maybe even try to depart even possibly some wisdom, if I can say that.

**An Honourable Member:** Good luck.

**Mr. Lamoureux:** I will not take it personal for that person who said good luck on that one.

Mr. Speaker, Bill 44 first came in on May 11. The reason I say first came in on May 11, this is a bill that no doubt would have been in the works virtually since the Minister of Finance brought forward the budget back in March. If we reflect, a year ago there was an agreement that was passed in

which it stated something to the effect of that all legislation that is going to be passed needs to be introduced, I believe it said, by April 28.

Now, having said that, if one was to take the word from the agreement, they are making reference to all legislation and in fact, you know I might even have it somewhere at my desk. If I can just give a quick second as I scan some of these papers. Mr. Speaker, it is actually right here, and I will quote, "All government bills introduced prior to April 28, 2005 must have all remaining stages, including second reading, committee stage report, stage if applicable, concurrence and third reading and Royal Assent completed by the sitting of June 9, 2005." That means all government bills introduced prior to April 28 of this year. We do not want to go there. All we know is that this government passed this motion saying April 28. Technically, I could say, if I read exactly what I just finished saying, reread, all government bills. This is in fact a government bill. That would mean is that, technically, this is a bill that could be held over.

**An Honourable Member:** Small document.

**Mr. Lamoureux:** Small document, I do not know. I do not actually have the bill in front of me but I did get a chance to read through it, Mr. Speaker, or page through it, I should say. One could make the argument that the government is not entitled to having this bill passed by June 9, unless, of course, opposition wants to give a little bit of grace and accommodate the government once again in terms of its inability to bring this legislation in on time.

Mr. Speaker, I guess maybe it is age. Maybe it is just wanting to give the NDP a break at times. After all, Jack Layton is being very supportive of my federal cousins in Ottawa, and it is related to the budget, I must say. Those New Democrats that Paul Martin has embraced, I think that out of respect for that, that I am inclined to give some benefit, some slack, to the government on this particular bill in terms of its timing and say that we are prepared to see this bill pass only because we recognize how important this bill is to all Manitobans.

Even though, having said that, there are some very real concerns that we have in regard to it. One of the biggest ones I had brought up with the Minister of Finance, in fact, I have I have brought up through the media, tried to draw more attention to

the whole issue of the deficit situation, Mr. Speaker. The minister knows full well what I am referring to of course, because there is this public perception that the government is doing a relatively good job on balancing the books.

Mr. Speaker, there is perception and there is reality. I think if you want a sense of perception, you talk to the Minister of Finance (Mr. Selinger). If you want a sense of reality, you can talk to either someone like myself, some might say I am a little—*[interjection]* Okay. For those of you who believe I am a little bit biased, I would suggest that you could talk to the provincial auditor or read the Auditor's report. He is not quite as political as maybe I might be on occasion, Mr. Speaker. What you will see is that the provincial auditor does say that we did have a significant deficit in '03 and '04.

That is one of the reasons why I think that it is important to put some words on the record in regard to it. I am pleased that the government did recognize, has finally recognized, that it does need to change its ways. It does say that we are going to move toward general accounting principles, and I applaud the Minister of Finance on recognizing that.

I am a little disappointed, I must say, in the sense of when he is going to incorporate those words. We are talking a couple of more years, coincidentally, Mr. Speaker. I suspect that principle will apply after the next provincial election. So one could almost say, "Well, better late than never." But having said that, I would have thought that the government would have seen the opportunity of being a little bit more transparent to Manitobans by incorporating that policy that is being suggested by the provincial auditor a whole lot sooner.

After all, it is not like we would be breaking new territory because there are other provinces that do what it is that the provincial auditor is requesting of this government, Mr. Speaker. If we were to look at the government and ask for the government to act on this issue, I think that it would, in fact, be appropriate. In the last little while, I have been introducing petitions in regard to the government going to general accounting principles.

The good news is for the Minister of Finance. I have somewhat changed course a little bit in terms of my petitions. I have decided to stop on those petitions and focus, well, yes, on that issue, focus on

what I think is even a bigger issue on my petitions, and that is, of course, the Crocus issue. So I have made this commitment to do what I can to remind the government on a daily basis where once again they have really dropped the ball. I am sure all members will recognize when I say Crocus and dropping the ball is likely the biggest issue that this government is going to have to overcome.

I must say they are doing a relatively decent job so far, but, Mr. Speaker, if in fact they want to show Manitobans that they are prepared to come clean, they are going to have to clearly demonstrate to all Manitobans that they did not ignore the red flags and that they have taken some action. I think the government needs to look at how it has responded to, again the provincial auditor, and what that report has indicated.

\* (16:30)

The former minister, MaryAnn Mihychuk, and the provincial auditor are individuals, or one office and one individual, who cannot be accused of being political in terms of being in favour of the government, Mr. Speaker. I believe that their comments, and I take them both at face value whether it is the former NDP minister or the independence of the Auditor's office, that there is government neglect here. The opportunity for the government to have recognized problems with Crocus was back in 2001, and the government has chosen not to recognize those red flags.

As a result of that, we have in excess of over 33 000 Manitobans that have lost in excess of \$60 million. I think that is a huge issue. I believe that until this government comes clean on this issue that I am prepared, on behalf of my constituents, on behalf of the Manitoba Liberal Party, to persist on a daily basis every day that this Legislature sits to introduce a petition that emphasizes how this government has really turned its back on the Crocus investors and Manitobans as a whole, Mr. Speaker.

I believe what they have done is that they have taken a labour-friend-first policy over and above the interests of Manitobans. I say that because I believe that there is a very close association between the Leader of the New Democratic Party and individuals within the union movement where there is a huge reliance in terms of the electoral success for the governing party. Because of that reliance, I believe



that this government turned its head and looked the other way as the red flags started to pop up. That is why I believe that the government has really dropped the ball on this issue as the government tries to deflect the issue. One cannot blame the government for trying to deflect, but as they have done that, I think that at times maybe we lose a little bit of the focus. That is why, whether it is during Question Period or presentation of petitions, we want to emphasize that we remain focussed on the Crocus issue. So let us focus on Crocus. One could almost make a campaign slogan out of that; Focus on Crocus. The government was negligent and lost over \$60 million.

Unlike the Gomery inquiry, there is a direct link right to the Premier. There is a direct link right to the Premier's Office, Mr. Speaker. Some might even be able to present an argument, well, we are talking \$60 million here. The Gomery inquiry was \$300-and-some million, I believe. On the national perspective to a provincial perspective, which one are we talking about larger amounts of dollars. Anyway, I am going to stay away from that. I will stay away from Gomery.

The point is, Mr. Speaker, that this Crocus fiasco is big. The government is not going to get away. It can try to deflect all it wants on the issue because the moment that we start focussing in on the issue that is really there, what we are talking about is the government knew. It knew for years, not weeks, not months. It has known for years that there have been problems with the Crocus Fund and it chose to do nothing.

They wait and they have waited, and now we see a provincial auditor that has come down and it is a fairly condemning report on the government. The government says, well, we are going to have our ministers and some New Democrats meet together and we are going to come out strong and we are going to protect the interests of the taxpayers. We are going to protect the interests of the Crocus investors by taking these actions. They brought in legislation and so forth. Where was this action, where was this concern four years ago? The government had the opportunity, it was in power. It chose to ignore the issue. Focus, Mr. Speaker, the government dropped the ball and now it is trying to pick up the ball in the best way that it can. But what has happened in between?

The question that I have for the government is why did the government choose not to act when it

first was made aware of it. That is the real issue here. To what degree does the labour movement in Manitoba have influence over what it is that this government is doing?

Mr. Speaker, I believe that the labour movement in the province, and when I say the labour movement I am not talking about the average Joe union member, because I do not believe that the New Democrats even have 50 percent of that type of support. I have phenomenal, just wonderful support from the union membership as a whole, and I value that and I genuinely appreciate that. What we are talking about is the union elite that seems to want to cluster around the New Democratic Party. Those are the ones that we are talking about and the amount of influence that they have over this government. In fact, I would go as far as to say that there are a number of those individuals that have more influence what is happening in the Premier's office than some of the Cabinet ministers, definitely the backbenchers, definitely the backbenchers. I would also suggest to you that some of them even carry more weight with this Premier (Mr. Doer) than many, and if not most, of the Cabinet ministers.

The government will talk, Mr. Speaker, about how it brought in legislation to cut off union and corporate participation in the democratic process. In some ways, yes, it was effective, but this was legislation that was intentionally brought in, in a fashion in which it would be ultimately to the advantage of the New Democratic Party. I would be prepared to sit down with anyone and share with members why it is that I can make a statement like that. I can suggest to you that that was one of the critical reasons why I am back here today was because of that legislation, growing concern. We are concerned about democracy inside this province, and ultimately I am concerned about how this government and its affiliation with the labour elite and the impact it is having on Manitobans.

I will leave the Crocus, but I am going to stick on that particular point. You know it was interesting how on the pension issue, I think, I believe it is Bill 10. Bill 10 was an issue that is very, very serious. It has the potential to be applied to every Manitoban across this province. The worker was very much interested in this issue.

Mr. Speaker, I reflected on the final offer selection. When final offer selection was before this House and the whole appeal, the Manitoba Federation of Labour had lines, lines of people. I

could not believe the number of people that wanted to be able to present on final offer selection and the battle that was fought. I took it as very serious. In fact, back then we brought in an amendment that would have ultimately saved final offer selection, but it did not necessarily meet what the New Democrat/union elite wanted. What we were proposing was not what the elite wanted.

Silly me, I was suggesting something that would have been in the interest of the union member. Having said that, this issue was heated, a heated debate. I would have expected the same thing on the pension issue on Bill 10. People should read as to what took place on Bill 10, and I wondered why.

\* (16:40)

So, I am very much concerned in regard to, as I say, the deficit, the Crocus Fund. The other issue that I have a great deal of concern with is just the amount of money that the government is spending. The government—*[interjection]* No, I said I was going to stay away from that one.

The amount of money that this government spends, if we take a look at it, and again, I do not have the numbers right in front of me, but what we are talking about is in excess of \$2 billion more. *[interjection]* Oh, I do not need the help. There is plenty that is there, I can tell you. Mr. Speaker, in excess of \$2 billion more this government is spending since it has taken office. That is a huge, huge amount of money. I do not know if this government really recognizes the position that it is putting our province in, if in fact there was a change in government in Ottawa. If we had a change in government in Ottawa—

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

**Mr. Lamoureux:** Well, some say hear, hear. You have got to be careful for what you wish for, Mr. Speaker. If the Conservatives were to form government in Ottawa, there is a very real threat that it could have a negative impact on equalization payments. Look at how much money did we get from Ottawa and the impact that it would have in a changing government that saw fewer transfers coming to the province of Manitoba. Given the amount of money that we spent in the last five, six years, increased our budget if you take that issue in any sort of a downturn. You know, this Minister of

Finance (Mr. Selinger) and Premier (Mr. Doer) think that, as long as they are in government, the economy will never do badly. I do not know.

**An Honourable Member:** It is not reality.

**Mr. Lamoureux:** As some point out, there is perception and then there is reality. You know, I love my province as much as anyone else in this Chamber. I would like to think that you will never have the economy turned down, but basic economics, you do not even have to go to third, fourth year economics. Basic economics will tell you that there is a cycle, and at some point in time the economy will not do as well or perform as well as it might be doing today.

If, in fact, that was to occur and you were to see any sort of change in policy in Ottawa, you are going to see massive, massive tax increases, massive tax cuts. Massive tax increases. Let me make sure I get this right, Mr. Speaker. You are going to see massive tax increases. You are going to see increases in the budget. You are going to have to see even cuts in order to make up for the type of spending this government has entered into over the last number of years because if at one time you have a \$6-billion budget of expenditures and now you have \$8 billion in six short years, if things do go wrong, where are you going to come up with the money. How are you going to start compensating?

It is not an issue of straight cutbacks. When the economy is doing relatively well, that is when the government has an excellent opportunity to be very prudent on how it is spending its money and where it is spending. Ultimately, what I am suggesting to the government is now is the best time for you to look at how you could be spending smarter. That is what you should be doing as a government today.

What we see is a government that says, "Well, we have a problem. Just throw money at it, and by throwing the money at it, the problem will resolve." Mr. Speaker, that is not case, and allow me to give you a good example of that. We see in health care where we have seen phenomenal amounts of money being thrown. We now have seen the obstetrics being closed at the Victoria Hospital. Well, I think that, if the MLAs who represent that area of the city were doing their homework, they would have been on their feet criticizing the government inside this Chamber, or hopefully at the very least, they should

have been putting up their hands when they were sitting around the caucus table talking about that this is the wrong direction for the government to be going.

There is no valid argument that could be made that would ultimately see the justification of the closing down of the obstetrics ward at the Victoria Hospital. The government says it is for safety reasons. It is garbage, it is absolute total garbage. I could tell you if they want to say they have some doctors who will say that this is the case, I will tell you that there are doctors who will say that is not the case. The safety argument just is not it, and that is the only argument the government is bringing forward. They say, well, the numbers are not there necessarily to justify it. If they want to justify it through the numbers, they can do that.

You know how much it costs per day to keep someone in an acute health care facility compared to a community hospital? You can use and manipulate the numbers any way you want in order to try to justify an action. Here is a bad example of how the government is really making a bad decision. It is not for the betterment of health care services. *[interjection]* I am sorry, yes, I may have said that wrong. It is a good example of a government making a bad decision.

There is an opportunity for the government when it has the revenue increases that it has been given to look at alternatives, how it can actually contribute and do some things in such a way that they are improving the quality of service while at the same time maximizing the way in which they are spending the tax dollars.

We had a wonderful opportunity over the last number of years to be able to deal with the property tax issue. Over the years we have seen more and more public education having to be financed through property tax on our school divisions to the point in which, when I was first elected, most of the municipal taxes that were being paid in the constituency that I represent went toward city services. That was the idea behind municipal taxes, city services.

Today most of that property tax is going toward public education. What is the difference between public education and public health care? They are both social services in which we supposedly, as a Chamber, as legislators support and recognize the

value for everyone. We do not say you have to finance health care—*[interjection]* Only two minutes left? Wow, maybe we will get leave, possibly.

Mr. Speaker, the point is that the property tax issue, we have really dropped the ball on addressing properly the financing of education. We need to address that issue. Only the Manitoba Liberal Party and the Leader of the Manitoba Liberal Party have consistently—and you can go back even to former leaders—talked about the importance of dealing with that particular tax. This government had the opportunity and they squandered it away.

\* (16:50)

This government has not listened to what Manitobans want. We had a good example of that in the committee process. You know, like last night we had a bill. The Minister of Education (Mr. Bjornson) brought forward a bill regarding the teachers' pension. It is good that we have the bill, but the government did not go all the way in terms of bringing in legislation that would have dealt with issues like our retired teachers. Instead, we are going to have to rely on the government bringing in something into the future in order to address that issue. Why was that not being addressed now? This is an issue that goes back many, many years. The government has the opportunity and has had the opportunity for the last six years to do something on it. It has chosen not to do so.

We have other areas in which the government is really not acting in the fashion that it should be acting. To me, Mr. Speaker, it is losing all opportunities to make a difference.

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

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

**Mr. Kelvin Goertzen (Steinbach):** Well, I do not think I should be prejudged by the members opposite. They should listen first to the words that I have to say. *[interjection]* And the Member for Inkster says that he is with me. I did not think there was a Liberal in the country in any legislature that would have the nerve to raise the issue of Gomery on the floor of any democratically elected Chamber in this country.

For a Liberal to stand up and raise the issue of the cost of Gomery, I find, is absolutely shameful

when we see the scandal that is happening in Ottawa. I know the Member for Inkster talks about equalization payments in this province and the Conservative government, and I can tell you from what I hear from my friends in Ottawa that those Conservatives are dedicated to ensure an equal and fair portion of equalization to all provinces in this country.

What we are concerned about though, Mr. Speaker, is the effect of national unity with the Liberals in government in Ottawa. I do not think there is a party in the history of the national government in Ottawa that has done more to affect national unity than that government and the cost that could happen under a federal Liberal government. I say shame on my friend for raising those issues here. But I am not surprised now that I think I have got a little bit of an understanding of why it is that the NDP find it such an easy way to lie down with the Liberals because there is scandal on the one side and there is scandal on the other side, and I am not surprised that they are comfortable with each other. They find unity among each other, find unity among the corruption within their own government, federally, and here provincially.

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

**Mr. Speaker:** Order. I cannot hear the member.

**Mr. Goertzen:** Well, Mr. Speaker, it is a rare day that it is so loud in this Chamber that the member from Steinbach is shouted down. I admit that.

But I can see why the members opposite are sensitive about this issue, and the Minister of Finance (Mr. Selinger) wants to talk about the Bloc Québécois and why it is, I suppose, that he supports that kind of a national agenda, Mr. Speaker.

But, you know, when we look at the issue of the budget that has come forward here, and one thing I have to agree with the Member for Inkster when he talks about the \$604-million deficit that we have here in the province, that it is atrocious. I know the Member for Inkster was on a street somewhere with a sandwich board trying to demonstrate. He was out there, I think, for 10 minutes until the camera had taken his picture and then he retreated back to his constituency office, his job being done.

But we as Conservatives, Mr. Speaker, do not wear a sandwich board one day and a different hat

the next day. We have been here consistently since 1999 saying that this government cannot be allowed to run this annual deficit year after year after year. It is not a sandwich-board issue for us. It is not a media opportunity for us. It is something that we know that Manitobans are concerned about and it is not a photo op and a media issue for us as Conservatives.

We recognize as the government of stewardship in this province, and there is a word I think, Mr. Speaker, that is foreign to many of the members opposite. Good stewardship, whether it is on the farm, whether it is in a business or in fact, whether it is in government, is something that all of us need to ascribe to as legislators in this fine Chamber. Yet, what we find is the \$604-million deficit, the highest, I believe, in provincial history, in the history of our province.

You need the context, Mr. Speaker. In times when things were, well, when the economy was doing all right and it was not an emergency to, per se, at one particular time or the other, run a \$604-million deficit. I think Manitobans would look at us and say there must be more. It must be better than that.

I feel sorry for the Auditor General in many ways—[*interjection*] Well, and I am glad to see that the Member for Brandon West (Mr. Smith) has spoken up. I know he has been vacant from his area as the flood has ravaged that particular part of the province. He has kind of been in his ivory tower, I guess, and looked out the window to see all that he could survey and say, "Well, I do not see that much water here on Broadway avenue." Well, it is not on Broadway avenue. He needs to be out west where the flood is, Mr. Speaker. But I am glad that he now speaks up from his seat about this particular issue, and I wish that he would be working as hard on his own portfolio and his own area to help those poor affected people flooded in the western part of the province.

But when we talk about the Auditor General, and I mention that, I think, that the Auditor General, in fact, that I have some sympathy for the work that he needs to do. I think that under the former administration in the 1990s, the Auditor General was almost like the Maytag repair man. You know, he was waiting for his phone to ring, and it rarely happened because there was not the kind of crises that we had. He was just kind of like the Maytag repair man, the loneliest man in the province, because there was nothing to do.

Now under this government, under the dark days of the Doer government, under those dark days, he is running around, I heard the story of somebody who had phoned the Auditor General and said, "You know, we should look into this particular area of what the government is doing because we think that there is something suspicious there." You know what his response was? I am sure every minister is wondering, "Oh, is it my area? Is it my area?", because they are trying to put their holes in the dikes of a whole bunch of other scandals that they are no doubt trying to hold back. But the response was, "Well, I do not think I could get to it for a few months. I think that your concerns are valid, but I simply do not have the resources because of all the things we are dealing with, Crocus, and WCB, and before that, Hydra House." And the list goes on and on and on.

Now the Minister of Family Services (Ms. Melnick) is engaged in this issue, and she wants to talk about how it is that they missed red flags in Hydra House. I think that that is a good question for the minister to raise. How is it, in fact, that another red flag got waved?

Members of the NDP must drive by and see red flags and think it is a golf course. Oh, there are 18 red flags. What is that? Oh, it is a golf course. Well, just ignore all those red flags. You know, Mr. Speaker, there is much more to being a government than simply turning your head when you see a warning sign. I have a great degree of sympathy for that Auditor General who is reaming through all the different scandals that come because of this government.

And yet, it is not just the minister I think who have to take some responsibility. I look to members like the Member for Rossmere (Mr. Schellenberg), the Member for Selkirk (Mr. Dewar), the Member for Interlake (Mr. Nevakshonoff), and the Member for Minto (Mr. Swan), all those members who have to be there in their caucus and saying to their Premier (Mr. Doer), "This is not good enough. This is not acceptable."—[interjection] The Member for Minto, I suppose, already cheering like he is in the stands for the Blue Bombers. "Oh, way to go, Gary" he says. Well, I think he should be looking at some terminology from football because the Premier has dropped the ball on this issue. I know he is a sports fan, Mr. Speaker, but he has to know that the Premier has missed or dropped the ball on that particular issue.

But it is incumbent upon all these members of the government, these back-bench members, because they are not just here to stand up and vote and to say "Yea" when their Premier tries to deflect something in Question Period, they, too, have a responsibility to their constituents, and to say, "You know, we are going to ensure that you are going to have good government," I know it is difficult sometimes, politically, to go against your party publicly, but even behind closed doors in the caucus, I would hope that these members are raising those important issues and trying to bring them forward.

\* (17:00)

We are talking about the minister's bill, the Minister of Finance (Mr. Selinger), and I would implore those members to go their Minister of Finance and say, "Some of the things that are being said regarding Crocus just simply are not acceptable." You know last week I think the Minister of Finance was asked to produce a memo, and he kind of got that, I understand from media, deer-in-the-headlights look, and he did not really know what memo that the media was talking about. He kind of shook his head; the memo did not ring a bell. Then I think a little while later he came back. Oh, it rang a bell. There was actually a memo. So the media asked the logical question, "Well, have you seen that memo, Mr. Minister?" and the response was, "Well, I do not know if I saw it or maybe I saw it. Actually, I do not think I can say if I saw it."

The media kind of pressed on about, "What do you mean you do not know if you can say if you saw the memo? I mean, who else would know?" He said, "Well, I have to talk to some freedom of information advisors to determine whether or not I can say that I saw a memo that I did not even want to admit existed a little while before." That is the kind of deflection—

**An Honourable Member:** You have to see if you can say that you saw it.

**Mr. Goertzen:** The Member for Morris (Mrs. Taillieu), just listening to me, cannot understand everything I am saying because it is very convoluted. You know, it is very convoluted.

I get a flashback of the Minister of Education (Mr. Bjornson) standing in this House and saying, "Well, I never actually heard about it." Then a couple of minutes later he is in the hallway and he says,

"Oh, I guess I did hear about it, because I wrote a letter and I signed the letter a while back about the issue of the Seven Oaks School Division."

I think somebody should, you know, we should send somebody into the NDP caucus to do a scan of the environment to see if there is something that is causing this collective amnesia. You know, is there something on the walls or is there something in the water of the NDP caucus that is causing people to suddenly forget everything and forget letters that they have signed and forget memos that they have seen? It must be something, Mr. Speaker, because I simply cannot believe that ministers that have been appointed by the Premier, you know, presumably these are individuals who are competent within their fields, and yet they forget.

They forget this and they forget that, and it is scandal after scandal after scandal. I wonder how it is that the Minister of Finance (Mr. Selinger), who people expect to be a strong representative of this issue, can forget if he saw a memo—

**An Honourable Member:** Maybe he did not get the memo.

**Mr. Goertzen:** —and then does not want to say. Well, apparently there is new information by the Minister of Industry (Mr. Rondeau). You know, here is the Minister of Industry who saw so many flags again that he probably pulled out the golf clubs from his car and: Look at all those flags, it is time to shoot 18 holes, Mr. Speaker.

I know that the Member for Rossmere (Mr. Schellenberg) would like me to go off and talk about other issues. I could not see the note that he was handing up, Mr. Speaker. I think he wanted me to talk about the \$20-billion debt. I want to assure the Member for Rossmere that, in fact, it will be coming, that I, in fact, will be talking about that \$20-billion debt yet. He can wait with anticipation. That part of my speech is forthcoming.

The Minister of Industry is complicit in all of this. He is the minister who has kind of sat back when the former minister was in that government, Ms. Mihychuk, who used to be in this Legislature, who ran for mayor, for the top position in this city, has come forward and said, "We know that there was legislation that was in the works that was being drafted to try to control Crocus more than it is being

controlled, and it could have possibly prevented a \$50-million or \$60-million loss and protected 33 000 shareholders in this province."

That is part of what being a good government is about. It is not reacting. This is what the members do not understand. They are a reactive government. They react to scandal. They react to difficulty. They react to situations after, but they do not act proactively to stop them from happening. That is what Manitobans expect, not just of the ministers of this government but of all members who sit on that side of the House. They expect a government that will proactively stop difficulties from happening.

I ask the government to think about the issue of a public inquiry, and I know that this is an issue that they have tried to deflect and not to speak about—*[interjection]* Oh, and you know here is the great deflector himself, the Member for Selkirk (Mr. Dewar), the artful dodger, the Member for Selkirk who wants to talk about other inquiries that have been held in the province of Manitoba.

What I would ask him, you know, I mean he is not bringing new information to this House, Mr. Speaker. We all know that there have been public inquiries held in the province of Manitoba. This is not a shock to members of the public that there have been public inquiries, but he has to understand that there were individuals who were not scared to learn the truth when those inquiries were brought forward. I remember the now-Premier (Mr. Doer), the Member for Concordia, when he was the Leader of the Opposition standing up and saying that individuals who are not scared of the truth should not be scared to have an inquiry, but where is that Premier now? Where is that Premier now? Now he does not want to have an inquiry because he is scared of the truth.

I would say, Mr. Speaker, and I would say to those ministers, the Member for Brandon West (Mr. Smith), the Minister of Industry (Mr. Rondeau), the Minister of Education (Mr. Bjornson), indeed the Minister of Finance (Mr. Selinger), that a government that has nothing to hide has nothing to fear from a public inquiry.

**An Honourable Member:** You are right.

**Mr. Goertzen:** Well, now I have agreement from the Minister of Industry, and I am glad that he agrees

with that statement. It says to me that he is moving toward a public inquiry because, in fact, he has nothing to hide, he has nothing—

**An Honourable Member:** We had one.

**Mr. Goertzen:** Well, you know, now I find myself needing to educate the Member for Brandon West and the Minister of Industry and the Minister of Education. I know I am not referring to the Member for Brandon West by his ministry position. I should be, but I am just getting him used to what is coming down the road. It is a bit of a preview about what is going to happen in the future.

Now, I have to educate them about the difference between what an Auditor General does and what an independent public inquiry is. I know that members opposite of the government are sitting there with The Manitoba Evidence Act in hand. I am sure they all have it there, and if they could turn with me to section 83 of the act, they would see the powers of a public inquiry. They are quite different from the powers of the Auditor General, the powers to appoint a commissioner who can bring people forward under oath. It is quite different when you have to go before an inquiry and swear something under oath, and all the threats of perjury and all those other things that come with an oath testimony, Mr. Speaker. It is quite different than what the Auditor General does. It is quite, quite different.

I think that is one of the things that Ms. Mihychuk was looking at when she raised this issue, and it must hurt the members opposite because that attack is an attack that came from within. It is an attack that came from one of their own, one of the former ministers who sat on those benches, but I think it also adds credibility to her words. I think it adds something that she has come forward so that people can see that this is not a partisan issue about the New Democrats or the Conservatives, but this is somebody who now can somewhat rise above that because she has left that political arena.

That is why I think that we need to pay particular heed to the words of that former minister and look toward The Manitoba Evidence Act for that sort of an inquiry. You know, the Minister of Finance (Mr. Selinger), in bills like the one before us today, has kind of slipped certain tax increases in. Well, now I have got a befuddled look from the Minister of Finance. He is wondering if I could

explain some of that, and I would be happy to. I would be happy to explain that on behalf of all members of Manitoba when we talk about the increase of probate fees that was brought forward by this Minister of Finance—*[interjection]* Oh, well, you know, he says he put out a press release, like that is supposed to cleanse it, like it is not supposed to be a big deal because the fees went up, yes, but I put out a press release.

Mr. Speaker, perhaps their next plan is to increase sales tax from 7 percent to 8 percent, but that is okay because they will put out a press release. Putting out a press release is not exactly the way Manitobans expect things to be governed.

**An Honourable Member:** Wrong party.

**Mr. Goertzen:** Well, here again, we have the members opposite, the Minister of Education and the Minister of Industry, pointing fingers at everybody else. They want to talk about different days of how things were done and different things. The Minister of Finance has all 10 fingers extended now, but I wish he had that kind of control, with his hands on the levers of the finances of this province.

*Mr. Conrad Santos, Deputy Speaker, in the Chair*

If he would take those two hands and put them on the rudders, the rudders of our fine province's finances, and not just simply send out press releases that we are going to have increases in probate fees, send out press releases that there are going to be increases to the fees of licences, send out press releases that we are going to have increases to the fees of propane and people's barbeques. Sending out a press release does not absolve the Minister of Finance from the responsibility that they have increased taxes over and over and over again. *[interjection]*

\* (17:10)

Well, Mr. Speaker, I think I heard the Minister of Education, it is ironic that it comes from him, wanting me to speak about school taxes, you know. I think that he has some nerve being in that seat smugly when there are Manitobans who see their education taxes going up and up and up again every year, every year. *[interjection]* Well, you know, he wants to talk now about his particular tax dollar. I think he should take an honest look at what is going

on in the province, because when seniors come to me and show me their tax bill and say they are paying more than they ever have before, I would look to a member like the Member for Rossmere (Mr. Schellenberg) who has a number of seniors in his area.

**An Honourable Member:** They are happy to vote for me.

**Mr. Goertzen:** Well, you know, the Member for Rossmere says that they are happy that they vote for him. Well, I think he might not want to take that vote for granted because those are seniors. Those are seniors who are paying more and more every year as a result of school taxes going up. Those seniors are saying, "Well, there must be a better way. There must be a different way for this to happen." They look at other jurisdictions and see it is not done like this in every other jurisdiction.

I wish I could just simply take the Minister of Education's word for this, but this is the same minister who stood in this House and told us one thing about not knowing about a situation, and then a few minutes later he told us another thing by walking out into the hallway and telling the media a completely different story. It was really the good work of our Education critic who was able to expose some of this, to show that the Minister of Education was being somewhat less than liberal with the truth when it comes to members of the—I am sorry, Mr. Speaker, I do not mean to use the term "liberal" and "truth" in the same sentence.

But I think that the Minister of Education must know that there is a light that is being shone upon him. The light is upon him because people are wondering if this is how this minister does business in the province and what else is slipping through the cracks? What else is being missed in the province of Manitoba in the Department of Education?

We know that they have asked questions about the Minister of Industry (Mr. Rondeau) because he was one of those that ignored all of those red flags. It was not a ski slalom course where all those red flags were out on the course and it was not an 18-hole golf course. Those were red flags that were brought forward. Those red flags were brought forward as something that should have been acted upon.

*Mr. Speaker in the Chair*

The Member for Brandon West (Mr. Smith) is in this as well. This is not even a red flag that he missed. This is the flood, a flood in his own area that was missed. You did not even need to put up a red flag. I am sure that he was getting calls to come out as the Minister responsible for EMO, and yet he did not come out. *[interjection]*

Oh, and that is right. I am reminded by the Member for Russell (Mr. Derkach) that the minister was out ribbon-cutting. Of course, what would take precedent? What would take precedent over a flood that was devastating hundreds and hundreds of people? You know I think we wondered that as a caucus, and Manitobans in western Manitoba were scratching their heads thinking where was the Member for Brandon West? What could have taken precedent? What could have possibly taken precedent, and now we understand it was a ribbon cutting. There must have been a camera nearby where the minister was. He was blinded by the fact that, in fact, somebody had a flash bulb and he might make it into a newspaper—

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

**Mr. Speaker:** Order.

**Mr. Goertzen:** Thank you, Mr. Speaker. It is particularly rare that I get shouted down twice in the House in one day. I know it does not happen often, but the Member for Brandon West, I realize, has a sensitivity to this issue because it was written about and it was reported on that he was MIA when this flood was happening. He was an MLA who was MIA, and they were wondering where their representative was at a time when he most should have been there.

Mr. Speaker, I want to, because I know that members opposite—

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

**Mr. Speaker:** Order.

**Mr. Goertzen:** I would like to direct the Member for Brandon West to direct his attention to where Steinbach is because I certainly know that it is very, very difficult to get members opposite in that area to go anywhere south of La Verendrye. *[interjection]* Okay, the Minister for Industry (Mr. Rondeau) thinks that driving by in a van and waving to the good



people of Steinbach is doing something of a favour, Mr. Speaker. We know that there is more to it, that the people of my constituency who bring many, many thousands, hundreds of thousands of dollars to this province do not get the attention that they deserve, whether it is road repair that the minister of highways neglects, or whether it is other issues that are neglected by this particular government.  
*[interjection]*

Well, I certainly did not mean to offend the Minister of Industry. What I was trying to do was enlighten him, Mr. Speaker, to bring awareness to him, because I think that I would be doing a duty to him and to all Manitobans by trying to shed light on the fact that there are many people in southern Manitoba who feel neglected by this government.

And one of those areas of neglect has to do with the \$20-billion deficit-debt. The deficit was \$604 million. The \$20-billion debt that is being arisen in this province, Mr. Speaker. And the constituents of my area, I think, have been clear in saying they do not believe in that escalation of the debt. Now they have not been able to say it at a pre-budget meeting, because in the six years that this government has been in power, there has not been a pre-budget meeting in the constituency of Steinbach.

I would like them to know that Ste. Anne, the lovely community that Ste. Anne is, is not in my constituency, and the lovely community of La Broquerie is not in my constituency. But I would roll out the carpet and welcome the Minister of Finance (Mr. Selinger) next year if he wants to visit Steinbach, if he wants to visit Niverville, if he wants to visit Kleefeld or New Bothwell, if he wants to visit Pansy or Grunthal or Sarto. We would welcome that travelling road show, and I will make sure people from La Broquerie are there too, Mr. Minister, but I will ensure that there is representation from those communities, and I will not speak for the members for Steinbach, the constituents, but I think that they will hear that those individuals are concerned about the escalating debt within our province going to a \$20-billion debt. I will not speak for the Member for Pembina (Mr. Dyck) on this issue, but I suspect that his constituents would stand by as well and say that they are concerned about the mortgage that is being put on the backs of Manitobans in that part of the province, indeed all Manitobans, year after year after year.

But has the Minister of Finance come and listened to them? No. After six years, he has not had a free budget meeting. Well, the minister asks if I have ever been to La Broquerie. Many times, Mr. Speaker, and I intend to go back to La Broquerie many, many more times. But my constituents, I think are deserving. I know not every member over there—I have had these discussions with the Member for St. Norbert (Ms. Brick) who has said publicly on radio that she questioned what contribution the community of Steinbach made to the province, and I know the Minister of Education (Mr. Bjornson) looks concerned and he looks befuddled, and I can get him the transcript of that. I can get him the transcript of that radio interview where that statement came forward asking the question: What contribution does Steinbach make to the province? Well, I suspect maybe that is the attitude of all members opposite, because they do not come, and they do not ask, and they do not listen. It is about listening to those people. It is about giving them the opportunity to participate in this process. Maybe it is because, Mr. Speaker, they do not want to hear the answer.

But I would like to say, and I will take the minister's word for it that he will be there next year, that the answer that they will hear is that an escalating debt is not acceptable, that record levels of deficit are not acceptable, that scandals like Crocus are not acceptable, Mr. Speaker. They would say that they do not want those taxes to increase year over year over year, but they expect a government that will manage the economy properly, that will foster business, that will foster job creation. That is what they expect. And I look forward to the Minister of Finance (Mr. Selinger) coming to my community next year to hear that message, Mr. Speaker.

\* (17:20)

**Mr. Cliff Cullen (Turtle Mountain):** Actually, I came into the House today to speak on Bill 5, but obviously the opportunity to speak on Bill 44 came up. It seemed like a great opportunity to put a few things on the record here in terms of the fiscal mismanagement of this government. I certainly do not pretend to be as entertaining as my colleague from Steinbach is. He certainly has the gift to entertain the House, but I certainly do, Mr. Speaker, welcome the opportunity to put a few words on the record in regard to the fiscal mismanagement of this particular government.

We are probably in one of the biggest financial fiascos that we have experienced here in Manitoba, and that is the \$60-million fiasco with Crocus that we are involved in.

**An Honourable Member:** Plus.

**Mr. Cullen:** Plus, plus. It obviously affects 33 600 Manitobans who have lost over \$60 million at this point in time.

**An Honourable Member:** What about the taxpayers?

**Mr. Cullen:** Of course, all the taxpayers are implicated in this entire affair too with their involvement in the tax rebate that has been allowed to all the investors in Crocus. Certainly, there is a lot of tax revenue that has been given up on behalf of the taxpayers of Manitoba and, obviously, they have a vested interest in the outcome of this fiasco that is involved with Crocus.

So, clearly, we as opposition, and I think we represent all Manitobans, want to get to the bottom of this issue. Clearly, we are not getting any answers from the government of the day in terms of what they knew and their particular involvement in this fiasco. So that is why we on this side of the House are asking for a public inquiry, try to get to the bottom of the answer, and see if we can actually provide some answers to all of Manitobans as to why this government has allowed \$60 million to slip away from Manitobans, at least 33 600 of them.

The Crocus fiasco has generated, probably, the most excitement in my community in terms of some of the mail-outs and the information that we have provided to the community. It is probably one of the biggest incidents that has occurred since the BSE outbreak over two years ago.

I think I should just digress for a minute and talk about the BSE situation. Clearly, this government has no idea of the significant situation that the BSE crisis has put forward for Manitoba. Again, Manitobans would hope that the government of the day would come forward and put some solutions on the table, work with Manitobans in developing slaughter capacity in Manitoba. What we are seeing now, though, is other provinces developing slaughter capacity. We in Manitoba have not developed any slaughter capacity. I know there has been talk about plants in Dauphin. There is talk about plants in Neepawa. But at this point in time, Mr. Speaker,

there has been no dirt moved and nothing has been done in terms of slaughter capacity in Manitoba.

Quite clearly, the issue on the table right now is the waste water treatment facilities, and we think the Minister of Conservation (Mr. Struthers) should be at the forefront working with those people out there who have money to invest in slaughter capacity in Manitoba and actually trying to address the waste water solution which appears to be holding up these two major infrastructure processes. We think that they should be moving those things forward.

We think this government should be taking some of the resources they have and investing that money in rural Manitoba. Manitobans are willing to invest their own money as well. What they want is just someone there to help them work through the process, and it is really the process, in my mind, that is where the government should be there, is to help with the process, help these industries develop. We know there are Manitobans out there with money. They have the ideas. They have the resources. They just need the assistance and guidance to work through the process to get the job done.

What we have found is that the provincial government here has chalked up a debt to the tune of \$20 billion and rising. This is unconscionable. The annual debt was over \$604 million. The other thing is, the province has an \$8-billion budget. The budget is increasing year after year after year. What are we getting for it? We know that over 40 percent of that money goes into health care, and what are we finding? Longer wait lists for health care treatment.

In fact, Mr. Speaker, some of my constituents are actually going to Ontario and Québec for knee and hip replacements. I find that shameful, that we should be allowing our patients to go there for that treatment. We have facilities in Manitoba and we have to work at getting those resources utilized. We have to work at doctor recruitment to make sure that we have those facilities fully utilized for the sake and the benefit of all Manitobans.

Clearly, Manitobans do not want to see their health facilities closed. We have seen that in Winnipeg with the closure of the maternity ward in Victoria Hospital. We think obviously that should not have been done. There are better ways to address the issues. Again, Mr. Speaker, there are private clinics out here in Manitoba that could be more fully utilized for all benefit of all Manitobans and we

think it is very important. Clearly, as my colleague pointed out, there is on that side of the House, the government of the day has been missing in action on some of these very, very significant issues that are affecting all of Manitobans.

The Minister of Agriculture (Ms. Wowchuk) has put forward the reorganization of the entire department. We agree that there should be some reorganization there. Clearly, the idea of bringing in rural development initiatives as part of agriculture is something that we know that has to be done. The problem is with this particular government, it takes so long for them to get the process completed. We have been going through this process for well over a year. We do not have job descriptions for these positions. We just have a few managers that have been allocated to the various regions.

In fact, I had an opportunity to meet with one of the assistants in what was formerly the Agriculture office in Pilot Mound and that particular area is only staffed to 54 percent. So we have major crises in agriculture out there in rural Manitoba. The government of the day is not there to help them out. The staffing is almost at 50 percent. So, clearly, their service is lacking there and we feel the government has just missed the opportunity there.

We think there are lots of investments that can be made in rural Manitoba. We look at the activities going on in St. Leon in terms of the wind farms there. I think, again, we look at no provincial money being invested in that, and \$200 million of foreign money, Manitoba money, invested in that particular facility can benefit all of Manitobans. Private sector, and this is what we are proposing to the government, working with private sector, good things can happen throughout Manitoba. That is just one example of a wind farm that is working in St. Leon. We know in Manitoba we have lots of wind. We have lots of wind in Manitoba. There are opportunities for wind and expansion of these windmill farms throughout Manitoba.

Certainly, in the Turtle Mountain region of Manitoba, they are looking forward to putting forward some windmill expansion there as well. They have private investors that have come to the front to do it. All we need now is the government of the day to step up for it and say look, we are prepared to work with you. We do not have to invest any money as government, we just have to work with you to help you work through the process. Engage

with those private firms, buy the Hydro from them, buy the energy from them, sell it back for a profit. It is a simple concept. It does not cost any money. It is simply a matter of coming to the table to make the issue work. It is a win-win situation for everyone. Everyone can make money at this.

What the government of the day has done, they have hooked on thinking in terms of their income to the province. We know they are spending more and more every year. Obviously, they have to generate some income from somewhere, and what have we found? The government of the day, they are counting on the federal government to come through with federal money.

**An Honourable Member:** Big brother.

**Mr. Cullen:** Exactly. We seem to be in a situation where we are going to be a have-not province forever, and the government of the day does not want to look past that. They want to be a have-not province, rely on the federal funding to come forward. Unless the government has a vision as some kind of an economic strategy for all Manitobans, we are not going to get ahead and we will continue to be a have-not province and rely on federal income.

The other idea the government is relying on is income from gambling. We know what kind of a social situation has developed through the gambling. Clearly, that is part of their economic strategy to increase gaming throughout the province of Manitoba. Unfortunately, with that increase in gaming, we have seen a very significant increase in social issues.

The other thing is, too, that the government of the day is looking to Crown corporations to fund their operations. Clearly, Manitoba Hydro has been one of their biggest Crown corporations where they have taken hundreds of millions of dollars out of Manitoba Hydro. They have increased water rates, for instance, too, to increase their funding just to cover their spending habit. We realize, Mr. Speaker, that the government of the day certainly has a spending habit.

**Mr. Speaker:** Order. When this matter is again before the House, the honourable member will have 19 minutes remaining.

The hour being 5:30, this House is adjourned and stands adjourned until 10 a.m. tomorrow (Thursday).

# LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, June 8, 2005

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