



LEGISLATIVE ASSEMBLY OF MANITOBA

VOTES AND PROCEEDINGS No. 1

THIRD SESSION, THIRTY-EIGHTH LEGISLATURE

1:30 O'CLOCK P.M.

This being the first day of the meeting of the Third Session of the Thirty-Eighth Legislature of the Province of Manitoba convoked by Proclamation of His Honour John HARVARD, Lieutenant Governor for the dispatch of business, and the Members of the House being assembled,

His Honour John HARVARD, was pleased to open the session with the following gracious speech:

Mister Speaker and Members of the Manitoba Legislature:

Welcome to the Third Session of the Thirty-Eighth Legislative Assembly of the Province of Manitoba.

I am pleased to report that our province has enjoyed a strong rebound in 2004. Based on the performance of the past 12 months, Manitoba ranks first among provinces for growth in earnings, third for growth in investment. Our growth in population, in international immigration and migration from other provinces, is the best we have seen since the 1980s.

Notwithstanding the national slow down in 2003, the growth trend has been sustained over the past five years – creating new opportunities and a new sense of confidence. The number of jobs created in Manitoba since 1999 is now greater than the number created during the previous decade. Housing construction is at an all-time high, following four straight years of double digit increases.

Supporting this trend is the seven point economic plan recommended to government by the Premier's Economic Advisory Council – representing a province-wide partnership of business, labour, education and community leaders. The plan was presented to this Chamber two years ago. Its cornerstone principle, "Education First," has been the focus of a drive to increase youth opportunities and expand the skills base of our economy.

Since 1999, enrolment in Manitoba colleges and universities has increased by one third. In the same period we have seen a turn around in our youth retention numbers, going from a net loss of young people in 1999 to a net gain in 2004.

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Confidence in our future is assuming a very visible form in new building projects underway across Manitoba. This fall the new Red River College Campus took in its first full class of students – a milestone event for Winnipeg’s downtown that was followed this past week by the opening of the MTS Entertainment Centre. The coming year will see the completion of the Millennium Library and the new Credit Union Central building.

In Brandon upgrades are underway to the Keystone Centre and the Westman Regional Labs. Hydro projects are going forward in northern Manitoba and work has just begun at St. Leon to build Manitoba’s first wind farm.

With new opportunities come new challenges. My Ministers are committed to providing new housing options to meet rising demand across Manitoba. My Ministers are committed to investments in public education that will address the skills demands of a growing economy. And my Ministers are committed to development strategies that protect and enhance our natural environment.

A growing economy also presents new opportunities for inclusion. We recognize that not all of our citizens are sharing fully in the benefits of growth.

A special commitment has been made in this Legislature to increase the economic participation of Aboriginal citizens of Manitoba. In partnership with employers and educators, our government is introducing a wide range of initiatives to improve educational success for Aboriginal youth. A complementary effort, the subject of a recent province-wide Summit, is a strategy to increase Aboriginal-owned businesses and investment.

Rural Manitoba has some of the brightest prospects for future growth but is faced with the immediate challenges of extreme weather conditions and U.S. protectionism. After last year’s drought Manitoba farmers experienced one of the coolest, wettest summers on record. The closing of the U.S. border to Canadian beef exports has been prolonged for an unwarranted length of time, and for reasons that have nothing to do with food safety. And in the past month new tariffs have been applied to the export of Canadian hogs.

My Ministers have worked closely with cattle producers, providing loans and bridging supports and helping the industry move towards greater flexibility in marketing and processing.

The challenge of managing growth into the future includes the agility to meet the needs of each community and each sector of our economy. More broadly, it means a commitment to those strategies that have helped citizens to seize and make the most of their opportunities.

Manitoba's Economic Growth Plan

Education First

The 2002 Throne Speech stated that, "A growth strategy for today's economy requires a flexible education strategy and a commitment to lifelong learning." Our economic plan sets out the following goals:

- Increased post-secondary enrollment;
- Targeted increases in the education of health professionals and Aboriginal professionals in all fields;
- An increase in apprenticeship training to meet the demand for skilled trades people;
- Specialized training to support the growth of key knowledge-based sectors, such as aerospace and biotechnology; and
- Predictable funding for public schools, to support the expansion of options for students and strengthen links to the workforce.

Since 1999 there are 13,000 more students enrolled in Manitoba colleges and universities, including 1,300 more Aboriginal students.

Affordability and improved access are at the root of this expansion. Tuition was reduced 10% in 1999 and has been maintained ever since. In five years, provincial funding for scholarships and bursaries increased 170% and over \$100 million was committed to upgrade and expand Manitoba campuses.

Capital projects are now underway or completed at the University of Winnipeg, the University of Brandon, St. Boniface College and Red River College. At the University of Manitoba, a \$50 million capital commitment from the province leveraged private sector donations totaling over \$200 million and supports a building program that includes a new Engineering and Information Technology Centre and a new Centre for Food Research.

Improved access has also meant providing advanced education and training options closer to home. The Campus Manitoba program, directed out of Brandon, allows rural Manitobans to take university and college level courses without leaving their communities. The University College of the North is delivering similar options in Northern communities, with an initial focus on the education of Northern nurses and midwives.

A generational transfer is underway in the skilled trades, creating new challenges for employers but also new opportunities for young people. Our government is working in partnership with industry to provide the largest expansion of skills training in our history.

In 1999 Industry Training Partnerships were providing certified courses to 7,300 participants. Today the number of participants has increased by one-third. Together with Apprenticeship programs, the partnership initiative is targeting increases in the construction trades, film crew technicians, health managers, advanced welders, pipe fitters, carpenters, and biotech workers.

We know that students begin to form an idea of their chosen occupation in the middle years of schooling. My government has recently committed \$4.5 million over three years to modernize vocational education programs in our high schools. To support the initiative we will assist Manitoba schools in providing improved career counseling, beginning in junior high school.

Research and Innovation

The second part of our economic plan is research and education strategies targeted for the key, knowledge-based sectors of the Manitoba economy: biotechnology, aerospace, advanced manufacturing, food production and culture.

Manitoba's biotechnology sector was identified as the fastest growing in Canada in a 2004 Ernst and Young Report. In the past 18 months the number of people employed in biotech has increased 35% and revenues are up 76%.

Continued growth will be supported by the new Biotech Training Program at Red River College and by an array of research and commercialization centres:

- the Canadian Science Centre for Human and Animal Health – the only global centre with level 4 bio-containment capability;
- the Public Health Agency of Canada and the new International Centre for Infectious Disease, which have been located in Winnipeg in recognition of our existing leadership and research capability;
- the National Research Council's Institute for Biodiagnostics, which is the most advanced centre in Canada for studying and developing non-invasive diagnostic tools; and
- the NRC's new Biomedical Commercialization Centre, which opened this month to further the development of new companies and products based on Manitoba research.

Manitoba's aerospace sector was hit by an industry-wide slump after 9/11, but is anticipating renewed growth following the selection of Winnipeg's Boeing plant to work on the new 7E7 passenger jet liner and Standard Aero's \$300 million engine servicing deal with Sky West Airlines.

Manufacturing exports as a whole grew slightly last year, with larger increases projected for 2004. The industry continues to deal with the challenge of a rising Canadian dollar. My government has worked in partnership with manufacturers and educators to design a new *Advanced Manufacturing Initiative*. It will assist companies and train Manitoba workers to implement "lean manufacturing" principles.

Manitoba's mining sector has had strong growth this year. Manitoba's policies and incentives to support mining exploration are rated the best in Canada. Our government will continue with policies supporting exploration and development of new mines and mineral deposits.

Through our commitment to innovation, Manitoba's food producers and processors will be making the foods of the future. Manitoba now has three Agriculture and Agri-Food Research Centres, along with the Food Product Development Centre at Portage la Prairie and the National Centre for Agri-Food Research in Medicine.

A new addition is the Richardson Centre for Functional Foods and Nutraceuticals, currently under construction at the University of Manitoba. The Centre will add significantly to Manitoba's research capacity and position us for a lead role in the growth area of nutritional foods and food supplements.

Manitoba's reputation for quality and food safety is an essential element of our marketing efforts. Government resources are being refocused to support innovation and the commercialization of new products under the Manitoba "brand." Our safety assurance will be backed up with the establishment of a new Office of the Chief Veterinarian.

My government recognizes culture as a distinct sector of the Manitoba economy, meriting its own strategy for education and investment. On a per capita basis, Manitoba's funding for arts and culture is the second highest in Canada. We are committed to retaining and enhancing culture in Manitoba, for its economic benefits as well as for the contribution it makes to our quality of life.

The people of Manitoba responded with stronger attendance following the stabilization of the Winnipeg Symphony Orchestra. Our government will continue to invest in the stability of arts organizations and education programs to support the arts. We will work to strengthen arts education in our schools and to bring our students into contact with practicing artists.

Aboriginal culture has emerged in recent years as a distinctive, home-grown Manitoba industry. The province has formed a Roundtable of Aboriginal Artists to help foster a support network for the industry and create new venues for displays and performances. The range of local artists will be showcased for a national audience when the Juno Awards are hosted in Winnipeg next March.

Among the cultural highlights of the past year was the selection of the communities of St. Laurent and Hollow Water to present exhibits of Metis and First Nations culture at the new Smithsonian Institution in Washington D.C.

Raising and Retaining Investment

The third part of our economic plan is increased investment in our economy. Manitoba is expected to post a 5.4% increase in capital investment this year – well above the national average of 3.1%.

A Third Party Funds venture capital program has been established, on the advice of the Premier's Economic Advisory Council, to raise private equity capital for Manitoba growth companies. The most recent of the third party funds, the Western Life Sciences Fund, has to date invested in nine life sciences companies.

The province is working with private sector partners to develop a new fund that will invest in ten to fifteen promising early stage companies over the next three years.

Affordable Government

Maintaining Manitoba's affordability advantage is the fourth part of our economic plan.

Weekly earnings have grown at more than twice the national rate this year, providing an average pay increase to working Manitobans of \$1,560. In addition, our citizens continue to enjoy the lowest electricity costs in North America and the lowest car insurance premiums in Canada.

Fair and affordable taxes are an important part of the equation. In keeping with the commitment made to Manitobans in 1999, our government has met the requirements of balanced budget legislation, balancing the provincial budget for five consecutive years. Manitoba's credit rating has improved during our mandate, based on public debt repayment and the first repayment plan for the pension liability in 40 years.

Tax reductions over the mandate have exceeded government's commitments. Using 1999 as a base, individual income tax cuts for Manitobans are worth a total of \$220 million a year; provincial property tax credits and reductions total \$92 million; and business taxes are down \$74 million.

When our government came into office in 1999, the small business tax rate was 8%, and set to a threshold of \$200,000. The general corporate tax rate was 17%. The small business tax rate has now been reduced to 5%, and on January 1st of the coming year the threshold will increase to \$400,000. The general corporate tax rate will be reduced to 15%.

As well, in the coming days legislation will be introduced enabling the City of Winnipeg to reduce its business taxes. This follows recent legislation enabling the City to provide tax credits and reductions.

During the decade of the 1990s, education property taxes across Manitoba increased 60% while housing values remained flat. In the past five years these trends have reversed: property taxes have remained flat while housing values have rapidly increased. My government is committed to maintaining the growth strategies that have helped boost the value of homes.

At the same time my government is committed to work with local governments, community housing groups and our federal partners to meet the growing demand for housing. New strategies will be introduced to address the needs for low-income and assisted housing, and to ensure a supply of building lots that will accommodate new construction.

Growth in Population

The fifth part of our economic plan is a strategy to grow Manitoba's population.

Since 1999 your government has worked to increase international immigration to Manitoba, setting a target of 10,000 newcomers annually. To achieve that goal, my Ministers have increased investment in settlement services and worked with the federal government to create a Provincial Nominee program tailored to Manitoba's needs. My Ministers have also worked closely with employers and supporting communities – a partnership that has now been formalized with the creation of the Manitoba Council on Immigration.

The results are a credit to all who have participated. This year 7,500 immigrants will be welcomed to Manitoba – a threefold increase over 1999. Communities and prospective employers are helping promote Manitoba as a destination for potential immigrants, and to link recruitment efforts with workforce needs.

A noticeable benefit of our strategy has been the introduction of new families and new investment into rural Manitoba. This year Manitoba will extend the Immigrant Investor program to allow more farmers the opportunity to purchase land and settle in our province. The initiative will target younger farmers and their families and will include formal mentoring arrangements with established local producers.

Difficulties in having foreign degrees or credentials recognized is a barrier that prevents many newcomers from making their full contributions to Manitoba. The Conference Board of Canada has estimated that, nationwide, the failure to properly recognize learning and professional credentials costs the economy \$4 billion to \$6 billion a year. One of the first tasks the new Council on Immigration has set itself is to expand the recognition of foreign credentials, allowing new Manitobans the ability to work in their chosen professions. A Credentials Summit will be held in the next month, bringing together representatives of the professions, the immigrant community, and Manitoba educators.

Building our Energy Advantage

The sixth part of our economic plan is strategic development of our energy sector.

All regions of Manitoba stand to benefit from the growing demand for clean energy supply, spurred by Canada's Kyoto commitment.

Nation-wide, the greatest opportunity for reducing greenhouse gas emissions is to displace coal-fired electricity plants with hydro and other clean energy sources. Manitoba and Ontario are negotiating a long-term Clean Energy Transfer, which would export Manitoba's hydro-electric and wind-generated power to Ontario. The environmental impact of the transfer would be a reduction in emissions equivalent to removing 500,000 cars from the road.

The Clean Energy Transfer provides the case for proceeding with the 1250 megawatt, run-of-the-river Conawapa Dam – a project that will generate over 40,000 person-years of employment and yield a major revenue stream for northern First Nations. The Transfer would also provide a case for adding up to 1,000 megawatts from wind farms built in rural Manitoba.

In the short term, Manitoba is proceeding to expand its clean energy portfolio to meet the existing demand for exports. The first wind farm in Manitoba is being built at St. Leon. At full capacity it will generate 99 megawatts of power and – with \$190 million in capital investment and \$10 million in earnings to local landowners – introduce a significant new economic opportunity to rural Manitoba.

Wind and water go together. Part of Manitoba's clean energy portfolio includes the Wuskwatim dam project, which demonstrates a new approach to hydro-electric development. Local First Nations are participating as partners in the project, gaining a comprehensive training and employment package, collaboration in the design of the dam to minimize environmental impacts and the opportunity to share in revenues. In addition, through the Wuskwatim licensing process Manitoba Hydro committed to double its energy savings from conservation and efficiency programs.

Manitoba and Ontario are now seeking federal government participation to begin developing an east-west transmission grid for Canada. The "National Grid" is not a new idea. It was proposed decades ago, in response to the fact that virtually all of Canada's transmission lines run southward, to the U.S. Our limited ability to supply Canadian power to Canada's own industrial heartland has left our nation with a longstanding *energy security* challenge – an economic vulnerability illustrated by the costly Ontario blackout of two summers ago.

In addition to providing energy security, the grid would serve as Canada's "clean energy highway," and as the centerpiece of our national Kyoto strategy. Added east-west transmission capacity will spur the development of wind and other renewable energy sources that are now "stranded" from potential markets. To put the grid investment in perspective, a recent study by Canada's Auditor General points out that federal subsidies for the oil and gas sector totaled over \$40 billion between 1971 and 2000. The investment in renewable energy over the same period was \$200 million.

Quality of Life

Manitoba's Green Strategy

The goal of economic growth is to improve the quality of life for all Manitobans. It is essential, therefore, that growth be managed in a way that preserves our environment, promotes the health and well being of citizens, and enhances our unique Manitoba lifestyle.

Stewardship of our spectacular natural environment – our wilderness areas, our clean water and fresh air – has become an increasingly important value for Manitobans.

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Our province has led the way in Canada on water and climate change policy and on sustainable planning for our boreal region. My government's Green Strategy includes:

- Designation of pristine lands and environmentally sensitive areas as protected "green zones;"
- Improved standards to protect drinking water, groundwater, and our treasured network of lakes and rivers;
- A plan to meet and exceed Manitoba's clean air Kyoto targets; and
- Expansion of our province-wide network of biking and walking trails.

Since 1999, over one million hectares of Manitoba wilderness have received new or renewed protected status. The coming year will see additional designations of protected areas and ecological reserves, including the nomination of a pristine Boreal Forest region on the east side of Lake Winnipeg as a UNESCO World Heritage Site.

The site that is being nominated is 43,000 square kilometers in total – roughly the size of Nova Scotia – and would join the Atikaki Wilderness Park with Ontario's Woodland Caribou Park and adjacent First Nation Lands. The UNESCO designation is a recommendation of the East-Side planning initiative, which is enabling communities on the east side of Lake Winnipeg to manage, and benefit from, any future development in their region.

Manitobans know we have a precious resource – our abundance of clean water – that has been allowed to deteriorate over the past number of decades. The solutions to this challenge are also long-term and will involve changes affecting every one of us.

Since 1999, my government has invested \$79 million to upgrade water and sewer services in 92 communities across the province. The sale of bulk water from Manitoba waterways has been banned, and the province has worked with partners on both sides of the U.S. border to fight water projects that could harm the Red River system.

Recognizing that all citizens share responsibility for protecting water quality, my government has worked with communities and industries to elevate water stewardship practices in every region of the province.

Standards have been raised for sewage treatment in Portage, Brandon and Winnipeg, and for septic fields and manure spreading in rural Manitoba. The province invested in the new Portage Treatment Plant and is part of a tri-level agreement to fund the first phase of Winnipeg sewage treatment upgrades ordered by the Clean Environment Commission.

Water management zones are now being mapped, incorporating information on ground and surface water sensitivity. These "green zone" maps will be combined with long-term development plans formulated at the community level through a public process. Together they will form the basis for a new approach to land-use decisions – one that enhances the role of scientific information *and* local decision-making.

Lake Winnipeg – our largest body of water and a prime destination for cottagers and tourists – is receiving special attention. A *Lake Winnipeg Stewardship Board* made up of scientists and community leaders has taken the lead in recommending measures that will return Lake Winnipeg to its 1970 state. The province's new Water Stewardship Fund is supporting a Clean Beaches program, funding research on the health of the Lake – such as the work of the *Namao* research vessel – and promoting effective stewardship along its shores and tributaries.

This year a *Stewardship Board* will be formed for Lake Manitoba, with a mandate similar to the Lake Winnipeg Board. New legislation will be introduced supporting the extension of our trails network.

As well, a new incentive will be introduced this year to promote water protection practices. It builds on the Riparian Tax Credit, which was extended this spring to cover lakeshore as well as riverbank buffer zones. It will support the lead role that Conservation districts are now taking in the identification and remediation of environmental hazards.

The ratification of the Kyoto Protocol by Russia has triggered the commitments made by Canada and other signatory nations to reduce greenhouse gas emissions. Manitoba was the first province to consult with citizens and adopt its own Action Plan on Climate Change. The Plan lays out a strategy to meet and exceed Manitoba's Kyoto targets, and at the same time positions our province as a leader in low emission and clean energy technologies.

Already Manitoba has become a leader in the installation of ground source heat pumps – with one-third of all the installations in Canada – and in the design and manufacture of hybrid buses. Under Manitoba Hydro's PowerSmart program, energy conservation practices have been made available to consumers and businesses throughout the province, resulting in annual savings of 241 megawatts. Manitoba has attracted notice for its application of "green building" technology, with the award-winning Red River college campus and the planned Hydro headquarters as prime exhibits.

Much of the impetus for Kyoto implementation is now coming from the local level. This year, a network of 11 communities in northern Manitoba, Peguis First Nation, the City of Brandon and the towns of Winkler and Morden will begin implementing their own recycling and emissions reduction plans. These efforts are supported by the *Community Challenge* program launched in partnership by Manitoba and the federal government.

Health Innovation

Five years ago, a plan to restore public health care in Manitoba was launched. The first phase focused on rebuilding the foundation:

- Increased training of doctors, nurses and health technicians;
- Capital investments in hospitals and equipment;
- A health prevention agenda; and
- Service innovations to improve access to health care and the timeliness of essential procedures.

In each area significant progress has been made. The number of nurses being educated throughout the province has doubled. There are now more doctors practicing in Manitoba than at any time in the previous decade. The number of students training to operate diagnostic equipment has more than doubled.

This year a new program will be introduced to educate Aboriginal midwives and nurses for practice in northern communities. The program, which is jointly funded by the province and the federal government, will be delivered through the new University College of the North.

Much of the \$800 million invested in new health capital since 1999 has gone to upgrade rural and northern health facilities and – for the first time – to purchase and operate major diagnostic equipment outside of our cities. These investments have improved access. The use of rural operating theatres has helped shorten wait lists by taking the pressure off facilities in Winnipeg and Brandon. And the availability of diagnostic tests in rural and northern Manitoba has brought health care closer-to-home for many citizens.

This month, a new Dialysis Treatment Unit was opened in the Island Lakes region, allowing patients to receive treatment in their home communities. This initiative was singled out by the Assembly of First Nations as a model for delivering health services in Aboriginal communities.

Efforts to reduce wait lists have focused on life-saving treatment. Over the past five years waits for cardiac care have been reduced by two-thirds. Waits for radiation therapy for those diagnosed with cancer have gone from an average of over six weeks to just one week. Manitoba now has some of the shortest wait lists in the country.

Over the past five years, Manitoba has worked with other provinces and territories to secure more stable funding for health care from the federal government.

The recent First Ministers Accord on Health Care will increase the funding for Manitoba health care by two and a half per cent. While this increase does not resolve the sustainability challenge for provinces, it puts health care funding on a firmer footing.

The Accord includes a set of nationally-agreed principles that Manitoba strongly endorses. Our government has always believed in accountability for health investments and service.

With reductions in wait lists for cardiac and cancer care, Manitoba has achieved some of the best results in the country. A similar strategy, making better use of facilities throughout the province, will be used to increase the number of hip and knee surgeries and cataract operations. The addition of two state of the art operating rooms at Concordia Hospital, the recruitment of an orthopedic surgeon for the Boundary Trails Hospital and the expansion of cataract surgery at Winnipeg's Pan Am Clinic and the Portage General Hospital will lead to a significant increase in the volume of procedures.

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The Health Accord also renews our commitment to health prevention and healthy living strategies. The three leading causes of cancer are smoking, diet and fitness. Manitoba's *Stop Smoking* campaign, targeted at youth, has achieved the highest reduction in teen smoking in Canada. Our investments in healthy living promotion, childhood nutrition and vaccination programs are cited as models for the rest of the country. And our award-winning Health Links information service is providing Manitobans with information they can use to address their own health needs.

The best health prevention, healthy living, is a set of habits that is largely acquired in childhood and adolescence. An All-Party Task Force called *Healthy Kids, Healthy Futures* was created this fall to recommend practical measures for improving fitness and healthy eating among youth. The Task Force will solicit a broad range of views, paying special attention to what young people themselves have to say. It will report to the Legislature next spring with initiatives that can be put into practice across Manitoba.

In the coming year the province will focus on chronic diseases caused by lifestyle patterns and poor nutrition. The most significant of these is diabetes, a debilitating disease which has grown to epidemic proportions in northern communities. This year my government will launch a *Diabetes Prevention Strategy* whose goal is to establish prevention programs in First Nation communities and the Regional Health Authorities.

Ultimately, the health care system depends on hard-working, compassionate professionals to deliver the highest quality of service to Manitobans. They deserve safe and healthy workplaces. My government will introduce new legislation making Manitoba the second province in Canada to mandate the use of *safer needles* in health care facilities. This new technology will protect thousands of health care workers from accidental needlestick injuries and exposure to infectious diseases.

Expanding Opportunity

A rising economic tide creates the conditions for pursuing greater equity. Growth in Manitoba's economy and workforce is generating opportunities for all citizens. It is also emphasizing the importance of policies that help individuals and families make the most of their opportunities.

Reductions in social assistance rolls over the past five years are a direct result of new investments in training and child support. Regular increases in the minimum wage have ensured a fair return for working families. Programs like Neighbourhoods Alive! and Lighthouses have brought new recreation facilities, new housing and new hope to Manitoba communities.

Early childhood development has been a focus of this government from the time it was first elected. Through the Healthy Child initiative launched in 1999, Manitoba has become the national leader in ECD programming. A first step was to return the National Child Benefit to all families – a move which has delivered a total of \$13 million annually to qualifying parents. In addition, a first of its kind Healthy Baby benefit was introduced to support nutrition for expectant mothers. The benefit has reached 11,000 families, with added support programming in 80 communities.

Since 1999, Manitoba has increased childcare funding by over 50%, and invested in 3,500 new childcare spaces. Childcare programs are at the heart of our early childhood development initiatives. We know that in addition to new spaces, quality of care provided by trained staff is essential. We have invested in the training of early childhood educators, with the result that enrolment has doubled.

There is more to do. With new support committed by the federal government, Manitoba will continue the expansion of spaces, focusing on rural and northern Manitoba, the addition of child care facilities to schools and the development of more flexible care options. Additional funding will support continued integration of early childhood education into child care service and further movement towards an improved salary guideline for child care providers.

Of course, the primary care providers – parents – must have the tools they need to ensure their children are ready for school. Another element of the Healthy Child initiative is providing parents with support on nutrition, literacy and parenting to support early learning. This support is available through 26 community based Parent Child Centres. In addition, almost every school division in the province is now using an Early Childhood assessment instrument to measure children's readiness for school.

As a further step, my government will provide new funding for co-ordinators to develop "community schools" in neighbourhoods throughout Manitoba. The goal of the initiative is to make the local school a focus for services that benefit the entire family.

Aboriginal Participation

One of the great challenges for Manitoba's future is the economic disparity between Aboriginal and non-Aboriginal citizens. This challenge can also be seen as an opportunity for our province – to raise the educational attainments and economic contributions of a growing segment of our population.

Over the past five years my Ministers have worked hard to restore the capacity of Aboriginal organizations, to forge new partnerships in resource management, and to open up targeted training opportunities connected to Hydro projects and the Nursing Expansion initiative.

Education is the key element in our inclusion strategy. The Aboriginal Education Action Plan, introduced a year ago, includes targeted early childhood programs, school retention initiatives and links to the workplace.

Thirty eight programs are currently being funded under the Building Student Success program to increase aboriginal parent and community involvement in education. A Council of Aboriginal Educators was established this past spring to act as a link between schools and aboriginal communities.

Starting this year, six Manitoba schools will take part in a three year pilot project that uses intensive mentoring and community linkage strategies to improve the graduation rates of Aboriginal students. The pilot, which is funded jointly by the province and the federal Millennium Scholarship Fund, will be monitored by education and aboriginal leaders, so that the successful outcomes can be utilized across the province.

Complementary initiatives have been undertaken by Manitoba employers and business. Among the employers that have adopted specific Aboriginal hiring and training policies are Manitoba Hydro – which is now the largest industrial employer of Aboriginal people in Canada – the Winnipeg Regional Health Authority and IBM.

The Summit on Aboriginal Economic Development held earlier this month resulted in the creation of a new Aboriginal Chamber of Commerce. The Summit provided an occasion to celebrate the recent growth in Aboriginal entrepreneurialism and business development, and also to frame policies that will support future success – such as access to capital and training, and mentoring for people getting started in business. My Ministers will work with the Summit leaders to ensure that these policies are put into effect.

Seniors and Elders

Since 1999 our government has focused on maintaining affordability for older Manitobans, ensuring security and improving access to health care.

Restoration of the Seniors' Property Tax Credit has provided a benefit of up to \$800 to homeowners and renters. Expansion of home care service and the construction of new personal care homes has increased residential options for those in need of care. New laws have been passed to prevent fraud and elder abuse, and supports for home security have been delivered directly through the Safety Aid program.

An overhaul of the Pension Benefits Act will be introduced in the coming days, providing more options for citizens to manage their retirements as well as guarantees of spousal consent for pension withdrawals and protection for workers' entitlements. Legislative changes will also be introduced to improve consumer protections for life lease and condominium owners.

The former Seniors' Directorate has been restructured this year, and is expanding its services to reflect the changing needs of older citizens. Community Resource Councils are being formed to co-ordinate assisted living services in rural Manitoba. This year a Seniors Advocates Program will train seniors who can share information in their communities on topics such as elder abuse, home safety, financial and legal concerns and tips for healthy living.

Building Communities

Our economic plan includes a seventh part, which is a set of regional strategies for growth and development. Since coming into office in 1999, our government has worked to modernize community services across the province. A single-tier social assistance system was implemented in Winnipeg in 1999, and extended throughout Manitoba this past year. In 2003 Winnipeg's power utility was merged with Manitoba Hydro.

To support local services and infrastructure, the province of Manitoba has maintained one of the most generous municipal funding arrangements in Canada – giving local governments a unique share in provincial revenues. More recently, Manitoba was the first province to pass a law requiring that any new share of federal fuel tax be directed to municipalities for investment in infrastructure. Our government will negotiate a bilateral agreement on the new fuel tax program at the earliest opportunity.

Our aim has been to work with communities to produce tangible results. Since 1999, provincial investment in water management projects, including rural drainage works and the Floodway, has totaled \$169 million. The five-year highways program calls for \$600 million in funding, with a \$10 million increase in this year's budget and a further \$10 million next year.

Across Manitoba new construction projects are completed or underway. In Winnipeg the focus has been on downtown revitalization, sewage treatment upgrades and floodway expansion. In Brandon, the province has committed to be a partner in redeveloping the Keystone Centre, and is optimistic that a workable tri-level agreement will be negotiated. After initially offering to transfer the Brandon Mental Health Centre lands to the City of Brandon, our government is now sponsoring a community consultation that will lead to the selection of a new development plan in 2005. We are also committed to enhancing Assiniboine Community College as a hub for post-secondary education in the Westman region.

The Kichi Sipi Bridge at Cross Lake was completed this year, fulfilling a commitment under the Northern Flood Agreement and capping a five-year period of reinvestment in northern roads and runways. Other northern projects include new health facilities in Wabowden, Island Lake, Thompson and The Pas, new community recreation facilities and the spectacular new school at Norway House.

My government will use a moderate growth in own-source revenues in the current year to provide immediate assistance with priorities that would normally be dealt with in the next budget.

Given the severe weather conditions and trade challenges facing rural Manitoba, relief measures cannot wait for the Budget. Part of the in-year revenue growth has been allocated to the BSE support package announced by the province last month.

As an additional measure, education taxes on farmland will be reduced by 33% for the current year, with a further reduction to 50% in 2005. This reduction builds on the progress we have made on education tax cuts over the past four years. To date, our government has increased property tax credits \$56 million and reduced the second education tax on property by \$40 million. Further details on the implementation of election commitments will be outlined in the 2005 Budget.

Direct support for policing will be increased this year and the next, providing new and ongoing funding for forty additional police officers to serve Winnipeg, Brandon, rural Manitoba and the North. Up to twenty City of Winnipeg police officers will be funded from a direct 5% share in the net revenues of Winnipeg Casinos in 2005 – increasing to a 10% share in 2006. This new allocation will treat Casino revenues in the same way other gaming revenues have been treated.

The additional funding for police exceeds our government's election commitment. It will support enforcement efforts targeting organized crime activities across Manitoba, including illegal grow-ops and trafficking in the new street drug known as "crystal meth." Additional prevention efforts will include new support for domestic violence interventions and the opening of eight new Lighthouses.

In addition, new investments will be made to support nutrition and health prevention measures for northern communities. My government will work with the federal government to establish new Telehealth sites in Manitoba First Nations and will add a *Nutrition Benefit* to the existing remoteness allowance. The benefit will assist northern families with the high costs of healthy foods.

The *Diabetes Prevention Strategy* launched this year is a province-wide initiative that will enlist the partnership of First Nations and local health authorities.

Members of the Legislature and invited guests, I would like to close by saying that it has been my honour to address this Assembly for the first time.

As you proceed to carry out the responsibilities the people of Manitoba have entrusted to you, I trust that Divine Providence will guide your deliberations in the best interests of all our citizens.

His Honour, the Lieutenant Governor was then pleased to retire.

PRAYERS

Immediately following the Prayer, Hon. Mr. GERRARD rose on a Matter of Privilege and moved:

THAT this House finds the statement made by the current Minister of Health in the legislative Chamber on July 31, 2002 provided misleading information and, thereby directs the Minister of Health to apologize to the House, and all Manitobans, for his statements.

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And Hon. Mr. MACKINTOSH and Mr. DERKACH having spoken.

WHEREUPON Mr. Speaker informed the House he would take the matter under advisement.

On Motion of Hon. Mr. DOER Bill (No. 1) – An Act Respecting the Administration of Oaths of Office/Loi sur la prestation des serments d'entrée en fonction, was read a First Time.

Mr. Speaker then informed the House that Mr. Joel VOTH, Ms. Kristy RYDZ, Ms. Jennifer BERNARDO, Mr. Stephen LEAVITT, Mr. Amos WIEBE, Ms. Andrea BERGER, Ms. Julene BUYS, and Ms. Heather MORGAN had been appointed Pages for the Third Session of the Thirty-Eighth Legislature.

On motion of Hon. Mr. DOER:

ORDERED that the Speech of His Honour, the Lieutenant Governor be taken into consideration tomorrow.

Hon. Mr. DOER moved:

THAT this House do now adjourn.

And the Question being put. It was agreed to.

The House then adjourned at 2:43 p.m. until 1:30 p.m. Tuesday, November 23, 2004.

Hon. George HICKES,
Speaker.

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