

**Fourth Session - Thirty-Eighth Legislature**  
of the  
**Legislative Assembly of Manitoba**  
**DEBATES**  
and  
**PROCEEDINGS**

**Official Report**  
**(Hansard)**

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**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.
JENNISSON, 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.
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.
McFADYEN, Hugh	Fort Whyte	P.C.
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

Monday, May 8, 2006

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

*PRAYER*

**MATTER OF PRIVILEGE**

**Mr. Speaker:** Okay, the first order of business will be the continuation of the point of order that was raised by the honourable Member for Inkster.

**An Honourable Member:** Was it privilege?

**Mr. Speaker:** The matter of privilege that was raised by the honourable Member for Inkster.

**Mr. Kevin Lamoureux (Inkster):** I will conclude my remarks, Mr. Speaker, in just emphasizing the point of how important it is that we have a good understanding of our rules and see the need for change, and sometimes that change can enhance the operations of this Chamber. I know I will have opportunity to discuss this issue with you into the future, and I look forward to that, but I recognize that I have to conclude with a motion.

I move, seconded by the Member for River Heights (Mr. Gerrard), that the Speaker in consultation with representatives from all three parties that are represented inside the Legislature, review, reassess and report back on possible changes to the Rules, Orders and Forms of Proceedings of the Legislative Assembly of Manitoba. Thank you.

**Mr. Speaker:** The honourable Official Opposition House Leader, on the same matter of privilege?

**Mr. Kelvin Goertzen (Official Opposition House Leader):** On the same matter of privilege, Mr. Speaker. Just briefly, I want to put a couple of comments on the record regarding the Member for Inkster's matter of privilege that he raised last week.

You have cautioned us in the past, Mr. Speaker, that these matters must be raised at the earliest opportunity. I believe you will find that that is the case with the Member for Inkster's matter of privilege.

Also, in regard to looking at Maingot, page 14, which you have referenced in the past, Mr. Speaker, and the obstruction of members' work here in the Legislature, I think, could also be considered in reference to your ruling.

But I think, also, Mr. Speaker, that the Member for Inkster raises an issue that is much broader than simply about rules. You have cautioned in the past in matters of privilege that they should rarely occur, that they rarely arise. But I think we see in this Legislature more and more often these sorts of matters arising as this government drifts without an ethical compass. As this government goes from scandal to scandal, the proceedings in this House are more and more difficult. We have seen the example in Ottawa.

I would ask that members opposite try to ensure that they get their house in order because the people's business is not being done because of the scandals and the lack of accountability that is happening here, Mr. Speaker.

**Mr. Speaker:** Order. A matter of privilege is to convince the Speaker that there is a prima facie case, not to get into debate.

The honourable Government House Leader, you are up on the same privilege?

**Hon. Gord Mackintosh (Government House Leader):** Well, Mr. Speaker, the matter raised in our view does not come anywhere near a matter of privilege. It is not even a matter of order. It was simply an attempt by the Member for Inkster to get out of some good work that this Legislative Assembly is here for and what members were sent by their constituents to do. I would urge the Member for Inkster (Mr. Lamoureux) to roll up his sleeves and get to work in this Chamber.

\* (13:35)

**Mr. Speaker:** On the matter of privilege raised by the honourable Member for Inkster, I want to—order.

Before I make my ruling, I want to address the House. There seems to be some confusion on what constitutes a matter of privilege. I want members to be very clear and have a clear understanding.

In the United Kingdom Commons, the Speaker will not entertain a debate on the matter raised as a question of privilege unless and until he finds a prima facie case of privilege granting precedence in debate, and even then it is discouraged and left to the Committee on Privileges.

In the Canadian House of Commons, questions of privilege are frequently raised but few are found to be prima facie cases. Furthermore, members have a tendency to use the rubric of privilege to raise what is really a matter of order or, in the words of the Speaker of the House of Commons, a grievance against the government. These include legitimate, though not necessarily valid, points of order.

Since the legitimate points of order and grievances that would otherwise be debated under the heading of a point of order have been raised under the heading of privilege, the practice in the past has been to take into account this tendency of members to frequently raise matters of order or grievances when rising on a question of privilege. The role of the Speaker is to determine whether a prima facie case of privilege has been made out.

Where it is evident that privilege is usually not at stake or where the question of privilege does not amount to a legitimate point of order or a significant grievance, the Speaker shall intervene, frequently if necessary, to direct the members' attention to the role of the Speaker and to request that the member debate the issue of prima facie case alone, rather than other aspects of the facts submitted in support of the alleged question of privilege.

The Speaker also intervenes to curtail debate when he has satisfied that he has sufficient information and has heard sufficient argument to assist him to arrive at a decision. This rule of relevancy is now more rigidly applied and the member who rises on a question of privilege should, in relatively short order, that is relatively short order, bring forth facts that in the opinion of the Speaker amount to a prima facie case demanding precedence in debate.

Further debate will frequently only be permitted where the Speaker is satisfied that the facts may affect privilege. In other words, it would be the duty of the Committee on Privileges to carry out an investigation should the matter be referred to it and report to the House, and it would be only the House that actually might find whether a breach of privilege or a contempt of the House has occurred.

So I hope this has been made very clear to all honourable members what constitutes a matter of privilege, and I will be following these instructions.

On the matter of privilege raised by the honourable Member for Inkster, I would like to inform the House that a matter concerning the methods by which the House proceeds in the conduct

of business is a matter of order and not privilege. Joseph Maingot, in the second edition of *Parliamentary Privilege in Canada*, states on page 14 that allegations of breach of privilege by a member in the House that amount to complaints about procedures and practices in the House are by their very nature matters of order. He also states on page 223 of the same edition, a breach of the standing orders or a failure to follow an established practice would invoke a point of order rather than a question of privilege.

On this basis, I would therefore rule that the honourable member does not have a matter of privilege.

\* (13:40)

## ROUTINE PROCEEDINGS

### INTRODUCTION OF BILLS

#### Bill 34—The Public Interest Disclosure (Whistleblower Protection) Act

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, I move, seconded by the Minister of Justice (Mr. Mackintosh), that Bill 34, The Public Interest Disclosure (Whistleblower Protection) Act; Loi sur les divulgations faites dans l'intérêt public (protection des divulgateurs d'actes répréhensibles), be now read a first time.

#### *Motion presented.*

**Mr. Selinger:** Yes, Mr. Speaker, as we have discussed in the Legislature from time to time, we are bringing in an act which will provide the widest coverage of any provincial whistle-blower legislation in the country.

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

## PETITIONS

### Civil Service Employees—Neepawa

**Mr. Jack Penner (Emerson):** Mr. Speaker, I wish to present the following petition.

These are the reasons for this petition:

Eleven immediate positions with Manitoba Conservation Lands Branch, as of April 1, 2006, Crown Lands and Property Special Operating Agency, are being moved out of Neepawa.

Removal of these positions will severely impact the local economy with potentially 33 adults and children leaving the community.

Removal of these positions will be detrimental to revitalizing the rural and surrounding communities of Neepawa.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider stopping the removal of these positions from our community, and to consider utilizing current technology, such as Land Management Services existing satellite sub-office in Dauphin, in order to maintain these positions in their existing location.

This petition is signed by Michelle Gerrard, Diana Evans, Elizabeth Montgomery and many, many others.

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

#### Child Welfare Services

**Mrs. Mavis Taillieu (Morris):** I wish to present the following petition to the Legislative Assembly of Manitoba, and these are the reasons for this petition:

The Premier (Mr. Doer) and the Minister of Family Services (Ms. Melnick) have the responsibility to provide safety, care and protection to children in care in Manitoba.

Thirty-one children have died since 2001 while in care of the Province or shortly after being released from care. Last year nine children died, the highest number recorded.

Little Phoenix Sinclair died in June of 2005, but her death went unnoticed for nine months even though she had extensive involvement with Child and Family Services beginning at birth.

Manitobans want to know how the system could fail little Phoenix Sinclair and the other 31 children.

Manitobans want assurances that no other children will fall through the cracks of the child welfare system.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider calling a public inquiry into all aspects of the delivery of child welfare services throughout Manitoba.

This is signed by Tammy Wood, Joe Dusik, Doreen Dusik and many others.

#### Funding for New Cancer Drugs

**Mr. Peter Dyck (Pembina):** Mr. Speaker, I wish to present the following petition.

These are the reasons for this petition:

Cancer is one of the leading causes of death of Manitobans.

Families are often forced to watch their loved ones suffer the devastating consequences of this disease for long periods of time.

New drugs such as Erbitux, Avastin, Zevalin, Rituxan, Herceptin and Eloxatin have been found to work well and offer new hope to those suffering from various forms of cancer.

Unfortunately, these innovative new treatments are often costly and remain unfunded under Manitoba's provincial health care system.

Consequently, patients and their families are often forced to make the difficult choice between paying for the treatment themselves or going without.

CancerCare Manitoba has asked for an additional \$12 million for its budget to help provide these leading-edge treatments and drugs for Manitobans.

Several other provinces have already approved these drugs and are providing them to their residents at present time.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier (Mr. Doer) of Manitoba and the Minister of Health (Mr. Sale) to consider providing CancerCare Manitoba with the appropriate funding necessary so they may provide leading-edge care for patients in the same manner as other provinces.

To request the Premier of Manitoba and the Minister of Health to consider accelerating the process by which new cancer treatment drugs are approved so that more Manitobans are able to be treated in the most effective manner possible.

This petition is signed by B. Yang, S. Uprety, Charles Seepanl and many, many others.

\* (13:45)

### Crocus Investment Fund

**Mrs. Heather Stefanson (Tuxedo):** I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The Auditor General's *Examination of the Crocus Investment Fund* indicated that as early as 2001, the government was made aware of red flags at the Crocus Investment Fund.

In 2001, Industry, Economic Development and Mines officials stated long-term plans at the Crocus Investment Fund requiring policy changes by the government were cleared by someone in "higher authority," indicating political interference at the highest level.

In 2002, an official from the Department of Finance suggested that Crocus Investment Fund's continuing requests for legislative amendments may be a sign of management issues and that an independent review of Crocus Investment Fund's operations may be in order.

Industry, Economic Development and Mines officials indicated that several requests had been made for a copy of Crocus Investment Fund's business plan, but that Crocus Investment Fund never complied with the requests.

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

As a direct result of the government ignoring the red flags, more than 33,000 Crocus investors have lost more than \$60 million.

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.

The people of Manitoba want to know what occurred within the NDP government regarding Crocus, who is responsible and what needs to be done so this does not happen again.

We petition the Legislative Assembly of Manitoba as follows:

To strongly urge the Premier to consider calling an independent public inquiry into the Crocus Investment Fund scandal.

Mr. Speaker, this petition is signed by K. Ellis, F.J. Holmes, Ed Walker and many, many others.

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, 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.

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

As a direct result of the government not acting on what it knew, over 33,000 Crocus investors have lost tens of millions of dollars.

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.

To urge the Premier and his government to co-operate in making public what really did happen.

This is signed by W. Gill, B. Davie, M. Ishenberg and many, many other Manitobans.

### OlyWest Hog Processing Plant

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

The background for this petition is as follows:

The Manitoba government, along with the OlyWest consortium, promoted the development of a mega hog factory within the city of Winnipeg without proper consideration of rural alternatives for the site.

Concerns arising from the hog factory include noxious odours, traffic and road impact, water supply, waste water treatment, decline in property values, cost to taxpayers and proximity to the city's clean drinking water aqueduct.

Many Manitobans believe this decision represents poor judgment on behalf of the provincial government.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to immediately cancel its plans to support the construction of the OlyWest hog plant and rendering factory near any urban residential area.

Signed by Russell Wallin, Elise Gratton, Charlene Laxson and many, many others.

## MINISTERIAL STATEMENTS

### Arbour Day

**Hon. Stan Struthers (Minister of Conservation):** Mr. Speaker, I have a statement for the House. This white spruce seedling is presented to you in celebration of Arbour Day, May 8, by Manitoba Conservation and the Manitoba Forestry Association. The white spruce is Manitoba's provincial tree, and these seedlings are locally grown at Pineland Forest Nursery in Hadashville.

The Manitoba Forestry Association has marked this annual occasion by providing white spruce seedlings to all of us. The MFA, along with their partners, including Manitoba Conservation, has been chosen to host the 2006 Canon Envirothon. This Olympic-style environmental education competition will see over 250 high school students from over 50 provinces and states compete for scholarships during the week of July 23 through 29, '06 here in Winnipeg.

I thank the Manitoba Forestry Association for the white spruce seedlings and for its continued efforts to promote sustainable and wise use of our forests. Thank you.

\* (13:50)

**Mr. David Faurshou (Portage la Prairie):** I want to echo the minister's words in regard to having before us seedlings of Manitoba white spruce. I do have the honour of seatmate, the Honourable Jack Penner—[interjection]—the honourable Member for Emerson, my apologies, Mr. Speaker, who was the Minister of Natural Resources at the time when Manitoba adopted the white spruce as the provincial tree, and I want to thank him for that.

I certainly want to recognize the Manitoba Forestry Association, under the direction of a volunteer board of directors, persons who put forward their time on a volunteer basis to promote conservation here in the province of Manitoba and the good work that they do in respect to celebration

of Arbour Day; which, in fact, is a day when most holidays celebrate the past, Arbour Day celebrates the future with the planting of trees. I encourage all members to continue to do so. Thank you very much, Mr. Speaker.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I ask leave to speak to the minister's statement.

**Mr. Speaker:** Does the honourable member have leave? [Agreed]

**Mr. Gerrard:** Mr. Speaker, I join colleagues in the Legislature in celebrating and honouring Arbour Day. It is very nice that we have our provincial emblem, the white spruce, before us on the desks in the Legislature. It is fitting that we honour symbols like the white spruce which is our provincial tree.

It is a fitting time to remember the importance of the northern boreal forest, the trees and forests in the parkland and the urban forest and the many things that the forests and the trees contribute. I would also like to say thank you to the Manitoba Forestry Association for the work that they do on behalf of trees in Manitoba.

### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, I would like to draw the attention of honourable members to the public gallery where we have with us today guests of the honourable Minister of Health (Mr. Sale). They are Karen Dunlop, Lynn Marks, Verna Holgate, Leo O'Rourke, Annette Osted, Karen Wall, Karen Clements, Joel Ward, Karen Hargreaves and Gisèle Lapointe.

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

## ORAL QUESTIONS

### Eugene Kostyra Communications with Premier

**Mr. Hugh McFadyen (Leader of the Official Opposition):** My question is for the Premier. I wonder if the Premier could tell the House whether he has had any communications today with his co-premier, Mr. Kostyra.

**Hon. Gary Doer (Premier):** Mr. Speaker, first of all, I would like to welcome the representatives of nurses across Manitoba. I would like to congratulate all the nurses in this province and thank them very much for all their advocacy. I would like to thank them for all their work on behalf of the Healthy

Child task force for all the members of the Legislature.

Mr. Speaker, I was in Selkirk this morning turning the sod for a new school. It was long overdue, and that was my activity this morning.

**Mr. McFadyen:** Again to the Premier: Has the Premier had any communication today with his co-premier, Mr. Kostyra?

**Mr. Doer:** No, Mr. Speaker.

\*(13:55)

### Resignation Request

**Mr. McFadyen:** I do not know if that meant that he does not consider Mr. Kostyra his co-premier or whether he has not had communication with him today. But we are aware that some very serious allegations have been filed in a lawsuit today in the Manitoba Court of Queen's Bench which allege that his closest adviser and the most powerful official in this government, Mr. Kostyra, has been guilty of breach of duty, allegations that Mr. Kostyra has breached his duties to the public.

My question to the Premier is: Has he asked Mr. Kostyra, in light of these very serious allegations, for his resignation?

**Mr. Doer:** I believe the lawsuit, by the way, we get 40 of them a year—

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

**Mr. Speaker:** Order.

**Mr. Doer:** The member opposite would know that it is about the same number on average which was filed in the previous government, Mr. Speaker. There are seven people who have worked inside of government that are named on the lawsuit. I would point out that the former lawyers of the Crocus shareholders or partial shareholders, determined, as our lawyer had, that there was no liability based on the issue of valuation and performance and that we had acted completely within the prospectus. That is a finding that has already been reached by the Manitoba Securities Commission.

I would point out, Mr. Speaker, so members opposite do not get too smug too quickly, that the claim goes back to 1992. It includes Mr. Curtis, who was appointed by the Conservatives in '92; Mr. Robert Swain, who is a good friend of the member opposite; Mr. John Meldrum, also a political appointee of the members opposite; Mr. Hugh

Eliasson; John Clarkson; Jim Kilgour and Mr. Kostyra.

I would also point out that the insiders all worked inside of the government, some of them as board members, and very consistent with our findings. I would point out, in terms of the statement of claim, we have always, if you look at the Auditor General's report and if you look at the prospectus, none of the security administrators or any department or agency of government has assessed the merits of the investments in the fund. The securities administrators of the government make no recommendation concerning any investment. That is in the prospectus that was signed off by his friends in Wellington West.

**Mr. Speaker:** The honourable Leader of the Official Opposition, on a new question.

**Mr. McFadyen:** Mr. Speaker, not a single individual that the Premier has named off today is in the employment of myself or this caucus. I want to refer the Premier to people who are today within his direct employment and refer to the fact that in 1998, when allegations arose which had then as yet been unproven regarding Mr. Sokolyk that he stepped down immediately.

I want to ask the Premier the question today: Will he do the honourable thing, in light of the very serious allegations facing his co-premier, and ask Mr. Kostyra to resign?

**Mr. Doer:** Mr. Speaker, the individual who was mentioned, the good friend of the member opposite, Mr. Sokolyk, was involved in the changing of an affidavit three times in the middle of a public inquiry. Mr. Benson, another good friend of the member opposite, was involved in ripping up cheques.

This is a civil suit. The former lawyers did not even feel there were grounds of a civil action. The allegations are before the courts. We are very confident on the legal position that the government has taken. In fact, we have the same legal opinion as the previous lawyers had in terms of the group.

Mr. Speaker, I would point out that the Premier directly hires Mr. Clarkson and Mr. Eliasson. They are two long-time civil servants who have worked for both governments. In fact, Mr. Clarkson, I recall, was on the transition team from Howard Pawley to Gary Filmon. The same rights Mr. Eliasson and Mr. Clarkson should enjoy are the same rights we would expect for all Manitobans in a civil suit.



\* (14:00)

**Mr. McFadyen:** Mr. Speaker, the lawsuits filed today by 30,000 Manitobans as Crocus shareholders alleges that for improper reasons Kostyra abused his public office with the Crown to prevent, block and otherwise shield the Crocus Fund from adequate investigations by the Crown. It goes on to allege that Kostyra, who abused his public office, improperly shielded the Crocus Fund from compliance with the Crocus Act and from adequate investigations by the Crown. This conduct by Mr. Kostyra was intentional and unlawful and done with awareness that it was likely to injure Crocus shareholders.

My question to the Premier is: Does the Premier consider these allegations to be sufficient to warrant the resignation of Mr. Kostyra or not?

**Mr. Doer:** Mr. Speaker, the lawsuit also alleges a great deal of issues with the Science Fund. The Science Fund, which was an announcement made in June of '99, was announced by the former minister, Merv Tweed, and the person put in charge of the Science Fund—

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

**Mr. Speaker:** Order.

**Mr. Doer:** The former staffperson appointed by members opposite was Mr. Umlah, a person who they also appointed in 1992 and '93. I would not be too smug if I were members opposite. This lawsuit goes back to 1992. It goes back to friends of the Leader of the Opposition.

Mr. Speaker, is he calling for the resignation today of Mr. Merv Tweed for the Science Fund activity at Crocus?

#### **Premier of Manitoba Apology Request**

**Mr. Hugh McFadyen (Leader of the Official Opposition):** Mr. Speaker, I hope the Premier appreciates that I do not have any power to compel Mr. Tweed's resignation—

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

**Mr. Speaker:** Order. The honourable Leader of the Official Opposition has the floor.

**Mr. McFadyen:** Mr. Speaker, the lawsuit filed today, which contains several serious allegations, goes on to say that the Crown, in other words the Premier in this case, was negligent in permitting government insiders, including Kostyra, to exercise

authority with respect to the monitoring and investigation of the Crocus Fund and in not directing these government insiders and Kostyra to recuse themselves from such responsibilities given their ties to the Crocus Fund.

The lawsuit alleges that the Premier was grossly or seriously negligent and reckless. The Crown who in this case was the Premier's appointment, the lawsuit alleges that the Crown was grossly or seriously negligent.

Will the Premier apologize to the House and to Manitobans today for his recklessness and his negligence in appointing Mr. Kostyra to this very sensitive position?

**Hon. Gary Doer (Premier):** Mr. Speaker, again we certainly are willing to answer any questions. We know that—

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

**Mr. Speaker:** Order.

**Mr. Doer:** I would note also that the member's good friends in Wellington West are named in the original lawsuit that carries on in this lawsuit. I would point out the Auditor General's report makes it very clear that when the member opposite was in Cabinet as a senior staff member that company was given the right to both promote the fund and have a co-investment.

The suit also alleges that the co-investments between the provincial government, going back to 1992 and the Crocus Fund, raised serious questions. I think all those questions will be answered but members opposite should be careful. There are lots of questions to be answered and, Mr. Speaker, this will go back to 1992, right back to the time that they hired Mr. James Umlah.

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

**Mr. Speaker:** Order. The honourable Leader of the Official Opposition, on a new question.

#### **Crocus Investment Fund Public Inquiry**

**Mr. Hugh McFadyen (Leader of the Official Opposition):** On a new question, Mr. Speaker. Given that today's lawsuit alleges that the Premier's government engaged in conduct that was high-handed, outrageous, reckless, wanton, entirely without care, deliberate, callous, disgraceful and wilful, will the Premier do the right thing and call a public inquiry?

**Hon. Gary Doer (Premier):** Well, Mr. Speaker, the member would know in law that any individual can file a statement of claim. Tomorrow they could file a statement of claim against the honourable member. Would we then ask for his resignation?

Mr. Speaker, there are statements of claims and the member opposite is absolutely embellishing what is in the claim. I would point out that the date on page 5 of the suit is from 1992 to 2004. I have no difficulty with the answers that have come to questions. We did not appoint political appointees to the board of directors of Crocus. Members opposite, Mr. Bessey, Mr. Swain had political appointees on the board, and I am sure that the answers given to questions eventually under cross-examination will provide more information to the public and we welcome that.

**Mr. McFadyen:** Mr. Speaker, I was quoting from the lawsuit earlier, and these are allegations that have been made by 30,000 Manitobans in a class-action lawsuit against this government. So I would just ask the Premier: Given that 30,000 Manitobans have made the allegations that I just put to this House, will the Premier please indicate who Manitobans are expected to believe; 30,000 Manitobans who have filed this claim or the master of spin?

**Mr. Doer:** The courts, Mr. Speaker.

**Mr. McFadyen:** Given that it will be at least a year or maybe more before the matters contained in the lawsuit today get to discovery, I wonder if the Premier will indicate, given the seriousness of the allegations, what steps is he personally prepared to take in the meantime to get to the bottom of these very serious allegations?

**Mr. Doer:** Mr. Speaker, again I would point out to the member opposite that this goes back to 1992. He is not the judge and jury. He can be named in a lawsuit tomorrow and I would not be calling for his resignation. Mr. Tweed's name is referenced in the sense of the Science Fund. That is the only political individual who is involved directly in a fund.

I would point out that we have powers in The Auditor General's Act to allow it to go and follow companies. The insiders are referred to, the member opposite only mentions one. He does not mention, and this is where his logic falls like a house of cards, he does not mention Mr. Curtis, he does not mention Mr. Swain, a political appointee to the former Cabinet that he worked inside of, he does not mention Mr. Meldrum. Mr. Eliasson and Mr.

Clarkson are long-time civil servants. Mr. Kilgour is a long-time civil servant and, obviously, Mr. Kostyra is the person he mentioned.

Mr. Speaker, I think if there are questions that shareholders want answered, we have no difficulty answering them and I would point out it goes back to 1992.

**Mr. Speaker:** The honourable Leader of the Official Opposition, on a new question.

#### Government's Representatives

**Mr. McFadyen:** On a new question, Mr. Speaker. Given that none of the individuals named by the Premier are in my employment, three of them are in the Premier's employment, can the Premier please indicate to the House today what steps he plans to take to investigate the very serious allegations made with respect to three civil servants employed within the government that he is responsible for?

**Mr. Doer:** Well, Mr. Speaker, I would point out and I do not know whether the member opposite has read the Auditor General's report, but I would refer him to page 109 of the Auditor General's—*[interjection]*

Has he read the report, first of all? *[interjection]* Yes, well, then he should know—

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

**Mr. Speaker:** Order. The honourable Leader of the Official Opposition has asked a question and he should have the right to be able to hear the answer. All members know that supplementary questions are constructed from the answers given from the lead question. So, in order for the honourable Leader of the Official Opposition to construct his supplementary questions, he needs to be able to hear the answer.

The honourable First Minister has the floor.

**Mr. Doer:** Well, then, he may want to recall page 109 of the Auditor General's report. In our discussion with government representatives it was noted that they were on the board to represent all shareholders, and the fiduciary responsibility was to the fund and not to the government. The board had a documented discussion to ensure all board members had a common understanding of this issue. It goes on to say that the board members' primary accountability was to all shareholders of the fund, not to any particular class or share. That is on page 109. So the question is already contained within the Auditor General's report.

\* (14:10)

**Mr. McFadyen:** Now that the Premier has raised the topic of the Auditor General's report, which he has now had for exactly a year, I wonder if he could advise the House what steps he has taken with respect to the employees and his government who ignored the red flags that were raised as early as 2002 with respect to Crocus.

**Mr. Doer:** Well, Mr. Speaker, in the Public Accounts Committee, the question was asked by members opposite about the e-mail that was referenced in the Auditor General's report. The Auditor General testified at committee of Public Accounts, and it is in Hansard, that, in fact, the e-mail never went to a Cabinet minister, very clearly. Having said that, when the report came out, and we are quoted in the media, a lot of media, taking responsibility for the findings of the Auditor General's report.

**Mr. McFadyen:** Well, Mr. Speaker, I see the Premier is blaming his civil servants now for what has gone wrong at Crocus. He is very, very good at passing the buck by going back 10 years and more.

I just want to ask the Premier today: When is he going to start taking responsibility for the actions, the misconduct, the negligence and the wanton disregard for the interests of Manitobans that seem to occur so frequently within his government?

**Mr. Doer:** Mr. Speaker, we have taken responsibility for the findings in the Auditor General's report, but I would point out that the terms of reference of this lawsuit go back much earlier than the terms of reference that the Auditor General established in his audit.

Members opposite should not be too smug because the Science Fund was established by the provincial government in June of 1999, under the leadership of Merv Tweed and Mr. Umlah.

The issue of co-investments, the lawsuit deals with MIOP loans. We have a MIOP loan that is still outstanding; it is before the courts. We feel the security of the building is going to deal with our exposure. We will wait for the courts to decide that, but we also know that it is up \$40 million between '92 and '99 that were lost by members opposite on co-investments.

Mr. Speaker, we all will be accountable. The accountability will go back to 1992, when the fund was first established. There will be a lot of people

answering questions, and we are only too pleased to answer the questions that are posed to us.

### **Water Quality Management Zones Government Intent**

**Mr. Cliff Cullen (Turtle Mountain):** Mr. Speaker, this NDP government continues its assault on rural Manitobans with the establishment of water quality management zones. These regulations were brought forward without consultations and could result in a \$1 billion write-down in farm values in Manitoba. The proposed regulations will dictate where and how agricultural operations are carried out, and they will seriously impact the viability of agriculture in Manitoba.

Is it the intent of this government to regulate land use in Manitoba?

**Hon. Stan Struthers (Minister of Conservation):** My friend across the way has to pay better attention to what is going on out there, Mr. Speaker. There were consultations in his backyard, not so long ago, dealing with this whole question of phosphorus, dealing with water quality management zones. You had them all over the province. We had them in the city of Winnipeg. We had them in every region of the province.

We consulted because we think it is important that farmers have a say in their futures and that farmers, instead of the old days when Tories increased taxes to farmers and decreased water protection, we are doing it the other way around. We are working with farmers to control their taxes and increase water protection.

**Mr. Cullen:** Mr. Speaker, this government refused to consult until after very serious issues were raised by rural Manitobans. These regulations will not only lower land values, but they will force farm families out of the livestock business in Manitoba.

Is this minister's answer to manure management to eliminate the livestock industry altogether in Manitoba?

**Mr. Struthers:** Absolutely not, Mr. Speaker. In the first question he says we did not consult them. In the next question he says we did consult. I wish they would get their act together over there. I wish they would decide if they are going to stand up for rural Manitobans, which includes protecting water, which includes making sure that we are not running farmers off the land. We are on this side of the House making every effort to make sure that the advice we gained

from the farm community in all of those consultations that my friend across the way seems to have missed somehow over the last number of months does actually occur. We incorporate those ideas into our moves forward.

So I would encourage the member opposite to read a rural newspaper every now and then to see when those meetings are held, and also to keep tuned with what we are doing over here in order to protect the water.

**Mr. Cullen:** Mr. Speaker, the importance of effective consultation cannot be denied. We hope the government will listen to the hundreds of Manitobans who came forward.

Is the minister prepared to end the other secret meetings that are going on behind backdoors and allow all stakeholders to bring forward issues?

**Mr. Struthers:** There he goes again, Mr. Speaker. First he says we did not consult, then he says we consulted but too late. Now he is telling us there were hundreds of people here to consult with.

Mr. Speaker, we have been meeting with farm communities; we have been meeting with the Pork Council; we have been meeting with anybody who wants to come in through my door and sit down and give us good advice on what we should be doing. This side of the government understands how important rural Manitoba is to our economy, to our way of life, and we have consulted with the farm community. We are going to continue to consult with the farm community, and we will be incorporating that advice into our moves forward.

### **Agriculture Industry Beef Levy**

**Mr. Ralph Eichler (Lakeside):** Mr. Speaker, after three years of delay, the best this Minister of Agriculture has come up with to help Manitoba's cattle industry is another tax. It is being forced upon our producers without any consideration to the democratic process whatsoever. Fifteen hundred farmers gathered over the course last week to tell the minister they wanted no part of this plan.

Mr. Speaker, will the minister today acknowledge that Manitoba farmers oppose her plan?

**Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives):** Mr. Speaker, there was a series of meetings, three meetings, that were held where I was invited to share information with

producers about the reason we were moving forward with this levy and that the reason is to increase slaughter capacity in this province.

I find it very interesting that members opposite really cannot keep a consistent position. Just as on water quality management zones, they put misinformation on the record. They do not put on the record that farmland values have increased tremendously under this government's administration.

But, I want to say that the Member for Emerson (Mr. Penner) once said that we should not invest in slaughter capacity, and then when we made an announcement to put funds into Ranchers Choice, he says, oh, they are doing it too late. They are not doing enough. The opposition spends—

**Mr. Speaker:** Order.

**Mr. Eichler:** This minister just filibusters all the time, Mr. Speaker. The democratic process must guide how we govern this country.

Will the minister agree to allow a vote by stakeholders on whether to participate in her plan, Mr. Speaker?

**Ms. Wowchuk:** Again, Mr. Speaker, the member opposite just cannot get the same message out every day. One day the opposition spends the day demanding that government get involved and the next day they are saying the government is not doing enough.

I would also tell the member to reflect back on what one of the leaders of the Conservative Party said. Even Jim Downey, a former member of the Conservative Party, agrees that we need more slaughter capacity today. He says, and I quote: If we would have had a vehicle in place, I would not mind saying in hindsight that we should have been doing the same thing. We would have the value-added fund—

**Mr. Speaker:** Order.

\* (14:20)

**Mr. Eichler:** Mr. Speaker, to quote the First Minister (Mr. Doer) himself from Hansard on November 24, 2003: We did not get elected to raise taxes.

Will this government finally live up to its commitment and either scrap this tax or make it refundable, Mr. Speaker?

**Ms. Wowchuk:** Mr. Speaker, in fact, he is quoting the Premier accurately. The Premier said we were not elected to raise taxes and we have not.

We have reduced taxes on farmland, Mr. Speaker. We have reduced portioning of farmland. Now we are prepared to stand with the producers. We are prepared to stand with them and match the fund so that we, indeed, can have slaughter capacity increased in this province.

Mr. Speaker, it is the member opposite who is changing his mind. One time he says the Province should do something, getting involved in increasing slaughter capacity. When we come forward with a plan, he is prepared to support the slaughter capacity in Alberta and Ontario, not the slaughter capacity in this province. Shame on him.

#### **Whistle-Blower Legislation Private Sector Protection**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, many Manitobans are concerned about the Crocus Investment Fund fiasco and the revelations by the Auditor General of gross mismanagement by employees of the Crocus Investment Fund.

My question is to the Premier (Mr. Doer): Will the Premier's measures to protect whistle-blowers provide protection to employees of a fund like the Crocus Investment Fund which is a private-sector fund?

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, if the member would have paid close attention to the labour-sponsored venture capital bill that we brought in last year, it requires that labour-sponsored venture capital funds have measures in place to protect whistle-blowers and to provide for whistle-blowing procedures. That was a bill passed a year ago in this House in the Legislature.

**Mr. Gerrard:** Our concerns also relate to private-sector companies where there have been investments made by labour-sponsored investment funds where there are tax benefits.

So, Mr. Speaker, I would ask the Premier: Would companies which have had support from labour-sponsored investment venture capital funds in this province, would those employees be protected by whistle-blower legislation?

**Mr. Selinger:** Mr. Speaker, the bill has two provisions. It has a provision for persons outside of government to make a complaint to the Ombudsman, as is the case currently. In addition, by regulation,

any additional measures can be taken that are deemed necessary to protect specific individuals.

Right now a company under this legislation that has a concern about gross misconduct or misuse of funds by government can bring forward an allegation, can bring forward a concern and be protected under the law.

#### **Whistle-Blower Legislation Protection for Crocus Fund Employees**

**Mr. Kevin Lamoureux (Inkster):** Yes, Mr. Speaker, I think that we need to have some focus on the issue of the Crocus fiasco. Over 33,000 Manitobans have lost in excess of \$60 million. The problem here is that back in 2001, there were a number of red flags that came up. The government had the opportunity back then to do something that could have prevented millions of dollars of losses. They chose to put their collective head in the sand and do nothing. As a result, millions have been lost.

The question I have for the government is: Those individuals who were involved that know information about Crocus, if this legislation were to pass would it be applicable? Yes or no?

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, the member says that there were concerns raised in 2001. That was the year we changed The Auditor General Act and specifically put in that act the ability to pursue tax dollars in labour-sponsored venture capital. That is why we have the ability to discuss and debate the 245-page Auditor General's report.

We put that provision in place in 2001. I wish the member would have taken the time to pay attention to it then and to read it.

#### **Health Care Services Eastern Manitoba**

**Mr. Bidhu Jha (Radisson):** My constituents are very excited about the new opening of the Transcona Health Access next month—

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

**Mr. Speaker:** Order.

**Mr. Jha:** Have some sense for health care for God's sake.

Among the priorities of our government, health care, in general, and rural health care is a definite priority. Can the Minister of Health inform the House what steps he has taken in eastern Manitoba to

provide better health care sooner and closer to home, like we have in Transcona Health Access?

**Hon. Tim Sale (Minister of Health):** Mr. Speaker, I thank the member for the question. I find it rather rude that members of the opposition have not even bothered to ask a question about health care when it is Nursing Week and we have nursing guests in the gallery who provide tremendous care for Manitobans.

Mr. Speaker, in the provision of community—

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

**Mr. Speaker:** Order.

**Mr. Sale:** In the provision of cancer care across Manitoba, Mr. Speaker, chemotherapy nurses play a tremendous role. The announcement last week of the construction beginning in Pinawa Hospital is just another chapter in now having 16 community cancer care sites bringing better care sooner and closer to home for all Manitobans, particularly those who are suffering from cancer and need chemotherapy.

#### **Child and Family Services Child Safety**

**Mrs. Mavis Taillieu (Morris):** Last Thursday, when asked about the face-to-face meetings that were called by the four CFS authorities, the Minister of Family Services (Ms. Melnick) said, and I quote: "I am aware that any concerns that were raised during this were dealt with immediately." But, the minister contradicted herself and went on to say, and I quote: "No concerns have been raised to me."

Mr. Speaker, can the minister tell us what concerns were raised in these face-to-face meetings, who they were raised to and how they responded to these concerns?

**Hon. Nancy Allan (Acting Minister of Family Services and Housing):** I think it is important for the member opposite to remember that the open cases review that was launched by the four authorities was done in consultation with the Minister of Family Services and Housing. I think it is important to remember that her department provided additional funding and resources to the authorities to conduct these reviews. We feel that it is important that we get this information because every person in this House wants to have answers in regard to this, Mr. Speaker.

I am pleased to communicate to the House that front-line social workers, under the direction of the

authorities, were able to review all of the open cases under the time line that was previously announced.

**Mrs. Taillieu:** Well, Mr. Speaker, I think it is also important to remember that it was the authorities who took it upon themselves to initiate this review when the minister did not live up to her responsibility there. It is the minister's responsibility to provide care, safety and protection of all children in the care of CFS. That is her duty as minister, but we have heard that the minister is not going to release the report on the face-to-face meetings until June.

What is the minister doing today to ensure that all children in care are safe?

**Ms. Allan:** Well, Mr. Speaker, the Minister of Family Services and Housing took the reviews very seriously. In fact, her department provided resources and funding to the four authorities that were doing the review. She was consulted in regard to that review. The review has been done within the time frame that was set out. These are professionals. We think it is important that they have the time to do their jobs. I am informed by staff in the Minister of Family Services and Housing department that she will be receiving an update very, very shortly in regard to that review.

**Mrs. Taillieu:** Mr. Speaker, it is obvious that the minister did not take it seriously enough to call for this review herself. This minister is charged with a very specific duty to provide care, safety and protection to children in Manitoba. As the minister, she is accountable to the Cabinet, to the Premier and to the Legislature, to the children who require care, safety and protection.

Mr. Speaker, can the minister assure us that every child in the care of CFS or recently released from care is safe and accounted for today?

\* (14:30)

**Ms. Allan:** Mr. Speaker, I think that the Minister of Family Services and Housing is completely and totally aware of her responsibilities in regard to vulnerable children in this province. She has been consulted in regard to the section 4 review and the reviews that were launched by the authorities.

She was supportive of those reviews and there is absolutely no question, Mr. Speaker, that it is our responsibility as a government and her responsibility as a minister to take care of vulnerable children in this province.

### **Child and Family Services Child Safety**

**Mrs. Leanne Rowat (Minnedosa):** Mr. Speaker, I think it is very clear by the answers from this minister and this government that either she knows what is happening with the children in CFS, but for some reason is not acting to protect these children, or the minister does not know what is happening with the children in CFS and is therefore failing in her duty as minister to provide care, safety and protection.

Mr. Speaker, releasing a report in June does not protect children today. What is the minister doing right now, today, to address the concerns that we are raising in the House today regarding the face-to-face meetings?

**Hon. Nancy Allan (Acting Minister of Family Services and Housing):** I can guarantee you, Mr. Speaker, that the Minister of Family Services and Housing, to my knowledge, has not been told about a report that is coming to her in June.

Mr. Speaker, officials from the Minister of Family Services and Housing office told me that they would be receiving an update in regard to this review. I think it is unfortunate since the very minute that both reviews were launched the opposition has tried to undermine these reviews. They have called them minions, and I think we should allow the independent professionals who are doing the reviews the proper authority to do the reviews.

**Mrs. Rowat:** Mr. Speaker, this is a very serious question. This is a very serious issue, and we need this minister to take this very seriously. From the minister's answer it is clear that they are doing nothing to ensure that children under the watch of this government are safe.

Mr. Speaker, I will ask again: Can she account for all the children today and are they safe and are they being accounted for?

**Ms. Allan:** Mr. Speaker, in the previous question I told the House that I was pleased to inform them that the front-line social workers under the direction of the authorities were able to review all of the open cases within the time line that was announced by the authorities.

The intent of the review was to ensure the safety of vulnerable children in care, and we take this information very, very seriously. We have been informed that we will be receiving an update shortly,

and we have said over and over and over again in this House that we will make that information public. That is our responsibility, Mr. Speaker, to be public and to be accountable.

**Mrs. Rowat:** Mr. Speaker, must I remind this minister and this government that 31 children died under the watch of this government. Accountability is something this minister and this government do not seem to understand. She is in charge of the department and she must answer for what happens under her watch.

What is the minister doing today to assure Manitobans, families who have children at risk and this Assembly that no more children will fall through the cracks?

**Ms. Allan:** I think it is important, Mr. Speaker, to remind members opposite that the minister was consulted in regard to the two reviews and that these reviews have been done by professional staff. They have been independent and that is important.

The reviews have been done on time because of the resources and the support they received from this minister. That is her public accountability, and she will make sure that these reports are made public when we receive them and we will be accountable.

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

### **MEMBERS' STATEMENTS**

#### **National Nursing Week**

**Mr. Andrew Swan (Minto):** This is National Nursing Week, the nursing profession's annual occasion to recognize and respect professional achievements. In Manitoba alone, there are more than 15,400 registered nurses, licensed practical nurses and registered psychiatric nurses. These numbers make nurses the largest group of health care professionals in Manitoba.

Today's nurses work in extremely complex environments requiring high levels of skill, knowledge and expertise to care for their patients, patients' families and the broader community. Manitoba's nurses deliver safe and high-quality care to the residents of our province in a variety of health care and community settings.

Today we have more nurses studying, working and staying in Manitoba. In 1999, Manitoba graduated only 213 nurses. In 2005, we graduated almost 800. This year, we expect to graduate even

more. The skills, knowledge and dedication these nurses bring to their practice every day help us to achieve our mission to ensure Manitobans have better health care sooner.

This year's National Nursing Week theme, Promoting Healthy Choices for Healthy Living, addresses the importance of primary health care. The investments we make in primary care will pay massive dividends in the long term. Nurses know that more than anyone. Approximately 70 percent of the cost in our health care system is attributed to mostly preventable chronic diseases. With the help of the nurses in our province, we can start to make headway in changing health outcomes.

Over the past five years, we have rebuilt health services to improve primary health care for all Manitobans. We now have primary health care centres in communities like St. Jean Baptiste, Camperville, Wabowden and many more. Nurses play an essential role in these centres and an essential role in changing attitudes and behaviours that lead to poor health outcomes.

By recognizing the contributions of the nursing profession and by continuing to work together, we can all help Manitobans live healthier lives and prevent injury and illness by making informed healthy choices. This government is committed to Manitoba nurses. Their knowledge, expertise and dedication is an invaluable role in our health care system. Happy Nursing Week.

**Mrs. Myrna Driedger (Charleswood):** I, too, would like to acknowledge Nursing Week in Manitoba, and this is important enough that the Minister of Health (Mr. Sale) should have stood today and done a ministerial statement. This is not the first time that this NDP government has refused to make a ministerial statement about Nursing Week.

In 1971, May 12 was designated International Nurses Day in recognition of Florence Nightingale's birthday. Today we celebrate Nursing Week, an opportunity to recognize and celebrate the contribution of nurses to the health care system.

On behalf of all Manitobans and as a nurse myself, I would like to sincerely thank Manitoba's nurses for their dedication, their compassion, their expertise and the incomparable quality of service they provide. Nurses are experts on health and an excellent source of health-related information. That is why this year's theme, Nursing: Promoting Healthy Choices for Healthy Living, is so well suited

to today's nurses. It is about staying healthy and preventing illness and disease.

Manitoba's three nursing licensing and regulatory bodies have joined with their education partners who prepare tomorrow's nurses in celebrating Nursing Week throughout Manitoba. We want to tell nurses how much we appreciate them and the important work that they are doing caring for Manitobans.

Mr. Speaker, the nursing profession is the backbone of health care in Manitoba, and nurses need the support of this government. Right now, nurses are warning this government about critical nursing shortages, both those that exist now and those that will become a problem in the near future with an aging nursing population. This government must listen and take action now and not wait for a crisis to evolve.

The nursing vacancy rate throughout Manitoba is of significant concern. The WRHA confirmed that, as of last fall, there were more than 500 vacant nursing positions in Winnipeg hospitals. In rural and northern Manitoba, there are more than 100 vacancies for full- and part-time nursing positions.

Some rural hospitals cannot keep their emergency rooms open and, as of this past weekend, an ICU had to be closed down for a shift because they did not have enough nurses to care for them. With those serious concerns, Mr. Speaker, it is certainly important that this government pay attention because it is those front lines that are making the difference and know how to address the system and how to put forward the answers and the resolutions to fixing it. Thank you.

\* (14:40)

### **Victory in Europe Day**

**Ms. Bonnie Korzeniowski (St. James):** Mr. Speaker, I rise today to mark the 61st anniversary of Victory in Europe Day, or V-E Day. May 8, 1945, was the date when the Allies formally celebrated the defeat of Nazi Germany and the end of Adolf Hitler's Third Reich. On that date, massive celebrations took place around the world, where millions of people rejoiced, in a festive atmosphere, the end of the European war. This war had taken the lives of at least 50 million people including soldiers, civilians and six million Jewish lives lost in the Holocaust. This terrible time had finally come to an end.



Mr. Speaker, 2005 marked the 60th anniversary of Victory in Europe, and accordingly that year was proclaimed as the Year of the Veteran by the federal government. The contributions and ultimate sacrifices of our soldiers were honoured across Canada with special events, ceremonies, monuments and tributes.

Here in Manitoba I brought a private member's resolution before the House to commemorate the 60th anniversary of V-E Day. Passed unanimously by the members of this Assembly, we expressed on behalf of all Manitobans our deepest sympathies and thanks for the sacrifices of those Canadians who joined the forces and those who supported the war effort on the home base. Our government also launched a Book of Thanks which is now in its permanent location at the International Peace Garden. Last year on this day, a Freedom of the Province was offered to our veterans in a gesture of gratitude and respect.

Mr. Speaker, the atrocities of war must never be forgotten. As the living witnesses to World War II dwindle in number, we must be vigilant in remembering the dark times they endured and ensure that we continue to strive for peace in the world. Thank you.

#### **Constituency of Pembina Charity Events**

**Mr. Peter Dyck (Pembina):** My wife, Irene, and I had a very busy and enjoyable weekend. It was our pleasure to attend five wonderful events in the constituency of Pembina. Miles for Smiles is a 10-kilometre run that raised \$23,000 for capital projects at Boundary Trails Health Centre. It was impeccably planned and I would like to thank Viola Doell and her committee of dedicated volunteers. Incidentally, Mr. Speaker, I finished it, the run, in exactly one hour.

Cops for Cancer brought together police officers from Morden, Winkler, Altona, Dakota Ojibway and the local RCMP to raise money for cancer by shaving their heads. I made public my willingness to shave my head and challenged the officers to follow my lead. Mr. Speaker, I was somewhat surprised by how many did not feel this was a fair comparison. I would like to sincerely thank Constable Daniel Defer for organizing this event and all the officers who participated.

I am also delighted to report that Big Brothers-Big Sisters of Morden and Winkler celebrated 30 years of serving the community. The past

president, Mr. John Zacharias, was kind enough to speak and give an overview of this organization's proud contributions. I would like to express my gratitude to Carol Gavard for her time organizing this event and especially to the many volunteers who have made this program something truly special for so many years.

Last night I was privileged to take part and play trumpet at a fundraiser entitled "This is My Story" for the Winkler Bible Camp. It was great to see over 800 people there to cheer us on and to show appreciation to Mr. John Zacharias and the talented volunteer choir of about 75 people.

Last but certainly not least, it was a pleasure to attend an event that has a special place in my wife's heart, The Barn Swallows Annual Quilt Show. People come from all over to see the beautiful quilts made locally.

Mr. Speaker, I would like to once again thank all of the volunteers and contributors with their giving spirits who make charitable events in the constituency of Pembina so successful. Thank you.

#### **Assiniboia Community Appreciation Night**

**Hon. Jim Rondeau (Minister of Industry, Economic Development and Mines):** I would like to bring the attention of all members to an event that took place in the great constituency of Assiniboia, April 26, 2006. Our annual community appreciation night was held at Assiniboia Downs with 96 people in attendance.

This event invites community groups, service clubs, schools, churches and the St. James-Assiniboia senior centre and other organizations to send their top volunteers to a night out of great food and fellowship at the Downs.

These individuals are the crème de la crème of the community volunteers in west Winnipeg. We had volunteers from many schools and parent councils, Heritage Park, Assiniboia West and Kirkfield Park community centres, sports and seniors organizations. These people often make multiyear commitments of time, expertise and energy to make our community a better place to live and raise a family in. I would like to publicly thank each and every one of these people for improving our quality of life.

This event was made possible by a number of community businesses who have contributed to make this event a huge success. I would like to thank each

of these organizations for their support in recognizing these dedicated people.

Mr. Speaker, a booklet has been created profiling each of these volunteers and their amazing accomplishments. I ask for leave to have each person's name entered in Hansard to recognize their outstanding contributions to Manitoba and their community.

So, Mr. Speaker, do I have leave?

**Mr. Speaker:** Does the honourable member have leave? [*Agreed*]

**Mr. Rondeau:** Thank you and thank you to all those wonderful volunteers.

*Lillian Atamanchuk, Jen Baker, Leo Barron, Desiree Bartel, Corrine Bauer, Chris Beck, Mary Berch, Lynn Brown, Karen Bryant, Barry Campbell, Darlene Camphuis, Dan Cassils, Sandra Cathcart, Chris Clark, Doreen Devries, Richard Dudek, Tara Edwards, Lorraine Glenesk, Syd Glenesk, Sharon Groombridge, Maurice Guinness, Steve Harder, Bill Hetherington, Heather Hobson, Vivian Ingham Penny Jackson, Carrie Jansen-Einarson, Pat Jensen, Doris Johnson, Mickie Kemball Cathy Koughnet, Jim Koughnet, Jackie Krostewitz, Marcel Lanouette, Audrey Lebedeff, Rene Lewis, Jim Lickley, Helen MacDougall, Marie MacDonald, Joe Mackenzie, Lindsay Marrin, Darlene Mattes, Ken Mattes, Al Mayer, Dorothy Millar, Len Millar, Ronda Millar, Keri Morris, Shelly Morris, Janey Nelson, Dale Oleschuk, Dave Rudge, Nicole Rudge, Heidi Schadek, Corina Sellner, Kim Slipec, Gord Stastook, Don Sutherland, Agnes Tamoto, Curtis Vezina, Jack Ward, Miranda Ward, Don Webb, Stephen Wiebe, Bruce Wilkinson, Dave Williscroft, Teri Wilkinson, Terry Wolowiec, Fran Yam.*

## ORDERS OF THE DAY

### GOVERNMENT BUSINESS

#### ADJOURNED DEBATE (Seventh Day of Debate)

**Mr. Speaker:** Resume debate on the proposed motion of the honourable Minister of Finance (Mr. Selinger), and the proposed motion of the honourable Member for Kirkfield Park (Mr. Murray), in amendment thereto, and the proposed motion of the honourable Member for River Heights (Mr. Gerrard), in subamendment thereto, standing in the name of the honourable Member for Portage la Prairie (Mr. Faurshou), who has 13 minutes remaining.

Is there a will to leave it standing in the name of the honourable Member for Portage la Prairie?

**An Honourable Member:** No.

**Mr. Speaker:** No? Has it been denied?

**An Honourable Member:** Yes.

**Mr. Speaker:** Okay. On the government side.

**Ms. Marilyn Brick (St. Norbert):** Mr. Speaker, I rise to speak in opposition to the two amendments that have been put forward to Budget 2006.

Mr. Speaker, it is one month short of the three-year anniversary for me being elected as an MLA. I would like to take this opportunity to express my sincere appreciation to the people of St. Norbert who have provided me with the greatest honour possible, to serve as their representative in the Manitoba Legislative Assembly.

I am proud to stand up today and express my thoughts in support of Budget 2006. This budget builds on our record of good government by focussing on four main strategies including growing green and growing smart, healthy families and communities, making Manitoba affordable and competitive through tax savings and ensuring a responsible approach to government finances.

We are investing in a major three-year \$60-million commitment to universities and colleges, while retaining the 10 percent tuition reduction. We have made major investments in the post-secondary education capital program. Our \$50-million investment has kick-started a successful \$237-million University of Manitoba capital campaign.

Provincial investments have supported the development of a new Engineering and Information Technology Complex at the University of Manitoba, which opened on September 23, 2006. Built through a public- and private-sector partnership the complex is meant to unite, in one space, information technology and engineering, teaching, research and development in Manitoba, as well as academic and industrial partners. By providing the province with a healthy number of properly trained graduates this complex will serve as a pillar of Manitoba's economy for years to come. This complex will help to establish future students who will establish Manitoba's strong footing in the knowledge-based economy.

It is this kind of thinking that makes it so easy for me to support our budget. When I visited the new

building on September 23, the students and professors spoke very highly of our government and our interest in ensuring that they have new equipment and modern technology to enhance their learning experiences.

For universities the commitment for new three-year funding of an additional \$60 million represents up to a 17 percent increase over the next three years. The commitment to a funding increase that is three years in length reverses the direction set in the 1990s and helps the universities plan their budgets in a more forward thinking fashion. It also addresses what the universities have been asking from our government.

Budget 2006 maintains the 10 percent tuition reduction that has helped encourage more students to enrol in post-secondary education. Manitoba's enrolment numbers have increased by 35 percent since 1999, the largest increase in western Canada.

\* (14:50)

In 2005 we announced a multiyear plan to invest \$135 million over the next three years in the capital building program for educating our young people in our school system. This brings our total capital budget commitment, including 2006, to \$378 million. This money will ensure that there are gymnasiums, music rooms and classroom space for Manitoba students.

Mr. Speaker, Fort Richmond Collegiate is a high school located in my constituency. Seven students from this high school have been chosen to attend the Biotechnology Innovation week in Adelaide, Australia, in June 2006. The students who will be attending the event include Emily Blunden, Olywyn Friesen, Alex Wishart, Andrea Evans, Zexi Wang, Lynda Kong and Saba Naghipur. This biotechnology-oriented exchange provides the students with a great chance to further build on their interest in science. The students are receiving financial help from the provincial Department of Education life sciences branch, the Genomics Centre and from Monsanto's enrichment program. I am so very pleased to see that our education system is able to support this type of program that encourages the education of our young people and allows them to take additional courses in high school and enrich their educational experience.

February is I Love to Read month. I had the pleasure of reading books to students at La Barriere Crossings School, École Saint-Avila, École Saint-

Norbert Immersion, Parc La Salle, Dalhousie School and Ryerson School. At each of these schools I left a book to enrich the library program. I am thrilled to see that our government is providing funding for English as a Second Language for children of war-affected backgrounds and refugees. Our government has increased funding to public schools at the rate of economic growth, ensuring that it is not necessary to cut music programs or physical education classes, as was the plan of opposition members. We know the value of education and how much a difference a good education can play in the lives of our children.

The opposition likes to paint Manitoba as a province that is moving in a negative direction. This, Mr. Speaker, is just not true. I want to put on the record some of the recent headlines we have seen in newspaper articles. In the *Winnipeg Free Press* on December 22, 2005, they ran an article stating that an economic growth is predicted for Manitoba. Also, another article on December 3, 2005, stated that the jobless rate was at a 30-year low.

Mr. Speaker, we know we have a strong economy, and these headlines highlight this fact. On Wednesday evening I had the pleasure of attending the 10th anniversary and grand opening of DMT Development Systems Group new facility at the University of Manitoba SMARTpark. This company has earned international recognition for its software development. It counts as its clients leading national automobile manufacturers like Volvo, Jaguar, Land Rover, Hyundai, Mitsubishi and others. The ability shown by this company to deliver custom solutions quickly and cost-effectively has allowed it to achieve a customer retention rate of over 90 percent, which in turn has been the basis for years of double-digit growth. This company has moved its offices from a building of 4,500 square feet to a building of close to 10,000 square feet. They made this move here in Winnipeg because they are confident of the products they are developing and the need for more space to allow them to grow their business.

As many people stated at the opening on Wednesday, this company, which is a virtual company, could have been located anywhere, but it chose Winnipeg. They did that because they feel optimistic about their future here in Manitoba. The Manitoba government has been a strong proponent of the University of Manitoba SMARTpark since its inception. Over the last three years SMARTpark has stimulated over \$100 million in capital development, and it is home to well over a dozen growing companies in high tech sectors like information and

communication technology, engineering in advanced materials, health and biotechnology and agriculture and nutraceutical sciences.

SMARTpark and other businesses in Manitoba have benefited from our approach to taxes. Our government has been encouraging business development and growth by lowering for corporations the taxes they will be paying effective January 1, 2007, to 14 percent. This is down from a high of 17 percent in 1999. Corporate capital gains tax deductions will be doubled to \$10 million from \$5 million, reducing the number of firms paying the tax by 19 percent. The small business rate will drop to 4.5 percent in 2006 from a high of 9 percent in 1999, making it the second lowest rate in Canada.

During our term in government we have experienced two credit rating increases from Moody's, from AAA to AA. Their decision has been based on solid economic growth and our adherence to balanced budget legislation and performance in reduced debt burden. Mr. Speaker, since 1999, there have been over 37,000 jobs created in the province.

The annual growth in our economy in the last six years is very close to \$800 million a year, which compares to \$500 million a year during the period the opposition was in office. Our growth with the economy has been 33 percent in the last six years. We have gone from \$32-billion GDP to \$42-billion GDP. This economy is growing because we are governing in partnership with all sectors of this economy.

With Budget 2006, Manitoba has seen personal income tax reduced by \$291 million, and property taxes by \$181 million. Our economic growth is forecast to be 2.9 percent, which is in line with the national average. We have seen a 30 percent real growth in the investment in machinery and equipment over a five-year period, which is almost double the national average.

Our green strategy encourages more wind development projects which have proven to be a win-win solution for both government and for the farmers who receive wind rights payments. This budget will pursue energy export opportunities as the plans for development of Wuskwatim and Conawapa unfold, in partnership with local communities and First Nations.

Our government is committed to ensuring water is protected and safe for future generations. Last year, we introduced legislation entitled the clean

water protection act, to put into practice what many Manitobans have asked us to undertake. Our new Water Stewardship Minister is overseeing the development of clean water initiatives, such as a 30 percent increase in funding for water infrastructure projects and doubling the funding for drainage. We are adding resources for improved drinking water projects and to ensure that lakes and waterways are protected.

On March 6, members of the Legislative Assembly of Manitoba recognized the Manitobans who were selected and competed in the 2006 Winter Olympics in Turin, Italy, this February. The Manitoba athletes included Clara Hughes, Cindy Klassen, Jennifer Botterill, Mike Ireland, Shannon Rempel, Brittany Schussler, Sami Jo Small and Delaney Collins. Our province is proud of the achievement of Clara Hughes, who is the only Canadian to win medals in both summer and winter Olympics. All of us will never forget the successes of Cindy Klassen, who won one gold, two silver, and two bronze, and who has become the most decorated Canadian Olympian ever in a single Olympics. In this budget, we have pledged \$50,000 to the Right To Play and \$50,000 to KidSport, in the name of these Manitoba athletes.

Mr. Speaker, we want to encourage all children to enjoy a healthy, active life. It is with this in mind that our government undertook the all-party task force, Healthy Kids, Healthy Futures. As the vice-chair of this group, I enjoyed the experience of travelling throughout the province, engaging youth and citizens in a dialogue that looked for solutions to the problems of unhealthy eating habits and the lack of physical activity. We are now seeing the recommendations of this report being acted upon with the creation of the new healthy food and nutrition guidelines for schools and the strengthening of curriculum for health and physical education.

I am very happy to see that Budget 2006 provides for an expansion of Manitoba in Motion to ensure that families across Manitoba are active. We are providing 1,000 bike helmets to support a new bicycle safety program. Last Thursday, the *Winnipeg Free Press* reported on how we are making low-cost bicycle and skateboarding helmets available through schools to promote safe recreation. The cost of \$10 to \$13 per helmet removes cost as a barrier to being safe.

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

We are also expanding the Healthy Baby program to more community sites and to the Centres de la petite enfance et de la famille in Francophone schools.

\* (15:00)

Budget 2006 also offers seniors in our province help by encouraging independent living. Funding is in place for a four-year \$98-million Aging in Place long-term care strategy for seniors to ensure that we can increase community living supports and to provide alternatives to institutional care. This is particularly important for people who are not yet ready or do not yet need to be in a personal care home.

On Friday, April 28, I attended the Aging in Manitoba workshop looking at the causes and consequences of social isolation. Strategies for seniors, including new resources to expand community-based services, to improve access for seniors to government services and to expand Manitoba's strategy to prevent elder abuse are all part of what we will be dealing with as we look at the issues of social isolation.

We are also introducing \$2 million in new annual funding to combat crystal meth. In my community, the Behavioural Health Foundation in St. Norbert works hard at helping individuals who struggle with addictions to overcome their dependence. I was thrilled to see funding announced in December to assist with the ongoing treatment of young people. This funding goes a long way to help make the program sustainable.

I also know that our immigration policies are helping to build strong communities all across Manitoba. I am pleased to be a key driving force, along with the immigrant and outreach facilitator for Fort Garry, and the Latin American Arts Council of Manitoba, in hosting the third annual International Mother's Day ceremony. This celebration brings together residents of Fort Richmond and St. Norbert to celebrate the food and cultural performances of a variety of different cultures and to celebrate our diversity while making a stronger community. Our government continues to support the Provincial Nominee Program that has helped to bring in more workers and citizens to our province.

For the residents of St. Norbert the security and safety of their homes is an issue as it relates to flooding. In the Flood of the Century of 1997 we saw many homes affected. People in St. Norbert were

forced to evacuate their homes and they could not return until they were deemed safe from the potential hazard of the flood. We are investing \$200 million in the expansion of the Winnipeg floodway. Mr. Deputy Speaker, we could see the effects of that expansion already this year. There was a potential flood, but many homes in St. Norbert were saved as the water was diverted around the city.

Budget 2006 provides more than \$20 million to increase the record of capital investments in highway upgrades, including improvements to Highway 75 which runs through the southern part of my constituency. Redevelopment of the bridge that crosses the Red River at the Perimeter Highway is part of this investment in highways.

Mr. Deputy Speaker, we know from our budget consultations that the first two priorities people have for our government are health care and education. Our 2006 budget, with its focus on growing green and growing smart, healthy families and communities, making Manitoba affordable and competitive through tax savings and ensuring a responsible approach to government finances, delivers on these things, and these are the things that we have heard from Manitobans.

Mr. Deputy Speaker, with that, I would like to conclude my remarks and provide some time for other people. Thank you.

**Mrs. Leanne Rowat (Minnedosa):** It is a pleasure to rise today as the MLA for Minnedosa constituency to speak to the budget presented by this NDP government.

On March 6, 2006, the NDP government presented Manitobans a budget that boasts a revenue increase of \$486 million from Budget 2005. But, in a disturbing trend, the government continues to spend almost every dollar it takes in while increasing the level of debt. What is also disturbing is that \$3 billion of this is due to federal transfers and equalization payments, Mr. Deputy Speaker, 34.6 percent to be exact, up from 34.2 percent last year. Talk about a spending addiction with a full-blown dependency on federal payments. How did the Doer government manage to accumulate over \$3.5 billion in new debt or obligations since 1999? Based on the province's own numbers, we will accumulate \$618 million in new, long-term debt, and it will be more than \$20 billion by the end of this year.

Education, whether secondary, post-secondary, skill training and lifelong learning, is critical to our

economy and to our individual and collective quality of life. Approximately 70 percent of jobs in the knowledge economy require skills training in post-secondary education. At the same time, our provincial labour market faces increasing skills and labour shortages across all sectors. There are many partners: individuals, employers and businesses, communities, education and training institutions. The government's role should be to facilitate, not subsume this partnership.

Research confirmed that the number of students currently graduating from post-secondary institutions will not be enough to meet the labour demands of their industries. In a survey conducted by Canada West Foundation, all 12 industry association groups who participated in the survey said they were experiencing some-to-severe shortages in skilled labour. Manitoba was the only province where all 12 sectors said there is some evidence of some-to-severe shortages.

Manitobans realized that the lack of skilled workers threatens to stunt the economic growth in our province. Perceptions indicate that shortages are more acute in the health care and skilled trades occupations, especially in rural and remote areas of Manitoba. Manitobans would like to see a well-defined, accessible, results-based approach to post-secondary education and skills training.

Government has not promoted a broadly-based education policy, Mr. Deputy Speaker. Rural and remote areas are not seeing any strategic benefits. We need to ensure that the technical/vocational education pathways are universally accessible, seamless across educational levels and synchronized with the labour market needs. A good example in my constituency is the Minnedosa ethanol plant expansion. Contractors like PCL Industrial, which is involved in the ethanol plant expansion, are struggling to find workers. They are having trouble finding Class 1 truckers, and there are shortages of other qualified labourers as well, such as specialized welders and pipe fitters.

Mr. Deputy Speaker, we are hearing that they are going to Alberta to find jobs. They are relocating outside of Manitoba because that is where they see hope. That is where they see economic success, and that is where they see a future, not here in Manitoba under this NDP government.

Mr. Deputy Speaker, little has been done in the area of retention of knowledge from upcoming retirees. In addition, little-to-no programs have been

identified that target parental access to accurate career and labour market information. These parents will be assisting their youth in making informed career choices.

Manitobans want to ensure increased opportunities are made available to study and apprentice in high-demand trades, as well as ensuring training and upgrading opportunities for foreign workers. The move of the Assiniboine Community College to the former Brandon Mental Health Centre site was briefly referenced, but no specifics were given. We will be paying special attention to the financial role the Province sees the city of Brandon play in this. That will be critical in the success of that project.

Last year the Agriculture Department faced a restructuring. This year we see a mass centralization of government positions from within the Westman region. Recently the NDP announced plans to move nine employees from the community of Minnedosa, and rumours are strong that two positions from Rivers will also be centralized to major centres. This will have a serious effect on our small rural communities. The economic impact will be devastating. Nine jobs in Minnedosa, the two jobs in Rivers are equivalent to 2,000-plus jobs in Winnipeg, and these jobs generate an annual payroll of \$350,000 to \$400,000. Mr. Deputy Speaker, consider that a dollar spent in the community will cycle through the economy up to six times. Now we are looking at removing more than \$2 million from a community of 2,500.

The social impacts are even greater. These are not positions, as I shared in the House earlier. These are families who farm, who own businesses, who work elsewhere in their communities; families who attend our schools, who participate in recreational activities, who own homes; families who are members of service clubs and who belong to churches and who volunteer throughout the community.

Mr. Deputy Speaker, communities like Minnedosa and Rivers have seen a slow and steady erosion of government positions with jobs being centralized to large urban centres. Minnedosa once had 17 Crown land jobs; now there will be three. The Highways Branch in Minnedosa once had at least eight; it will now have two. Rivers once had six positions; it will now lose all of them. We have a diversified rural economy except for one thing. These public-sector positions are an important part of our economic foundation and, when they disappear,

we must work doubly hard to regain ground or be forced to close our doors. My communities are wanting this NDP government to stop job centralization, not to boost larger regional centres at the expense of smaller rural centres where the impacts are much more severe.

\*(15:10)

During recent meetings with local stakeholders who network and work in the field of economic development in Manitoba, we were told that 90 percent of provincial programs do not meet the needs of most individual rural communities. We found this very disturbing, Mr. Deputy Speaker. Government is mostly regulatory and philosophically urban-based, we were told, and we agree. Questions and concerns raised include: How do we foster a different approach for rural communities? How does the average struggling rural community in crisis with their infrastructure, recreational facilities, doctors and declining employment opportunities move forward in the absence of provincial programs recognizing these needs?

This NDP government lacks the understanding and compassion when dealing with the seriousness of the economic and social challenges affecting our rural communities and it is discouraging. It has become abundantly clear that rural families and rural communities are not a priority to this government. A perfect example of a closed-door policy would be the NDP's veto of a significant \$16-million economic opportunity for Westman. A Westman destination horse park that would generate an estimated \$9.6 million in annual revenue for the City of Brandon and the surrounding area will likely be lost if this minister for Brandon West does not get his head out of the sand.

The Wheat City Horse Park has tried for two and a half years to meet with the lotteries minister, who, by chance, also happens to be the Brandon West MLA, but this minister does not think that it is important to meet with this group. He refused to even read the business plan, stating publicly it was not his problem. Mr. Deputy Speaker, based on the 2,000 letters of support the MLA from Brandon West, the Minister of Agriculture (Ms. Wowchuk) and the Premier (Mr. Doer) are presently receiving, I think the message should be very clear: It is their problem and it is time they showed good government policy and listen to the people who elect them. The agricultural sector as a whole is facing very challenging economic challenges, the worst they have

seen in decades. Producers are asking for stronger crop insurance programs, the CAIS program has to be simpler and faster, entrepreneurial farming and more diverse crops with new markets should be encouraged. The Minister of Agriculture has been told this over and over and just does not seem to get it.

Changes to the land stewardship and water management have also been made to the Minister of Water Stewardship (Mr. Ashton), but he is not taking heed either. No new investments, nothing in this budget addresses these issues. No new investments were announced for within the farm gate and, most importantly, the budget failed to help decrease farmers' costs. In fact, this government is now talking about providing more loan programs to our producers, programs that only put them further into debt, or worse, out of business.

Budget 2006 calls for a new environmental enhancement loan program to help farmers increase the environmental performance of their land. This is not a solution to declining farm incomes. With net farm income predicted to be as low as \$203 million this year, how is a loan to farmers supposed to help them recover from this economic crisis? This NDP government has heard serious concerns about how the proposed water quality management zones will affect the ag producers' livelihoods. Farmers have been stewards of the land and take their environmental responsibilities very seriously.

These regulations are also impeding the recovery of the agricultural industry in Manitoba. For example, the regulations related to water quality by the Minister of Water Stewardship will remove hundreds of acres of productive land from many operations without compensation. I question this minister's willingness to go the extra mile to provide the necessary supports so that our producers can adequately battle the troubled times ahead.

Mr. Deputy Speaker, wind power, how embarrassing for this NDP government to announce how important wind power is and then find themselves in a little bit of a predicament in not being able to fulfil those announcements that were made well over three years ago in my constituency. Their track record on broken promises in my constituency are too plentiful to count. Unfortunately, it appears their plans for wind power have hit a brick wall, an NDP anti-business wall. Hopefully, the NDP will follow through on their wind power strategy. The residents of Minnedosa

constituency will then see the rewards from this proposal. But, until then, they will hold their breath.

The community and the agriculture sector are looking for opportunities for economic benefit. Mr. Deputy Speaker, why is it that wait times for hip and knee surgery have increased at a time when this government received millions of dollars in new federal health care funding? It appears that this Minister of Health (Mr. Sale) is out of touch with the electorate. If he actually spoke to as many people waiting for care, he would respond differently and most certainly would act.

We have rural hospitals being closed despite a Premier (Mr. Doer) and a Minister of Health continually saying it is not our policy to close hospitals. When I attended a stakeholder meeting in one of my communities, a senior staffer with the RHA made an interesting comment. When asked about the promises made by the Premier and the Health Minister with regard to obtaining rural health facilities, the RHA official stated that the community would have to deal with the promises made by the government with government.

Who do you then believe? Do you believe the best interests of the community are being addressed by this government? I think not. An election promise made by this Premier is not to be trusted. Yet, over and over again, we see rural hospitals closing, losing their services, and we are seeing the emergence of highway medicine in this province.

The issue that I have received in abundance from my constituents is the interfacility ambulance issue. It is one that is a common concern, and it is heartbreaking to see families have to pay exorbitant costs for highway medicine. This Minister of Health should be ashamed.

Westman residents are gradually losing specialist services from our regional health centre. Nice centre; no health care providers. The Minister of Health's bandage efforts are wearing thin. For example, referral clinics in place of full-time pediatric health care service is not acceptable, Mr. Deputy Speaker. Children can get very sick in a very short period of time, especially if they have chronic illnesses. A parent who has a child with a chronic illness usually knows their child needs to see a pediatrician before they get to the point of emergency.

So why is this NDP government not aiming for four permanent local pediatricians to serve the Westman region? I think they have given up.

Children of Westman have had the right to access of a specialist removed from them. This pediatrician shortage has cost the taxpayers of Manitoba more than \$500,000 so far. As the Westman mothers for health care clearly stated, our families have an expensive standing room only ticket to the worst show in town. Mr. Deputy Speaker, all patients, regardless of where they live, deserve equal access to care. It seems that this government does not see it that way. The bottom line is this government is forcing Manitoba deeper into debt, which means more of our tax dollars will go toward paying interest on the debt instead of going into health care or education.

I certainly will not be voting for this budget, and I look forward to challenging the government through session on these issues. Thank you, Mr. Deputy Speaker.

**Mr. Cris Aglugub (The Maples):** It is, indeed, a pleasure to have the opportunity to speak on the budget today. I am glad that the members opposite have finally seen fit to allow the House to proceed with debate on the budget and the some two dozen government bills before us. They have, in effect, shortened this legislative session by eight weeks with their stalling tactics and shown their scorn for democratic procedures. This is something they will be held accountable for by the electorate.

The eight-week interval between the introduction of the Budget 2006 and my budget speech today has, however, afforded me many opportunities to discuss the document with my constituents in The Maples. So today I can speak with confidence of their support for this budget's key provisions.

\* (15:20)

The Maples population tends to be younger than that of other areas of Winnipeg and their incomes are on the modest side. Over a third of my constituents are new immigrants and very anxious that their children should make the most of the educational opportunities available to them. So the continuation of the 10 percent reduction in tuition fees is important to them, as is the bursary program that the NDP introduced in its first budget in 2000 and has continued to expand. Their children are among the thousands of Manitoba young people who have contributed to a 33 percent increase in enrolment in Manitoba's universities and colleges. My constituents see their children as potential beneficiaries of our graduate scholarships and Hope bursaries programs and that Budget 2006 expands. They share our



government's hope that such programs will give the brightest and the best of our students a good reason to stay in Manitoba.

Few of my constituents, however, are aware that our tuition cuts have actually resulted in increased revenues for our post-secondary education. Contrary to what my Tory colleagues would like them to believe, the increase in enrolment that followed our tuition cuts and bursaries have meant that the revenue our colleges and universities receive from tuition has actually increased by a substantial 38 percent. On top of that, we have compensated these institutions for the 10 percent cut by topping up provincial grants to them by \$81 million since the year 2000.

Universities also have more funds thanks to our having eliminated all property tax for them, and Budget 2006 is making the largest financial commitment in Manitoba's history to our colleges and universities, \$60 million over the next three years.

While my constituents know that the NDP government is still forging ahead with new and innovative measures to deliver better health care sooner, they know from first-hand experience with our health care services that we have come a long way. For example, in our first budget in 2000, our concern was to slash wait times for life-and-death cardiac and cancer procedures. Well, we have done that, bringing the average wait times for cancer radiation treatment down from six weeks in 1999 to the current one week.

We have also slashed the wait times for cardiac surgery by one third. Now, in Budget 2006 our government is able to concentrate on wait times for quality-of-life procedures such as hip and knee replacements.

The Maples has seen a payoff in our government's investments in health care infrastructure, not only at St. Boniface, CancerCare, and the Health Sciences Centre, but locally at Seven Oaks Hospital. The hospital now has a new \$7.4-million dialysis and oncology clinic, an upgraded emergency room, a new CT scanner, and new computerized radiology equipment. These infrastructure investments are in sharp contrast to the record of the previous government which announced capital funding, then cut it, announced it again during the next election and then cut it again.

While on the topic of health care, Mr. Deputy Speaker, I would like to commend the Minister of Health (Mr. Sale) for his leadership and thank all our health care professionals whether they be aides, doctors, nurses, technologists or administrators for the part they have played in improving our systems' performance.

Mr. Deputy Speaker, the Conference Board of Canada ranked Manitoba third in health care outcomes which includes indicators such as death rates and five-year survival rates for conditions like stroke and particular cancers. Only British Columbia and Alberta scored better than Manitoba on performance, and both of these provinces spend more per capita on health care than we do.

Manitoba's health services have also been ranked favourably at a national scale. In other studies the Fraser Institute has declared Manitoba second best and *Maclean's* magazine has ranked us third best. Manitobans should be very proud of the calibre and dedication of the people providing our health care.

As I said earlier, Mr. Deputy Speaker, incomes in my constituency tend to be on the modest side. My constituents are appreciative of the fact that the NDP government has kept or exceeded every tax cut promise we have made.

**An Honourable Member:** I do not think so.

**Mr. Aglugub:** I do. [*interjection*] We do.

According to the last census figures—listen to this—38 percent of employed people in The Maples earn less than \$20,000. Thanks to steps taken by our government since 2000, they are now among the 29,000 people who have been taken off the tax rolls, who no longer have to pay provincial income tax.

Over the course of the last seven budgets, the NDP has provided a special tax relief for seniors in the form of more generous tax credits: a 44 percent increase in the age tax credit; a 44 percent increase in basic tax credit; a 36 percent increase in pension income credit; and a 24 percent increase in the maximum education property tax credit for seniors. These tax credits are in addition to the property and income tax cuts that benefit Manitobans of all ages. In 1999, a typical senior couple with a combined income of \$30,000 would have paid \$571 in provincial income tax. This year they will pay \$58. That is a 90 percent saving. I am particularly proud of that.

But earners in every income bracket have benefited from our income tax cuts which have reduced the amount Manitobans pay by 20 percent since 2000.

As for property taxes, people are especially glad Budget 2006 marks the end of the education support levy. This measure will save average homeowners in The Maples about \$150 a year. My constituents are looking forward to our future budgets when our government will bring education taxes for homeowners down further, as we have promised.

The Maples, as I mentioned earlier, Mr. Deputy Speaker, is a home to a wealth of new immigrants. Manitobans are grateful to them for the skills, knowledge and much-valued cultural diversity they bring to the province. The province can also thank them for their role in helping attract more skilled immigrants to Manitoba from their home countries and helping make our Provincial Nominee the best of its kind in Canada. They have been making friends and relatives back home aware of the advantages that Manitoba has to offer and have helped them navigate their way through the immigration process. Thanks in part to their efforts, the province is set to reach its goal of attracting 10,000 immigrants this year. These constituents are particularly happy that Budget 2006 is allotting 20 percent more money for settlement programs for newcomers thanks to the announcement of the Minister of Labour and Immigration (Ms. Allan), and they look forward to hearing more details.

\* (15:30)

The budget also provides a very welcome \$100,000 increase in funding for ethnocultural community organizations. In this context, I should say that the Philippine-Canadian Cultural Centre, which was constructed with the financial assistance from the provincial government, has been much appreciated by my Filipino constituents. Hundreds of new Filipino immigrants have made use of the centre's settlement and acculturation services. The same can be said for the Manitoba Sikh Cultural and Seniors Centre, which also received a financial contribution from the Manitoba government. Immigrants bring prosperity to our province. We have to welcome people who possess the skills, training and experience we need here to help grow the province and the economy.

Mr. Deputy Speaker, I would like to comment on our government's fiscal management over the course of its seven budgets. Experts in the financial

world have positive things to say about the NDP budgets. For example, going back to our first budget in 2000, BMO Nesbitt Burns said that, I quote: It deserves high marks for improving the transparency of Manitoba's finances. In 2001, we have CIBC World Markets saying that that year's budget, and I quote, reinforced a commitment to reduce taxes, pay down debt and invest in key programs, all the while maintaining a positive fiscal balance, close quote. In 2002, the Investment Dealers Association praised the NDP government for staying on track with tax reductions, reducing the debt burden and creating a positive climate for business investment and growth.

I could go on citing examples of experts' endorsements of our prudent and responsible fiscal plans year after year, and the endorsement continues. This year, Scotiabank said that Budget 2006 maintained the NDP government's balanced game plan. Analysts of the TD Bank Financial Group concluded that a well-diversified economy and sound fiscal management have allowed Manitoba to record a steady stream of surpluses, put the debt burden on a downtrend and introduce new tax cuts.

Mr. Deputy Speaker, in conclusion, there is so much positive things about the NDP government's budget. I believe that in Budget 2006 we have a sound financial plan for providing Manitoba families with the high quality public services and the financial and social opportunities they want. Thank you.

**Mr. Peter Dyck (Pembina):** I, too, am pleased to put a few comments on the record. But before I do that I want to indicate very clearly that I am proud to represent one of the fastest growing communities in rural Manitoba, the communities of Winkler, Morden, Manitou, La Rivière, Darlingford and the surrounding villages as well. They continue to grow and to prosper in spite of the government that is in place today. I want to indicate to you in the next few minutes some of the areas of real concern that we have, that I have, the area that I represent has.

First of all, Mr. Deputy Speaker, I must talk about the fact that here is a government who, and as our previous speaker just indicated, is very pleased about the fact that the continuing debt is climbing. We are now at almost \$21 billion, an unprecedented level of debt that this province has never seen before, and it has been growing in the last number of years. This debt is no different than any household debt. When it gets to the point where it cannot be managed and managed in a prudent way, then there are times it

is necessary to take a very serious look at what is happening.

The members opposite would say: Well, you do not want spending taking place within the province; you want to cut back. My contention on this would be that we have to have managed spending, and it has to be spending that takes place with priorities. I would submit to you, Mr. Deputy Speaker, that this is a government that has its priorities mixed up.

But I want to be a little more specific in some of the areas regarding the debt that we have and that we see today. Of course, that involves 33,000 of our Crocus shareholders who have lost over \$60 million. This is, again, terrible for these people who have put their confidence in a board, in a fund. They have put their money there, and it has been under the direction of the Premier (Mr. Doer) of the province. Now they find out where they have mismanaged a fund and people have lost a lot of money.

We see this taking place today where there has been a lawsuit that has been laid against the government, naming a number of the principals who are involved in government and the direction that they took. The Premier and the government of the day had an opportunity years ago to look at this and look at it in a serious fashion, but did they do it? No. They let it go until finally they had to take the Crocus Fund off the investment portfolio, and now these are the people who are looking at recouping some of their losses.

Mr. Deputy Speaker, this budget has all to do about the direction that the Province is heading, and I submit to you again that they are heading in the wrong direction.

The other areas I need to look at, one of the other areas, of course, is agriculture. This is something that I personally am very involved with as well. We see over the last several years the fact that agriculture, as we see indicated from week to week and month to month, of course, is losing money and continuing to lose money.

Now, are the factors such as weather, are they the fault of the government? No, I would not blame them for that. Certainly they have no control over the weather, although at times I would like to think that the last few years with the direction that this government has been heading, that possibly they are to blame for some of the things that have taken place. But I will digress from that. I would rather indicate that, no, we cannot blame them for that, but we can

blame them for some of the decisions that have been made.

The Minister of Agriculture (Ms. Wowchuk) knows full well that when BSE hit, it took a full 74 days for anyone from the government to even respond to it. Now, the last number of years, they have been indicating that they want to build a slaughter facility. To me, when I look at it as a businessperson and when I look at what has happened in the last number of years, if there would have been a plan, something would have taken place. There is obviously no plan.

There was no plan and maybe this was an intentional thing. Maybe there was no intention to build anything, and so they have been coming back to the province, to the electorate, to the farmers involved in the raising of their livestock and have been leading them on. That is another possibility but the bottom line is to date they have done nothing, absolutely nothing.

So what are the people who are involved in agriculture, what are they to think? Obviously, they are being led down a garden path and they are not sure which way to go.

So when I look at my area, I would say that over the years the southern Manitoba area agriculturally has been an area that has been doing reasonably well, but when I look at the last two years, what I am seeing and especially this last year there is a quiet exit, a quiet exodus from the farm. People, young producers, are leaving. Again, this is very well illustrated by the number of auction sales that are taking place right now. I talked to a local auctioneer just several weeks ago, and he says since January he has been totally booked for the whole year.

Now, that does send a message. So, I, of course, asked him. He has had the opportunity to meet with many of these people who are getting out of agriculture, so I asked why is this happening? What is the reason? What are you hearing when you go and meet with these producers? He says it is just a very quiet sort of sense that he gets from them. They are saying, listen, I maybe have a little bit of equity left; I am going to sell out so consequently, hopefully, I am going to be able to pay my bills.

On the other hand, there are also those, as he has indicated very clearly, who have no option. The banker has come to them and indicated that they will not be receiving any more money. In fact, what is going to be required of them will be to pay back the

loans that have been made. So, consequently, they have no option. They have to get out of agriculture.

Then I come back to the other side of what has this Ag Minister done for the producers. In fact, she has added a backdoor tax. Rather than allowing and helping those involved in agriculture to pay off their loans, she has added another tax which has added to the debt problems that the producers are already confronted with.

\* (15:40)

So, Mr. Deputy Speaker, we have a real problem in rural Manitoba and it will have to be addressed. I know that right now with the new Conservative government, federally, they are constantly looking toward the federal government to solve their problems. We, provincially, do have some of our own problems here that we have to look at as a provincial government. So I would encourage this Agricultural Minister to do something for them.

In conjunction with agriculture I want to indicate and I want to tie in with that the whole area of the energy, science and technology. Now, Mr. Deputy Speaker, just to give you a little bit of an idea as to the process and what has been taking place here, in January of this past year one of the local entrepreneurs from the Winkler area came to me and indicated that he would very, very much like to meet with the minister or some of his staff regarding the development and the future development of biodiesel and ethanol.

I got in touch with the minister and he assured me that certainly the staff would be getting in touch with this gentleman and could proceed because this gentleman is very much involved in the construction of these biodiesel and ethanol plants. Well, Mr. Deputy Speaker, I have to indicate to you that it took over three months, three months for this minister to get back to this gentleman. What has happened in the last while now, in fact, I met with this gentleman just this past weekend, and the thing that happened there was that—his name was Clarence Leschied. He was the one who was the initiator and helped to establish and build and construct the plant at Jordan. It is now known as Jordan Mills and what they are doing is they are processing about two tanker loads of biodiesel every week.

Well, what has happened in the interim is that our American friends from Grand Forks have gotten in touch with Clarence, and so I found out this past

weekend that he is actually leaving Manitoba and he is moving to Grand Forks and he is going to help to establish and to set up four biodiesel and ethanol plants on the U.S. border, just south of Manitoba.

Now, Mr. Deputy Speaker, the intention of this process is that they are going to be putting up these plants. They are going to be value-added plants. They are hoping to buy our raw material from Manitoba that they will process and of course then sell it back to Manitoba. So we are losing a golden opportunity out here of being able to add value to products that we in fact are growing within Manitoba. So I want to indicate to you that these are some real concerns I have regarding adding value to products within our province here.

Mr. Deputy Speaker, health care, I need to touch on that one as well. It is very interesting, last week the Minister of Health (Mr. Sale) and I were at Boundary Trails, and it was due to a gift that was initiated by Bonnie and John Buhler where they put in \$1.5 million toward the purchase of an MRI. The local fundraising committee who was chaired by Mr. John Kuhl got working and, within a short time, in fact the period of three months, they had in fact raised the other \$1.5 million. This is great. We see the community getting involved within the purchasing of capital for the Boundary Trails which is great.

On the other hand, though, Mr. Deputy Speaker, I find it interesting that we have a government here who is so very concerned about any establishment or any involvement with private-public relationships. Again, I do not understand it, but the Minister of Health was out there indicating that they were very supportive of this. So, while on the one hand I agree that this is great and I certainly want to see the continuation of this, on the other hand, I just find it so interesting that the moment anything is said about private-public regarding anything in health care, that there seems to be a shying away from it from the present government.

Now the member who just spoke previously to me indicated that, on a per capita basis, they were spending the most money in Manitoba in health care, per capita. Well, Mr. Deputy Speaker, that is great, except that what are we getting as results? We are dead last when you look at the statistics that have come out. We are dead last. So where is the money going? We need, again, to look at this, to get our priorities straight and make sure that those people who are waiting in pain for their hips, for knee

replacements, that they in fact get these in a timely manner.

The other thing I need to mention is that I had the opportunity, together with the Minister of Health, to tour Tabor Home in Morden. Now, here is a group who are needing to, in fact, get new facilities and we have got waiting lists. Just on that, the whole part of waiting lists for personal care homes, in Tabor Home we have a waiting list of up to 40 people wanting to get into this facility. In Salem, which is just down the road in Winkler, we have a waiting list of over 40 people waiting to get into the personal care home. But, then, tied to that in Boundary Trails, we have 15 people who are waiting who need a personal care bed. We are tying up valuable facilities, valuable beds which could be used for some of these other procedures, such as hip and knee replacements. So the Minister of Health needs to look at this very seriously, as does the government of the day, in putting up facilities and, in fact, meeting the needs of those in rural Manitoba who need to be able to access a personal care bed.

Mr. Deputy Speaker, in closing, I need to touch, though, on the clean water act, as was raised by my colleague across the way just a few minutes ago. I had the opportunity to go to what they call the meetings or their consultation process in rural Manitoba. It was very interesting, at the outset I would ask a number of people to clearly indicate to me as to the recording method that was taking place regarding the comments that were made at these meetings. Now, the interesting part that I found out, at the end of each one of the meetings I was directed to, in fact asked the question, that there was someone sitting at a computer, and when we were watching this gentleman and the recording that he was doing, it would be about every 15 minutes that he would maybe just do a little bit of typing and then he would be sitting again. Now, if that is a true recording of the comments that were made. *[interjection]* The minister of highways here is making a strange comment. I will not put it on the record.

But my point is that if this government considers that to be consultation and a recording of the comments that were made, I totally disagree because there were no—*[interjection]* The Minister of Agriculture (Ms. Wowchuk) is wondering which consultation. It was the consultations on the clean water act. *[interjection]* But they did not listen. They did not listen. No, they did not listen to any of the comments that were made. My point is—*[interjection]* No. The government needs to

recognize the fact that they said they were having this, but there was no recording of anything taking place.

So that means that they have already made up their mind. They made up their mind that this is the direction they are going to go. Consequently, we are looking for some feedback from the government; what did they actually say? I am sure that they will never, ever table anything that was said at any one of these meetings. So it is interesting that lip service is being paid, but actually what is taking place? That is a real concern of mine.

Now, again, the members in the House here think that this is very, very funny, the fact that they can now put regulations in place that, in fact, as our critic indicated, are going to be driving people from being able to raise livestock in the province and produce crops. They think that this hilarious. Well, Mr. Deputy Speaker, I disagree. I think this is very, very serious. Is the fact that they are trying to make sure that Lake Winnipeg is clean or that the water systems within our province are clean, is that a good thing? Absolutely, it is. We need to do everything that we can in order to make sure that we have clean water in the province. However, I would submit to you that there needs to be a scientific rationale used in producing those kinds of surveys and then, of course, making decisions specific to regulations.

\* (15:50)

So, Mr. Deputy Speaker, with those few words I would like to indicate to you that I have had the opportunity and I have enjoyed the opportunity to be able to make a few comments. I certainly hope that this government is going to use the information that they garnered from Manitobans in governing the province and making decisions that are rational. But history would prove that that is opposite. They have driven us to an all-time unprecedented debt within the province. There are so many scandals taking place at this time, it does not matter which department you access, there is another issue that is out there. I believe that they have lost the right to govern and a change is in place.

**Mr. Gerard Jennissen (Flin Flon):** It is a pleasure to finally be able to put a few words on the record regarding the budget after almost two months of waiting. There certainly was a lot of obstruction in procedural wrangling and bell ringing. In fact, they were carrying books around, I guess it was *Beauchesne*, and then the Liberals carried candles around and the Tories rang the bells. So I think this

is an opposition that we will call the bell, book and candle opposition, Mr. Deputy Speaker, the bell, book and candle opposition.

As the Member for Thompson (Mr. Ashton) suggested, either there was a grand strategy, which we highly doubt, or there was a total lack of strategy. Whatever. Nothing much happened for about two months, even though the opposition strenuously insisted they were doing the people's business. Some of the opposition members in the past have called for even longer sessions, apparently. We need more days. So the question, the rhetorical question I ask, more days to do what? You did not do anything for two months.

So, again, to paraphrase somewhat the Member for Thompson, the question is, were they afraid to debate an excellent budget or were they just simply too lazy to do the work or were they too embroiled in a leadership race? None of the above or all of the above, Mr. Deputy Speaker?

Meanwhile, we noticed that on May 1, Workers Day, we actually did, finally, get to the budget. I want to thank the new Leader of the Opposition for that. We wish to say a few kind words about him and I hope he does well. He is certainly a fresh face. I hope he does not burden himself with the backroom boys of the past, whether they are of the Filmon variety or of the Mike Harris common-sense revolution debacle from Ontario.

We want to wish him well, however, and we also wish well to the other contenders, the Member for Springfield (Mr. Schuler) whose heckling I much miss on this side. I grew accustomed to a certain level of noise in my right ear and that has diminished to the point where it is upsetting me. *[interjection]* Well, of course, the heckling comes from the right. But I do thank the Member for Springfield for putting his name forward because it is not an easy thing to run for a leader, to put your name out there and work hard, so I thank him for that.

I also want to thank the outgoing leader because I think—at least in my humble opinion, I do not speak for everybody, I thought he was a great leader. I thought he was a great orator. He is certainly an ethical gentleman and I like the guy. I thought he was vastly improved, too, as a speaker for sure. Anyway, I wish them all well.

But, as many of my colleagues have pointed out, this is not only a great budget, and they have gone into great detail to point out how great the budget is,

but I want to talk a little bit more about some more obvious things and perhaps focus on the North a little bit more.

For one thing, there have been many visible changes. People who are opposed to the budget will tell me, well, this does not meet our requirement or that does not meet our requirement and they nitpick it to death, but if you look at it in an overall sense, in sort of a visible, concrete, palpable sense, you will see things that we never saw before. For example, in Winnipeg, and in the region around Winnipeg, we see an MTS Centre that was not there before. We see the Red River College expansion, physical evidence of growth. We see a new Hydro building mushrooming out of the ground. That certainly is good for central Winnipeg.

The floodway expansion, again a massive project, was not there before, Mr. Deputy Speaker. A little bit further away there is the St. Leon wind farm. I know that members spoke disparagingly about the wind farm a little while ago, but I think developing wind energy is extremely critical. Again, we are seeing windmills. We certainly did not see them before when the Tories were in power.

**An Honourable Member:** Just a lot of wind.

**Mr. Jennissen:** A lot of wind, but no windmills, as my honourable member says.

Also, the opposition seems to talk in negative terms about hydro development in northern Manitoba, the one single area where the North can excel and do well. I do not ever remember, as the Member for Thompson (Mr. Ashton) always points out, the Tories having built a dam, at least not in living memory, at least not in recent memory. But we are working on Wuskwatim. We are working on the Kiask dome and we are working on Conawapa. Those are massive projects and they will make Manitoba rich because hydro-electric power is what oil is to Alberta. I cannot for the life of me understand why they denigrate that. Even when we equalized hydro rates they were not happy. Look, we equalized hydro rates and gave farmers 13 million bucks. You did not do that. You just upped their taxes.

So, many things have changed, Mr. Deputy Speaker, in this region, but in the northern area, in the Flin Flon area, we see some huge changes as well. Let us take some of the outlying towns. Lynn Lake now has a water treatment plant that it did not have before, state of the art, still needs a lot of work.

South Indian Lake has a water treatment plant, sewage system and a road. The Tories promised us a road from Leaf Rapids to South Indian Lake year after year after year after year. We never got it. When we were elected, we built that road. It was supposed to be a \$13-million project and unfortunately it ran a little higher, quite a bit higher, than that but we did put in that road.

Sherridon, despite the Liberal Leader's negative opinion about what is happening around Sherridon, some great things have happened. We are putting in \$3.28 million because we are going to upgrade the water system and the sewage system. Now the Liberal Leader argues all the time about why are we not fixing the copper mine tailings that are left near the town that tend to bleed into Kississing Lake, and we have done some work on that, Mr. Deputy Speaker.

I want to point out to the Liberal Leader that when that mine closed in 1953, when that copper mine closed, there were two governments that we could blame for this. One of them was in Ottawa and I think it was under St. Laurent, a Liberal government, but there was also a Liberal government in Manitoba. So both governments, the provincial one and the federal one, were Liberal, and they totally ignored the problem, a problem that the Tories have not fixed and that we are now apparently going to have to fix. I just want the Leader of the Liberals to understand that when he criticizes the NDP for not doing quite as much as we ought to be doing, they did not do a thing. They just totally ignored it.

Mr. Deputy Speaker, when I go to Flin Flon, I see changes there that were not there in 1999 so this not something that goes back a long time. It is a fairly short time. Let me point out to you, in 1999 there was no Flintoba Shopping Mall. This mall now exists and draws people from all over northern Manitoba and also from northern Saskatchewan. We replaced several strategic bridges in Flin Flon that were wasting away and needed to be replaced. The Tories never got to them.

We needed to upgrade and we needed to pave Highway 10A into town, and also we needed to pave the perimeter highway around town. That did not happen under the Tories. It was on the books but they never got around to it, but thanks to this minister of highways, we now have pavement there.

We have a new primary health care facility in Flin Flon. It is mushrooming up there downtown. People can see it. It is visible. People are in it. People

are using it. It was not there before, in 1999. We have a new elevator in the hospital. Why did we need a new elevator, because we need to accommodate the new ambulances we have. Obviously, things have changed in northern Manitoba. The hospital has also been upgraded. The dialysis units have doubled from two to four, much needed up there. That is wonderful to see. We have a waste water treatment plant, a \$13-million waste water treatment plant. Again, the party opposite talked about helping us out on waste water but never got around to putting the money into place.

There are hundreds of cottage lots available across Manitoba, particularly in northern Manitoba, particularly around the Flin Flon-Cranberry Portage region and Snow Lake. They were not there before, Mr. Deputy Speaker. They are there now, concrete, physical evidence that we are doing things, that we have done things.

University College of the North: There has been a massive increase in enrolment, well over 40 percent. So this is a good budget. I have no idea why the members opposite want to nitpick and pick out a few things they do not like and say it is a horrible budget. Listen, it is the seventh balanced budget in a row.

I remember in '92-93 when you people ran up an almost \$800-million deficit. Nobody talks about that. We are not running up deficits. We do not increase taxes on farmers. We decrease them. We have reduced not only income taxes, small business taxes, corporate taxes even. Can you believe that? We have done that. Tories did not do that. I would point out that, since 1999, the personal and property tax reduction in this province has reached \$472 million and the opposition cannot deny that. They are the ones who increased taxes; we are the ones who decreased them.

\*(16:00)

Let us get to the bottom of why, eventually, they had a bit of a slush fund, a rainy day fund, when they sold MTS, which I think, Mr. Deputy Speaker, was one of the real debacles, the biggest scandal of all, because 70 percent of Manitobans did not want that sale. It never really hit home until I drove the other day from Battleford, Saskatchewan, where I have a brother-in-law who, unfortunately, is dying of bone cancer and is probably, at this point, very close to death. I drove back to the north of Flin Flon, and I was really intrigued because I could use a cell phone to get an update every hour, every half hour. I could use a cell phone all the way from Battleford to P.A.,

from P.A. to Nipawin, right from Nipawin to the border. What happened when I came to Manitoba? No cell phone coverage. I thought, there must be a connection here. Why is it that when I drive from Winnipeg north, I can have a bit of cell phone coverage, then nothing. I get to Ashern and I get a little bit of coverage. Then, for four hours, nothing, till I get to The Pas, then a wee bit of coverage till I get to Flin Flon. Huge areas not covered: Cranberry Portage not covered, Lynn Lake, Leaf Rapids, Snow Lake. Yet, when I drove from Battleford north to The Pas, I had coverage almost all the way to the border.

Why is that, Mr. Deputy Speaker? I think there is a fairly obvious answer. The obvious answer is that the Saskatchewan government, the Saskatchewan people still own and control their telephone system. When we sold it off so rashly in '96 against the wishes of the people, we can argue all kinds of stuff if we want to in terms of finances, the reality is they were only looking at the bottom line, at profit. Saskatchewan looks at profit plus service to people. We are not getting service up north. Every time we go to the so-called MTS, supposedly that represent us in looking after our best interests, they tell us you cannot have a cell phone, there are not enough people there. You cannot have a cell phone in Snow Lake. You cannot have one in Lynn. You cannot have one in Leaf or Cranberry. How come they have them in every little town from Battleford up to Nipawin and through the north? Saskatchewan actually gives service and they are still making money. You guys sold out one of the finest corporations we had. Sir Rodmond Roblin would turn over in his grave if he knew what you were doing. But, of course, that was a different Tory; he was actually a Progressive Conservative.

I really worry about other Crown corporations, such as Hydro. I hear the talk. I hear the talk all the time: We will never sell Hydro. I remember asking Mr. Filmon that question, and two weeks later they did sell it. He said, Mr. Filmon said, we have no plan to sell MTS. Two weeks later they sold it. Now, I do not know what you call that in my book, but in my book that is not quite telling the truth. That is straying far from the truth. The fact that you sold MTS is one thing. The fact that you are planning to sell Hydro is another. Now, you can protest all you like, but methinks the lady doth protest too much. I do believe that right-wing Tories will sell this Crown corporation, and I think it is time we alerted the people of Manitoba. They are not going to listen to us. They are not going to listen to a positive budget.

They are going to do their own thing. Fine, let them do that. But we are going to put a straightforward message to the people of Manitoba about this budget.

The people of Manitoba, and particularly the people of northern Manitoba, can tell a paved road from one that is not. The people of northern Manitoba can tell a building from a non-building. The people of northern Manitoba can tell good service from bad. They can tell rate shock when it set in after 1996, when you sold MTS. What used to cost me \$12.80 for a subscription per month for a telephone, now costs me fifty-something. Mr. Deputy Speaker, that is the kind of stuff we warned them against when they were embarking on this right-wing venture to sell the people's corporations. I think they are intending to do that again with Hydro, and I think the people of Manitoba will be alerted. They are not going to be fooled.

Mr. Deputy Speaker, with those few words, I will conclude, and I will invite the members opposite, even though I know they will not take up this invitation, to support this very good, progressive budget.

**Mrs. Bonnie Mitchelson (River East):** I rise in my place today to assure the Member for Flin Flon that we will not be supporting this budget. There are many, many reasons why that will not happen. No, after listening to him, I did not have a change of heart. I have decided, Mr. Deputy Speaker, as have all members on this side of the House, that we will not be supporting this budget. There are many reasons why not. We have a long list of amendments that have been placed on the budget speech that we will be voting for.

But, Mr. Deputy Speaker, how can we believe any of the projections in this budget when we cannot believe anything that this government says? We have seen time and time and time again where ministers stand up in this House, do not accept responsibility, are not accountable for their actions, and we, on this side of the House, see right through what they are trying to do.

Just maybe if I could give some of the newer members a bit of a history lesson because I know the Member for Elmwood (Mr. Maloway) was around between 1986 and 1988 when I was first elected and was quite new and was just sort of learning my way around in the Legislature and we had one Throne Speech. It was my second Throne Speech, I guess, and second budget that I was here and had the opportunity to debate in the Legislature.



Mr. Deputy Speaker, at the time, and just a bit of a history lesson, the Minister of Finance who introduced the budget for the New Democratic Party was one Eugene Kostyra. Well, I know members of the government may applaud, but I do not know for sure whether they will be applauding once the lawsuit has been dealt with and we see—[interjection] It was in 1988, yes. I said 1986 to '88, and it was in 1988 when the budget was defeated. Lo and behold, what happened to that budget that was introduced?

I think, Mr. Deputy Speaker, you were here at the time, too, on that fateful day as members rose in the House to vote on the budget, and what happened? One of their own members voted against their budget, which brought down the government and caused the election in 1988.

Mr. Deputy Speaker, we were going through some of the same kinds of things that we are going through today: a government whose spending was out of control, a government that did not see a tax that they did not like or that they did not hike. We have seen that in successive budgets, and we know that as soon as we get a socialist government that has their hands on the purse strings, they do not know how to manage appropriately. They believe that government knows best how to spend hard-earned tax dollars, that if you leave too much money in the pockets of individual Manitobans that they are going to make a mess of things. They are not going to know how to spend their money properly. Just give it us as government because we know best how to spend your dollars.

Well, Mr. Deputy Speaker, Manitobans are becoming wise once again, and they see the same history and the same kind of activity happening today as happened when they were in government before. But I think the biggest issue, or several of the biggest issues that we face today, is the continuing number of scandals that we see that have plagued this government. We have seen incompetence, lack of accountability, lack of ministerial responsibility in several different areas throughout government. The one, of course, that sticks in most people's minds is the Crocus scandal, a scandal that has plagued this government for many, many months now.

\*(16:10)

We have a Premier (Mr. Doer) and we have his minister stand up when questions are asked, very legitimate questions are asked, on this side of the House about who knew what when, and we do not

get anything but rhetoric, rhetoric from the government side, Mr. Deputy Speaker, with their prepared answers and their prepared spin. They do not accept any responsibility. Well, they do; they like to quote back to when we were last in government and what happened under our watch at the Crocus Investment Fund. But, when it comes to standing up and taking responsibility for what happened under their watch when red flags were raised, they accept no responsibility whatsoever.

But, you know, Manitobans are not fooled. The 30,000 Manitobans who lost \$60 million in retirement savings, Mr. Deputy Speaker, do know that if, in fact, this government had heeded the red flags that were raised back in 2001, 2002, that maybe some of their money could have been saved.

Well, Mr. Deputy Speaker, that did not happen under this government and their watch. What did we see today? Well, we have seen the Crocus shareholders launch a suit against the provincial government. One only has to read through this lawsuit to know what has gone on, what the government and what the insiders in the government who had the ear of the Premier did. We see right in the lawsuit that is in front of us—and I want to quote from this lawsuit because I think it is very revealing. I think that members on the government side of the House, who have probably only heard the spin and the rhetoric that has been provided by the communicators and the ministers who should take some responsibility, they probably really do not understand what has happened. They have been kept in the dark just as much as the public has been kept in the dark around this Crocus scandal.

So, Mr. Deputy Speaker, if you will just indulge for a minute, I think the comments in the lawsuit are extremely revealing. I will just start reading from page 9 and page 10 of the document, and it says: Eugene Kostyra—now he is the same Finance Minister, I think probably the only Finance Minister in the history of the Province of Manitoba who had his budget defeated and brought his government down. Mr. Walding, I think, at the time must have known something about that budget that was not quite right, because why would a member of the government benches vote against the budget and know that by doing so, it would be a vote of confidence, that it would bring his government down. It would cause an election, and at that time we all know what the results were. The NDP lost that election and we came into power.

But I will quote again from page 9. It says: Eugene Kostyra had been a director of the Crocus Fund, and, after leaving the Crocus Fund, went on to become secretary to the Crown's Ministry of Industry, Economic Development and Mines, which had responsibility for monitoring the Crocus Fund and ensuring its compliance with the Crocus act.

Well, Mr. Deputy Speaker, we do know that both the Premier (Mr. Doer) and Eugene Kostyra were union bosses back in their days before they became legislators. We do know that when Mr. Kostyra's budget was defeated, he went back into the union movement and worked there, sat on the board of the Crocus Fund, and as soon as the government came back into power, like magic he was here again in the building, the very first day. I know for a fact that he does have the Premier's ear. They are good friends. He has been hired to manage the affairs, and from time to time there are many who comment and say that it is Eugene Kostyra that runs the province of Manitoba, that he makes the decisions for this government and for the province. So he is and does have the Premier's ear.

Now, if he had come from Crocus to work for the government and there were issues at Crocus, surely, Mr. Deputy Speaker, he knew about those issues, and it would be very important for him to share that kind of information with the Premier. Do you not think that the Premier's major economic adviser in the Government of Manitoba would want to make sure that the Premier would not get caught in a situation where he did not know what was going on and there was inappropriate activity in one of the funds that government had responsibility for?

The report, Mr. Deputy Speaker, goes on to say that government insiders Kilgour and Kostyra abused their public office with the Crown to prevent, block and otherwise shield the Crocus Fund from adequate investigation by the Crown.

Well, the question then becomes: Did they really block and shield the Crocus Fund from adequate investigation by the Province and by the Premier, or what did the Premier know? How much advice did Eugene Kostyra give to the Premier? Did he indicate that the Crocus Fund was going down the tubes, but because of the union involvement and the players involved, that they were going to try to do damage control?

Mr. Deputy Speaker, it goes on to say in here, because of the above conflicts of interest the Crown did not properly enforce the Crocus act and

deliberately ignored multiple warning signs over a sustained period regarding the management of the Crocus Fund.

Well, it sounds pretty clear to me that there are many, many things that we do not know. The only way we are going to find out what really went on is by having government call a public inquiry, and have people like Eugene Kostyra put his hand on the Bible and swear to tell the truth and tell what he knew when and who he shared that information with. Did he share it with his bosom buddy, the Premier of the Province of Manitoba? Was there discussion behind closed doors in the Premier's office or somewhere out at some sort of social event or activity? What actually did this government know? What did the ministers know? What did the Member for Brandon West (Mr. Smith) know when he was the Minister of Industry?

You know, we have a Minister of Industry (Mr. Rondeau), the Member for Assiniboia, who stands up and spouts the party lines. I guess I feel a little sorry for him because I know that he was not the minister responsible when this took place, so he really has nothing to base his answers on except what he has been told. I would imagine that Eugene Kostyra was probably part of the briefing process for the Member for Assiniboia when he became the Minister of Industry. It is very convenient for governments to move ministers when the heat is on so that the new minister that comes in does not have to accept responsibility or take account for what happened before their watch.

Mr. Deputy Speaker, again, in the lawsuit it says that there are allegations that the government insiders overstated the Crocus Fund's assets and overstated the value of its shares. The non-disclosure of the true value of the shares and the continuation of trading in the Crocus Fund shares created a real monetary loss for innocent shareholders.

\* (16:20)

These are the people that we need to feel sorry for, people that put, in many instances, significant amounts of money into a retirement fund that they thought should be fairly secure. Government knew in 2001-2002 that something had gone amiss, and they sat back on their hands. They did nothing. They tried to hide what was going on. As a result, \$60 million down the tubes, out the door, money that those retirees will never see. These are the people that we need to get to the bottom of this issue for.

Mr. Deputy Speaker, it is alleged also that government insiders failed to apply reasonable skill and diligence and failed to discover and dispose the material adverse facts. It says, the Crown—and the Crown, of course, Mr. Deputy Speaker, is the province and the Premier (Mr. Doer)—it says: The Crown, both vicariously through government insiders and directly through its own statements and actions promoting the Crocus Fund, represented the Crocus Fund as a major success story, a business enterprise benefiting Manitoba with the expectation of growth in the future. The picture thus created was a sham.

Now, surely to goodness, Mr. Kostyra, who had been on the Crocus board, had been moved into a position of trust by the Premier of the Province of Manitoba, would have not tried to cover up something that was going on at the Crocus Fund.

Mr. Deputy Speaker, I could go on and on, but I think—

**An Honourable Member:** You should talk about Mr. Kostyra's budget that he presented in '99.

**Mrs. Mitchelson:** Yes, we must go back again and I did talk earlier, and I know some colleagues that are here in the House maybe did not hear the comments, but we have a disgraced Finance Minister who is now running the government, a man by the name of Eugene Kostyra, who was the only Finance Minister in the history of this province to have his budget defeated and cause an election. Now that is a pretty dubious distinction. It is not one that I would want to have, and I know it is not one that the present Minister of Finance (Mr. Selinger) would want to have. But I would think that this Minister of Finance would want to stand up and get to the truth of the matter. He may know the truth of the matter behind Crocus, but he might be hiding it intentionally to try to protect Eugene Kostyra or his Premier or some of the ministers of industry that may have known that higher authority.

I know this government well enough, because they like to play the blame game, and they blame absolutely everything that is happening today on the former government. Seven years later it is still what the Tories did when they were in government that created all the problems without taking any responsibility. I know for a fact, Mr. Deputy Speaker, that if this government could pin everything on the former government they would have called an inquiry months ago, but they have something to hide. They

do not want to have to put their hands on the Bible and swear to tell the truth and be open and honest with the shareholders that invested their money in good faith and thought that the government would be helping to look after their retirement savings.

Instead, government, time and time again, was given warnings, and they chose to ignore those warnings. There must have been some other agenda, something that they were trying to hide or to cover up. I do not think any government in its right mind would want to hurt 30,000 investors that were counting on their retirement pensions through the Crocus Fund.

So, Mr. Deputy Speaker, I just want to end my comments by saying that it is time this government stood up and became accountable. It is time that this government stopped trying to hide the true facts around the Crocus scandal and that they call a public inquiry. If I was the only one that was standing up and calling for a public inquiry, then that would be one matter. But you know we have had the media—I think every different media outlet in the province of Manitoba says there needs to be an inquiry. We need to get to the bottom of it. Venture capital is too important for us not to know what went wrong and try to fix it in the future.

*Mr. Speaker in the Chair*

Mr. Speaker, Manitobans also want to know what role this government played in covering up what went on, why they didn't react when warning signs, red flags were raised with them. You know, we need, Manitobans need to get to the bottom of this situation. We need to know what happened. We will not let up until this government calls an inquiry. We will not—

**An Honourable Member:** After the election.

**Mrs. Mitchelson:** Well, Mr. Speaker; the Member for Elmwood (Mr. Maloway) says after the election. And, if it is anything like 1988, after the election we will be in government, and we will call a public inquiry. Thank you.

**Mr. Daryl Reid (Transcona):** It is my pleasure to rise to speak to our latest budget, Budget 2006.

**An Honourable Member:** OlyWest, man.

**Mr. Reid:** Yes, I will get to that topic in a few moments for the Member for Steinbach (Mr. Goertzen). I know he will be interested in my comments in that regard. I will tell you a bit about

what my constituents are thinking on that in a few moments, if you will just be patient.

**An Honourable Member:** I am listening.

**Mr. Reid:** Mr. Speaker, it is a pleasure to rise to speak to Budget 2006, because this adds—

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

**Mr. Speaker:** Order.

**Mr. Reid:** Thank you, Mr. Speaker.

This budget adds greatly to the quality of life, not only in my own community of Transcona that I represent, have had the honour of representing for a number of years, but also for the entire province, Mr. Speaker, and I am proud of the work that the Minister of Finance (Mr. Selinger) and our government has done with regard to Budget 2006.

But I would first like to start, Mr. Speaker, looking across the way at the number of new faces that are on the front bench of the opposition, to congratulate the Leader of the Official Opposition (Mr. McFadyen). It will be interesting to watch him over the coming days and weeks now that he is finally back with us. We will welcome his comments on a number of topics, and we will be listening very closely to what he says.

I would also like to recognize the former leader of the opposition, Mr. Speaker. I have had a few discussions over his time in this House, and I must say he is an honourable gentleman, and he was a credit to this Legislative Assembly and to the people that he represented. I wish him well in the future.

I would also like to recognize, Mr. Speaker, the pages that we have had serving us in this Legislative Assembly. We have had very good success over the years that I have been here. The quality of the individuals that have been selected to serve us in this Chamber is quite impressive, and we congratulate those that are not only making this election, but also those pages that are serving us in this Chamber, like right now. Thank you very much. I look forward to working with them in the coming weeks. They are very, very, energetic, young individuals, and we encourage them after their life as a page in this Assembly to perhaps consider a future in politics, if they are not too jaded by the process that they observe in here day-to-day.

Mr. Speaker, I would also talk a few moments about—and I know in the interests of conserving time,

I will try to keep my comments very brief and to afford other members of the Assembly the opportunity to speak to this budget. But we have accomplished a number of initiatives as a government, of which I am proud. I think to the one issue that has affected folks in my community, and my community is not immune to this, and that is crystal meth. It is an issue that has affected families in my community. I have had the opportunity to work with those families as they try to discourage the youth in their families—to encourage them to move away from use of that particular drug, because it is a consuming drug. It alters the personality and character and leads eventually to death if an individual chooses to continue consuming that illegal substance.

\* (16:30)

I want to congratulate the Minister of Justice (Mr. Mackintosh) and the Minister of Healthy Living (Ms. Oswald) for their efforts in trying to control crystal meth, and for the initiatives they have brought forward, and for the—*[interjection]* Well, the Member for Steinbach (Mr. Goertzen) was quite encouraged by the fact of the number of pamphlets that we had available as a government, and he took a good number of them and distributed them to his constituents. So I am glad to see that he recognized the work that our government has done in that regard, and that he was able to take those pamphlets and distribute to the people that he represents.

So, Mr. Speaker, I would like to congratulate our two ministers and our government on the work that we have done. We have much more work to do yet with respect to that particular drug and other drugs that are a scourge on our society, in the way that they attack the youth of our society in particular. I have observed it first-hand in my own community. I have talked to the families in my community that have been, unfortunately, involved. We have taken the steps to try and help them, but we will continue to work with them to try and find new and innovative ways to remove this drug from society.

Mr. Speaker, I am also proud of the fact of the work that we have done with respect to auto theft in the province of Manitoba. I hope members of the assembly here have taken advantage of the immobilizer product and have had it installed on their vehicles, because that is one of the ways that we can prevent theft from occurring in the first place.

Mr. Speaker, we recognize when this program was announced, and our Minister of Justice and our Manitoba Public Insurance corporation announced

the immobilizer program last year, that we were hopeful that folks would take advantage of the 50 percent discount toward the installation of immobilizers. Of course, we have a number of vehicles that are very susceptible, many thousands of vehicles in our province that are very susceptible to theft. The immobilizer is a way that we can combat auto theft at the front end and to prevent it from occurring in the first place. I encourage members to encourage folks living in their communities to purchase the immobilizer, have it installed on their vehicles and prevent theft from occurring in the first place.

Mr. Speaker, we have also expanded on that particular program to encourage the immobilizer program to be free for those owners of vehicles in the high risk—

**An Honourable Member:** Do I get a rebate?

**Mr. Reid:** Yes, there will be a rebate. I know that, after having had the immobilizer installed on my vehicle, there was a rebate that was associated with the installation of the rebate. My insurance went down \$45. That is each and every year from that point on into the future, so that is a great deal. Not only do you get a 50 percent discount on the high-risk vehicles get the immobilizer for free, but you get a \$45 deduction in your insurance on an annual basis. So it is a great deal for Manitobans. I encourage Manitobans that are maybe listening to have the immobilizer installed just by contacting the Manitoba Public Insurance call centre.

I am also proud of the work that the Minister of Labour (Ms. Allan) has undertaken with respect to the reduction in the number of workplace injuries in the province of Manitoba. She has made significant improvements with respect to those injuries. The latest number, I believe, is around a touch over 20 percent reduction in the number of workplace injuries, a substantial reduction. That is not to say we should rest on our laurels, but we have more work to do, and I know the Minister of Labour and her department are continuing to work to reduce workplace injuries.

Mr. Speaker, as an MLA, as a part of government, I have taken the opportunity to go into my junior high and high schools and to talk with the parent advisory councils and the staff of the schools to encourage them to take part in workplace injury prevention for the young folks that are entering the workforce, and to provide the necessary knowledge and skills and mentoring for young people that are entering the workforce. I think parent councils and

school administration can provide that particular support.

Mr. Speaker, I am also proud of the fact that the Minister of Education (Mr. Bjornson) has continued the trend that our government started in our first budget, when we came into government in the '99-2000 budget year. We have continued to fund education at the growth of the provincial economy. I know having been here through the 19—we call it the dark years of the 1990s, and witnessing the cutbacks in public school education that occurred during the nineties in the Filmon regime and the impact that it had on the schools of my community where we say minus two and minus two. Then, of course, just before the election, it was zero. Then, of course, after the election, they rolled back public school education. Of course, that had a hardship on not only the staff in the schools, but also the administration of the school division itself as they tried to make ends meet.

We committed, Mr. Speaker, upon coming into government, that we would fund education at the growth of the economy. In fact, this year our growth in the economy has been 16 percent, I am advised. We have provided some 20 percent funding to public education in the province of Manitoba, something of which I am proud of our government in that regard.

I know in this current budget year we have committed some 2.8 percent increase. I know that the River East Transcona School Division is a benefactor of that, and that our schools continue to receive capital funding support as a result of our government's initiatives. We also have, Mr. Speaker, frozen tuition again. Ever since we have come into government in 1999, we have frozen tuition. It has encouraged more folks, and it is a huge, huge encouragement for young people to not only get their education in the province of Manitoba, but because of the number of the jobs that are available, to remain in Manitoba, to live here, to work here and to raise their families here.

**An Honourable Member:** Best record since the early eighties.

**Mr. Reid:** Yes, and as the Member for Brandon West (Mr. Smith) advises, the best record of any government since the early 1980s, something we can be proud of.

Of course, I am quite proud of the fact too, Mr. Speaker, that we have seen an increase in the number of private-sector jobs that were created in the last 12

months in the province of Manitoba. The Minister of Industry (Mr. Rondeau) and our other government ministers have worked very hard to try and encourage industry to come to the province of Manitoba. We have continued to grow the economic pie in the province of Manitoba, and we continue to work on that as a priority for our government.

Mr. Speaker, our government has committed to health care in so many different ways. I remember the 1990s, the previous Conservative government chose not to provide information to the public with respect to the waiting lists that were occurring, and I know that there were folks that were waiting. In fact, I had family members that were waiting many, many days in the hospital hallways for treatment. Having been to our hospitals more recently with respect to my wife's condition, I have seen the condition of our hospitals, and I can see that the hospitals are working to serve the communities, the folks in the community around it, and that the folks are getting the care in a timely fashion to which they rightly deserve.

I have to congratulate our Minister of Health (Mr. Sale) and our previous Minister of Health for the work that they have done to increase the number of nurses that have been trained, and we are graduating some 800 plus nurses a year. We have, I think, accomplished about 1,800 new nurses into our system since that program started to graduate its nurses a few years ago, Mr. Speaker.

We also have in the community of Transcona, and are about to open, as we committed to do during the 1990s and again when we became government, the new Transcona access centre, which will be a 31,000 square foot facility of health and family services and will provide the necessary services right in the community in which I represent.

I am proud of the fact of the work that we have done in providing primary care nurses and doctors, public health programs, support for seniors, home care assignment and evaluation, long-term care, mental health counselling and intervention, community development, child and family services, supported living, employment income assistance and housing access. The list goes on and on for the types of services that we will be providing to the Transcona community through Access Transcona, which is due to open in June of this year. Mr. Speaker, I am proud of the accomplishment with respect to that.

We also as a provincial government have committed money to improving the quality of

recreational opportunities for the people of northeast Winnipeg through the Buhler Recreation Park, Mr. Speaker, which will be opening in May of 2007. I am proud of the fact that our government has committed some \$1.5 million toward that project. It will provide recreational opportunities for folks all over Winnipeg, in fact, all over Manitoba. Folks will come to this particular recreation complex, and it will give them a quality of life second to none. I am quite proud of the fact that our government has played a role in that process.

I also know, Mr. Speaker, there are a number of other issues affecting the people of my community, and I have been canvassing my community for several months now, going door to door and talking to folks in all parts of my community. There are a number of issues that members opposite, I know, are interested in. The one that is obviously the most important is the processing plant that has been talked about so much in the media and throughout the different parts of my community. I am working with our government and the residents of my community to find a satisfactory solution and location for that particular operation. I know that every member of this Assembly is interested in making sure that that plant is located where it needs to be located and provides the jobs for Manitobans.

\* (16:40)

I know that members opposite—it is interesting that none of them have got off the fence and taken a stand with respect to that particular proposal, Mr. Speaker. It would be interesting to see whether or not they are opposed to the viewpoints of the constituents that are involved, or whether or not—*[interjection]* I have already put my position on the record publicly many times, and, if you care to check the record, you will see that it is there.

But, Mr. Speaker, I will not go too more into that. I have taken my 15 minutes to talk about the issues affecting my community, so I will let other members of the assembly have the opportunity to speak about this issue and, in the coming days, I will add more comments to the public record. Thank you.

**Mr. Leonard Derkach (Russell):** Mr. Speaker, I am encouraged to speak to the budget today because this is a budget that the government introduced a fair time ago and, if you were someone who did not pay that much attention, you may have forgotten the contents of the budget. I want to speak about, first of

all, the way in which the budget was introduced and then what ensued afterwards.

Mr. Speaker, the budget is one where government expects that the budget will have eight days of debate and then it will be passed on the eighth day. Well, I do not know how many days we are into the session now, but it is about eight times four right now, and we still have not passed the budget.

Mr. Speaker, why? Why? Is it because the opposition just wants to be obstinate? No, not at all. As a matter of fact, it is because of what the government does not do.

Mr. Speaker, the government got itself on the horns of a dilemma because it created a scandal; as a matter of fact, a number of them. Now, I hear chirping from the way that says we are trying to make this into a scandal. No. I have never seen the likes of a lawsuit like was launched today on behalf of the people who lost money in Crocus against the government, and then naming the co-premier, if you like, the operative in the Premier's Cabinet. Well, Mr. Kostyra is not my buddy. I mean, you cannot pick your relatives, but you can sure pick your friends. I can tell you Mr. Kostyra is not related to me, and I would not say that he is a friend of mine, especially politically.

So, Mr. Speaker, when you have somebody like that, the Secretary to Treasury Board is he; he is the adviser to the Premier. If you look at the dollars taxpayers are spending on his salary, he should be someone who is near the top, and he is. When he is named in a lawsuit on behalf of the government because of his undue influence, and it is spelled out very clearly, his undue influence of people who are either working in the Workers Compensation Board, whether it is TRAF, or whether it is other entities that were forced by this kind of thug union mentality to start putting money into a failing entity called Crocus.

Mr. Speaker, Crocus is a fund that will, from time to time, lose money; that is not an issue. But, when you start doing things that overvalue what the shares are in Crocus, when you start misleading the public and misleading the investors, we need to take concern. It is okay if operators of the Crocus Fund and executives of the Crocus Fund want to play in that kind of environment. Someone has to catch them at it, and catch them they did.

But, Mr. Speaker, when the government has its hands in the cookie jar, when the government has its

fingerprints all over what was going on in Crocus, that is when the public becomes extremely offended. The public is a forgiving public. If mistakes are made genuinely, the public will forgive you. But, if you intentionally, as the government did in this case, put your fingerprints on the misdealings that went on in Crocus, then the public not only will be offended, but, I will tell you, the public will have its day. The lawsuit that was launched today, and I would caution the Minister of Industry, trade, and technology, or whatever he is—

**An Honourable Member:** Industry, Economic Development and Mines.

**Mr. Derkach:** Industry, Economic Development and Mines. Thank you for the help. I appreciate that very much. The Minister of Industry—what is it? Industry and Mines. But, Mr. Speaker, if the minister is careful, he might come out of this all right, but he should be careful because he may be one of those who has to go in front of a court down the road. *[interjection]*

Now, Mr. Speaker, he says he does not mind. Well, when you say nothing when you are asked a question, you know, maybe you cannot be found guilty. But the reality is that he knew things, and what is it that he knew, that will come out. That will indeed come out.

Mr. Speaker, if you look at what the Auditor has said about a number of management areas that government is responsible for—I have never, in any of my days in politics, seen the kind of stack of reports the Auditor has put forward before this Legislature, which are condemning of the government and its activities and its agencies. It all spells of mismanagement on the part of this administration. So why did we not pass the budget in eight days? Because a statement had to be made about the incompetence of this government, about the scandalous activities this government was engaged in, and because of the mismanagement of other areas that this government has responsibility for.

I raise to mind, Mr. Speaker, the issue of Family Services. The Minister of Family Services (Ms. Melnick) said that she had no responsibility for all of those young Manitobans who went missing and who died under her care, under her department's care. Whether we like it or not, when we become a minister of a portfolio we have to accept responsibility. We are not just there as figureheads. There is a responsibility on behalf of that minister for the department that he or she has responsibility for. In

the case of Family Services, the minister has to account for what happens in that department.

I remember the announcements that were made when we were going to change the kind of administrative structure in Family Services. Now, nobody objected to that kind of change because change is always happening, whether it is under this government or any other government. Change is always happening, and, hopefully, as stewards of departments, our responsibility is to make things better for the people whom we have responsibility for.

In the case of the Minister of Family Services, devolution of the department's functions were to bring services closer to the people who needed them, and to improve services. Well, that all got tangled up in this mess of 31 deaths, and the two are separate issues. One is an issue of mismanagement; the other is devolution, which in itself is separate, and is supposed to be done properly, and is supposed to bring services closer to the people. That I would applaud, and that I would endorse. This side of the House would support that kind of thing. What we do not support is that there was a blind eye turned to children who were placed in the care of families that were not responsible, families, perhaps individuals who did not look after these children in the way that one would expect them to be looked after. It is the minister's responsibility to ensure that those cases were either continually monitored or that those individual children were followed so that they would not go missing.

How could a child ever go missing for nine months without anybody raising a question? How could that happen? Why did it happen? If we owe anything to that poor little child that was missing for nine months and found dead, we owe that little child an investigation into the matter. We owe that child a public inquiry, so that it would never happen again to any other child.

So, Mr. Speaker, when the minister stood up in her place and tried to connect devolution to this kind of mismanagement, that was shameful. That is what we objected to so vehemently, because legitimate questions were raised, legitimate issues were raised with regard to the children who were missing, 31 of them.

\* (16:50)

The Member for River Heights (Mr. Gerrard), the Member for Inkster (Mr. Lamoureux) still have and still wear the button with the candle and the 31.

What does that symbolize? That button, that candle symbolizes those 31 children in the care of Family Services who lost their lives needlessly. Those children did not need to die. They were failed. They were failed by the system. They were failed by the government. They were failed by the minister, and the minister has to accept responsibility.

Now, I know that, if we were on the other side of the House, and I remember this very well, when Charlotte Oleson, Member for Gladstone at that time, was Minister of Family Services, the kind of abuse that she took in this House for not near anything that we have seen in this instance, Mr. Speaker. I say that, if that side of the House were in opposition, they would be raising the roof of this building because of a situation like this. Well, it is that kind of activity that is going to land them right back here on this side of the House and in opposition, because they are careless. The government has been careless and negligent. The public will not tolerate that.

Mr. Speaker, there are other areas. When you take a look at the high-handed way that the government is dealing with the area of agriculture. Agriculture is near and dear to my heart. I am still engaged in agriculture. My family is engaged in agriculture, so the kinds of policies that I see coming out of this government not only hurt me, but they hurt people who are engaged in an industry that produces food for our province and is the economic engine of a large part of this province. When you see the kind of draconian and negative measures being taken by a government—now, can you imagine blaming the entire problems that exist on Lake Winnipeg on the agriculture producers in this province? That is unconscionable.

How could you ever, ever think that that entire problem is being caused by the agriculture community? That is what the Premier (Mr. Doer) is saying. That is what the ministers are saying. They can camouflage this any way they like. They cannot hide behind the fact that this is what is being said out there. And their actions speak as loudly as their words because, if you go out to the meetings, the Minister of Conservation (Mr. Struthers), his partner, the Minister of Agriculture (Ms. Wowchuk), the Minister of Water Stewardship (Mr. Ashton) have launched an attack on agro Manitoba, an attack that is going to come back to haunt them, because, I can tell you, when we become the government, those policies will be revisited to ensure that there is some fairness and some justice done to the people who



produce the food, not only for us, but, indeed, for the world.

Mr. Speaker, farmers do not deserve this. They have been under attack from a number of angles. First of all, they are left on their own to compete against the subsidies of the United States and Europe. Our farmers cannot do that. Secondly, when we see the crisis of the BSE hit, who helped them out? Was it this government? Not one finger was lifted to help them. *[interjection]* You tell me where. If this government has helped the farmers in the BSE crisis, you tell me where, because nobody on that side of the House could identify what they did for farmers in the BSE crisis. That is terrible.

Now, what is their response at the end of the day? They are going to put a mandatory levy on each cattle beast that is sold, and that is how they are going to build slaughter facilities in this province. Now, Mr. Speaker, is that the responsibility of every agriculture cattle producer in Manitoba to see to it that government can start taking credit for taking money away from them and putting it into a slaughter facility that they have no control over? The producers have no control over it. They do not know whether it is going to be competitive. They do not even know whether it can succeed, but the government has made a philosophical decision that they will put this money into livestock processing plants.

Now, Mr. Speaker, if there was a day when we should have had expanded livestock facility, it is not today. It was three years ago. Three and a half years ago when the crisis hit, that was the time to move on a processing facility in Manitoba, but the government dithered. It kept wringing its hands. The minister kept wringing her hands, how terrible it was, but lifted not a finger. They would put \$4 million into a plant in Dauphin, but, at the flick of a switch, they could put three times that amount of money, four times that amount of money, five times that amount of money into, for example, Flyer bus. It did not take months; it did not take years. It took a matter of weeks because those jobs were important to Manitoba, and the government came. They did not tax the workers in the factory. They did not tax anyone for the money they put in there. Yet, when it comes to agriculture, all of a sudden, they put a tax on the cattle because that is the only way they know how to put a slaughter facility in this province. That is absolutely shameful.

Mr. Speaker, today, three years later, when the BSE crisis is behind us and cattle are starting to move across the border, this government has woken up, and it is now going to commit money to a slaughter facility. Well, first of all, it is too late. Secondly, it is far too little and far too late, because, if you are going to get a slaughter facility up today, it is going to have to compete. It is going to have to compete against the slaughter facilities in the United States, in Ontario, in Saskatchewan, in Alberta.

These areas moved ahead when there was a crisis. They moved ahead with extra capacity for slaughter. Today, we have an overabundance of slaughter capacity in Canada. Has the government ever considered that? They missed the boat, Mr. Speaker, as they do with every initiative. But farmers have been gathering and giving this government a message. Are they listening? No. But they will. They are not listening at their own peril because rural Manitoba is waking up to exactly what this government is doing.

Mr. Speaker, I know that I have only a few minutes left, and I am going to leave agriculture there, but I want to turn my attention to the debt and the deficit and what this government is doing to the future generations of our province. The Minister of Finance (Mr. Selinger) keeps saying that, no, our debt is really not \$21 billion. It is only \$11 billion or \$12 billion. Well, the problem—*[interjection]* \$10.5 billion, he says from his seat.

Well, Mr. Speaker, we know the creative kind of accounting the minister would like Manitobans to endorse, but Manitobans are smarter than that. They know that the overall debt of our province is over \$20 billion and growing. That is the fact, that is the reality. You can say, as the minister said in Minnedosa, that, if you have a house that you have mortgaged and you have paid down a little bit on that house, you really do not have a mortgage. You have equity in that house. You do not really have a mortgage; you have an equity. Well, go try telling that to your banker and see how far you get.

That is the kind of creative accounting this government is guilty of because they have not been doing their homework. They have allowed the debt in our province to increase by \$3 billion in the last six years, Mr. Speaker. That is money that every future Manitoban is going to have to deal with. All of our children, all of our grandchildren are going to have to deal with that debt because we will not live long enough to pay that down.

They can talk all they want about the former administration, but, in the former administration, there was a plan to have our debt retired in 30 years. This government has no plan. They have no plan in terms of how to retire the debt. They just keep adding to the debt. They have a spending habit like you have not seen. Mr. Speaker. All they do is throw money at what they perceive as problems without expecting results. There is no results-oriented accounting of any kind. They throw money at problems.

Sometimes, money is not the cure for a problem. Sometimes, it is better management; sometimes, it is efficiency. People have awoken to that fact that the government needs to be more accountable; it needs to be more efficient. No matter whether it is in health care and, Mr. Speaker, it could be education, it could be any department. You need to have some management in this area which this government is sadly lacking.

One last statement with regard to health care. Mr. Speaker, the time is short and you cannot cover the waterfront, but health care is something that is near and dear to every Manitoban. To us in rural

Manitoba it is critical. Too many emergency health centres have closed. Today, in my constituency alone, at least four hospitals have had their emergency wards closed. Not closed temporarily, they are now closed permanently. Just the last one, in the last few days, Birtle hospital has now closed its emergency ward, and that means the hospital closes. There is no doctor there; there is no emergency ward.

What does that mean for the people living in that area? Does that mean they are second-class citizens? Yes, it does, because not only that, those people, when they are put into an ambulance, now have to pay their way to make it to a hospital, whether it is in Brandon or wherever it is.

So, Mr. Speaker, I would say to this government—

**Mr. Speaker:** Order. When this matter is again before the House, the honourable Member for Russell (Mr. Derkach) will have 11 minutes remaining.

The time being 5 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Tuesday).

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 8, 2006

## CONTENTS

### Matter of Privilege

Lamoureux	1891	Water Quality Management Zones Cullen; Struthers	1899
Goertzen	1891		
Mackintosh	1891	Agriculture Industry Eichler; Wowchuk	1900

### ROUTINE PROCEEDINGS

#### Introduction of Bills

Bill 34—The Public Interest Disclosure (Whistleblower Protection) Act Selinger	1892	Whistle-Blower Legislation Gerrard; Selinger Lamoureux; Selinger	1901 1901
		Health Care Services Jha; Sale	1901

#### Petitions

Civil Service Employees—Neepawa Penner	1892	Child and Family Services Taillieu; Allan Rowat; Allan	1902 1903
---	------	--	--------------

#### Child Welfare Services

Taillieu	1893		
		<b>Members' Statements</b>	
		National Nursing Week Swan	1903
		Driedger	1904

#### Funding for New Cancer Drugs

Dyck	1893	Victory in Europe Day Korzeniowski	1904
------	------	---------------------------------------	------

#### Crocus Investment Fund

Stefanson	1894		
Lamoureux	1894	Constituency of Pembina Charity Events Dyck	1905

#### OlyWest Hog Processing Plant

Gerrard	1894	Assiniboia Community Appreciation Night Rondeau	1905
---------	------	--	------

#### Ministerial Statements

Arbour Day Struthers	1895		
Faurschou	1895		
Gerrard	1895		

### ORDERS OF THE DAY

### GOVERNMENT BUSINESS

#### Oral Questions

Eugene Kostyra McFadyen; Doer	1895	Adjourned Debate (Seventh Day of Debate) Brick	1906
		Rowat	1909
		Aglugub	1912
Premier of Manitoba McFadyen; Doer	1897	Dyck	1914
		Jennissen	1917
		Mitchelson	1920
Crocus Investment Fund McFadyen; Doer	1897	Reid	1923
		Derkach	1926