



First Session - Thirty-Seventh Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Seventh Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 9, 2000

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Winnipeg Police Athletic Clubs

Mrs. Louise Dacquay (Seine River): I beg to present the petition of K. Ritchie, A. Syrota, A. Matiowsky and others praying that the Legislative Assembly of Manitoba request that the Minister of Justice (Mr. Mackintosh) make certain that the Government of Manitoba continue to partner with schools and law enforcement to ensure Winnipeg Police have athletic clubs, provide recreational and athletic activities for young people in a safe, supervised environment in 13 schools throughout Winnipeg for years to come.

MINISTERIAL STATEMENTS

National Nursing Week 2000

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, I have a statement for the House.

I would like all members to join me in recognizing and proclaiming this week as National Nursing Week 2000. Since 1985, the second week in May has been proclaimed National Nursing Week. It includes the celebration of Florence Nightingale's birthday on May 12. May 12 is also recognized as Canada Health Day.

I know that all members in this Chamber would agree that we owe much to the thousands of men and women across this province, the LPNs, the RPNs and the RNs, who, on a daily basis, provide us and our loved ones with the care, comfort and healing that is very much a fundamental aspect of our health care system.

I had the honour of signing the proclamation this week. The proclamation recognizes the nurses' commitment in maintaining high professional standards and personalized health care services in our hospitals, our nursing homes, our chronic care facilities, our communities, homes, schools, and in the treatment and the rehabilitation of people requiring care.

This proclamation also recognizes the efforts of nurses to the restoring and protecting of the health of all Manitobans. The theme for this year's Nursing Week is "Challenge Yourself, Get Active." It is a theme in support of physical activity as a critical determinant of health. It is also significant that nurses choose a theme that is in recognition of their selfless promotion of good health for all Canadians.

I know that all members will be participating in activities this week related to National Nursing Week. I urge them and all fellow Manitobans on every occasion to give thanks to the thousands of men and women for their selfless devotion and care for all of us and our loved ones. Thank you very much.

Mrs. Bonnie Mitchelson (River East): I would like to thank the Minister of Health for the ministerial statement today recognizing and proclaiming this week as National Nursing Week 2000 in the province of Manitoba. I know, right across the country, it is very important that we look to those that provide the kinds of services that we see within our health care system at the nursing level, and that they be recognized and be supported.

Mr. Speaker, we know that right across the country there is a national nursing shortage of all different levels of professionals, and it is important that we in Manitoba do our very utmost to recruit and retain nurses and have a comprehensive plan in place to ensure that that does happen. As a former registered nurse myself—I know my colleague the Member for Charleswood (Mrs. Driedger) has worked in the nursing profession for many, many years—we

recognize and realize the importance and the significance of those that provide the hands-on care at the bedside, the important role that they play in the lives of individuals in Manitoba who require the services of our health care system. So I do want to indicate that as we are listening to members of the nursing community.

* (13:35)

Also, I would like to recognize the important role that nurses' aides play in the whole process in our health care system and those who provide home care support services within the homes of many who need the support of our health care system. I think they should be recognized and honoured at the same time. So I would encourage the Government to continue to try to work to recruit and retain nurses here.

We would have liked to have seen, and we would hope that we might see in the budget tomorrow, something that would give some incentive by the way of a tuition break or rebate to those nurses who choose to stay and work here in Manitoba. It was something that we looked at and committed to during the last election campaign, and I would hope that we might see that kind of an announcement and initiative here in Manitoba so that nurses will not have to continue to work the overtime and be called in on their time off to try to ensure that patients who need the care are receiving that care. Thank you.

INTRODUCTION OF BILLS

Bill 16—The City of Winnipeg Amendment Act (2)

Hon. Jean Friesen (Minister of Intergovernmental Affairs): Mr. Speaker, I move, seconded by the Minister of Justice (Mr. Mackintosh), that leave be given to introduce Bill 16, The City of Winnipeg Amendment Act (2); Loi no 2 modifiant la Loi sur la Ville de Winnipeg, and that the same be now received and read a first time.

Motion presented.

Ms. Friesen: Mr. Speaker, the purpose of this bill is to assist the City of Winnipeg and to work

with the City in dealing with the rebuilding of its neighbourhoods, particularly by responding to the request from the City for greater powers at addressing the issue of derelict housing.

Motion agreed to.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have from Harold Hatcher School 25 Grade 5 students under the direction of Mrs. Larisa Vereha. This school is located in the constituency of the Honourable Member for Transcona (Mr. Reid).

Also in the gallery we have from Morden Collegiate 42 Grade 11 students under the direction of Mr. John Loewen and Mr. Mark Derzak. This school is located in the constituency of the Honourable Member for Pembina (Mr. Dyck).

Also we have in the public gallery from Teulon Collegiate 20 Grades 11 and 12 students under the direction of Mr. Al Reinsch. This school is located in the constituency of the Honourable Member for Lakeside (Mr. Enns).

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

* (13:40)

ORAL QUESTION PERIOD

Freedom of Information Premier's Travel Expenses

Mr. Gary Filmon (Leader of the Official Opposition): Recently the provincial Ombudsman ruled that the Doer government's top bureaucrats broke the Freedom of Information law by delaying the release of the Premier's travel expenses. Can the Premier indicate who in his department is responsible for this breach of the law?

Hon. Gary Doer (Premier): I am, Mr. Speaker.

Mr. Filmon: Mr. Speaker, I wonder then if the Premier can indicate what disciplinary action is

going to be taken against him as a result of his decision to flout the law.

Mr. Doer: Mr. Speaker, when I came back from holidays from the one week I was away and looked at my return that was prepared for me, there was a mistake on it. I corrected it. It is my responsibility, and I take seriously the time lines in The Freedom of Information Act.

I must say though that as a new government trying to prepare a budget in a very short period of time, we had some of the same resources that were necessary for expenses and some of the same resources necessary for budget preparations. We are being very, very taxed, but I take responsibility.

Freedom of Information Act Amendments

Mr. Gary Filmon (Leader of the Official Opposition): Well, Mr. Speaker, we have heard about how Treasury Board, on several occasions, could not meet because they did not have a quorum of ministers. So we are not so sure that the work ethic is as solid as the Premier would have people believe.

As Opposition Leader, the Premier was quoted as saying that, of course, The Freedom of Information Act was the worst legislation in North America and that he committed his government would "bring in a new bill very shortly to replace that act."

I wonder if the Premier could indicate when he plans to bring in that bill.

Hon. Gary Doer (Premier): Mr. Speaker, some of the issues dealing with privacy and privacy commissioners that we raise as concerns to the public, and they remain as concerns when we are dealing with the whole expansion of e-commerce and other issues that are quite broad. We are looking at that, the issue of privacy, e-commerce and the access to information. It is a very broad area, and we want to make sure that we get it right.

The Ombudsman has had additional staff resources, three staff resources to deal with the investigations both internal to the Government

and external to the Government. We proclaimed sections dealing with municipal and school board records to be made available under FOI.

We consider the whole area of technological expansion, the whole area of health records, the whole issue of privacy and the rights of the citizens to have privacy, the right of the public to have information, to be a challenge for us, and we will come forward with a comprehensive package.

Flooding Agricultural Disaster Assistance

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, yesterday in this House, the NDP government defeated amendments to a resolution that would have provided financial assistance to southwest Manitoba farmers. These defeated amendments called for this government to consider a 50-50 cost-shared aid program.

As two ministers of this government have now flown to Ottawa on this matter, not because of their ingenuity but because Mr. Axworthy invited them, could the Premier explain what they will be negotiating, since they clearly have vetoed a cost-shared program as was used during the 1997 Red River flood?

Hon. Gary Doer (Premier): Mr. Speaker, I heard the Member for Springfield (Mr. Schuler) cry from his seat that it was a "junket." When people, whether they are members opposite or members on this side, are fighting for people in southwestern Manitoba, he should apologize to this House for the comments he made. Perhaps the Member for Springfield is not aware, but a lot of people last year got flooded. The drama that was there in the '97 flood was not as dramatic.

We always supported members opposite. Whether it was the former Minister of Agriculture, the former minister of disaster assistance, we always supported their efforts on behalf of Manitobans going to Ottawa to get Manitoba's fair share, which the farmers and producers in southwest Manitoba are entitled to. I think the Member should apologize for that statement.

* (13:45)

Mr. Maguire: Mr. Speaker, could the Premier explain then, now that it is three o'clock in Ottawa, what assistance package has been negotiated for these flood victims of 1999?

Mr. Doer: Mr. Speaker, our ministers went to Ottawa last night. Their goal is to change Minister Eggleton's response that Manitobans received in the committee last week to questions asked by Mr. Borotsik in the committee on both a 90-10 proposal and a 50-50 proposal. So far the answer in Ottawa has been, no, there has been no change in their position.

Mr. Maguire: Mr. Speaker, given that that is nothing new, from what we have seen over the last seven to eight months, will the Premier then indicate what his government is going to do for these farmers in southwest Manitoba?

Mr. Doer: We still believe in a national disaster assistance program. We believe that Manitoba should be a partner in a national disaster assistance program. We believe that Manitoba should be a partner, appropriately, at the 90-10 level and at the 50-50 level, as articulated by members opposite. Not all of it should be 50-50 and not all of it, we understand, should be 90-10. We have come to the table with both elements in a proposal, and I believe strongly that we cannot have one standard in Ontario, in Québec, where the national government forwards the money on a 90-10 basis for an ice storm and leaves Manitoba to pay for all the bills in a disaster assistance program. That is not the way we are going to participate in disaster assistance programs in Manitoba. We see it as a national program requiring national partnership, and we have not got that so far.

Flooding Agricultural Disaster Assistance

Mr. Jack Penner (Emerson): Mr. Speaker, I have a question for the Premier. Victims of the 1999 flood have heard the Premier admit to this House that this government has not provided them with any financial assistance beyond what has already been provided by the previous government.

My question, Mr. Speaker, is: Could the Premier explain if this government has any plan at all, on its own, to get money into the flooded producers' hands?

Hon. Gary Doer: Mr. Speaker, there has obviously been further funding through the AIDA program that we were part of. In fact, I think the agriculture disaster assistance program is well over \$150 million over the budget of last year tabled in this Legislature. There has been the income program at 60-40. There has been the \$70 million that has been forwarded by members opposite, when they were in government, \$20 million of which we think should be credited to this program. So there have been considerable sums forwarded, but not considerable funds for the disaster assistance victims.

Mr. Speaker, we have taken steps for future years with the changes in crop insurance, but at the same time we are not going to, in this Legislature, allow the federal government to walk away from its obligations by being the national federal government for disaster assistance. We believe in a national disaster assistance program. We will be part and partner of that, but we are not going to bail out the federal government.

Farm Organizations Premier's Meetings

Mr. Jack Penner (Emerson): Mr. Speaker, the previous government, because of recommendations and consultation with farm organizations and others, have put in place programs on their own. I want to ask this Premier whether he has met with farm organizations and/or producers that were hurt by the flood. Has he personally met, when did he meet, and what was the response by those organizations for that meeting?

Hon. Gary Doer (Premier): Mr. Speaker, I had the opportunity to be in Melita last June with members opposite, listening to the whole community on the issue. I further had an opportunity to meet with the all-party delegation, which included representatives from the municipal sector, the agricultural sector and other producers, including the representative for Arthur-Virden, who accompanied myself, the

Minister of Agriculture (Ms. Wowchuk) and the Member for River Heights (Mr. Gerrard) to Ottawa. We also have had meetings, and I attended the KAP convention a couple of months ago, which included representatives from southwest Manitoba.

Mr. Speaker, there is no disagreement on our part that southwest Manitoba should not be eligible for equal treatment to the Red River Valley and equal treatment to Québec and Ontario. We believe in that. Regrettably, so far, the federal government has said no.

* (13:50)

Mr. Jack Penner: Well, Mr. Speaker, the Premier has again admitted to the House that he personally has not met with producers or flood victims in the southwest area as Premier.

Could the Premier explain why he has not had the courage of his convictions, of his so-called commitment to the family farms, and paid a visit to these flood victims to explain to them in person why his government has done nothing to help them in their crisis?

Mr. Doer: Mr. Speaker, the Member opposite just reads off his question. I just said that two months ago I was at the KAP convention where a number of producers from southwest Manitoba were in attendance as delegates. I have had a chance to meet with producers from the area, and it is regrettable he is just reading off a list and not listening to the answers.

Mr. Speaker, of the over a hundred and fifty million dollars in overexpenditure that has taken place up to the third quarter in this fiscal year, a majority of that money has been forwarded by this government.

Mr. Speaker: Order, please.

Point of Order

Mr. Jack Penner: Mr. Speaker, it is quite clear that this Premier, as Premier of this province, has not met with the flood victims of this province, and neither has he made any financial commitment to the flood victims of this province. I did not just simply read off the

questionnaire. It is his responsibility, as Premier, to meet with the flood victims in southwest Manitoba.

Hon. Gord Mackintosh (Government House Leader): On the same point of order, Mr. Speaker. The Member knows full well that a point of order is raised to draw the attention of you, in the House, to departures from the rules of proceeding. You reminded the House of that in the last couple of sittings. He gets up and continues purposely to interrupt the proceedings to raise those kinds of matters which are clearly not points of order. I ask that you draw him to order.

Mr. Speaker: On the point of order, I would just like to, once again, remind all members in the House about the purpose of points of orders.

A point of order is to be used to draw to the Speaker's attention any departure from the rules or practices of the House or to raise concerns about unparliamentary language. A point of order should not be used to ask a question, *Beauchesne's Citation 318(1)*; to dispute the accuracy of facts, Rule 55; to clarify remarks which have been misquoted or misunderstood, Rule 55; to move a motion, *Beauchesne's Citation 318(2)*; to raise a point of order on a point of order, *Beauchesne's Citation 318 (1)*.

I would ask all honourable members for their help and also to keep this in mind when raising a point of order. I would really appreciate that.

So there is no point of order.

2272 Wenzel Street Soil Remediation

Mrs. Bonnie Mitchelson (River East): Last November, toxic levels of lindane-treated canola were illegally dumped on the property located at 2272 Wenzel. After months of phone calls and letters from concerned residents, the Department of Conservation finally issued an order for clean-up, including a soil sampling to be submitted by March 31 for testing. I have a copy of that order that I will table in the House.

My question for the Minister is: Can he explain why he and his department have not

ensured that this site was properly remediated, despite the order requesting that the clean-up be completed by March 15, and assured local residents that they and their children are safe and secure in their own homes and in their community?

Hon. Oscar Lathlin (Minister of Conservation): I thank the Member for the question.

I want to advise the House that I am pleased to report that the material in question was removed as of March 10 and was shipped to the Miller environment facility in the R.M. of Montcalm. I am also pleased to report that there seems to be no evidence to suggest that residents in the area were exposed to any potential health risk.

* (13:55)

Mrs. Mitchelson: I am somewhat concerned for the residents when—*[interjection]*

Mr. Speaker, this is a very serious issue, and given that there are fumes—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please.

Point of Order

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, on a point of order. The Member knows full well that supplementary questions require no preamble. It is a clearly stated rule in this House as set out in *Beauchesne's* Citation 410. I ask that you draw the Member's attention to that once again and ask her to put her question without a preamble.

Mr. Speaker: The Honourable Member for River East, on the same point of order.

Mrs. Mitchelson: On the same point of order, Mr. Speaker. I did preface almost the start of my comments with a "given," and that would indicate to me, certainly, because the Minister is not informed, does not know exactly what is happening to the children and the families that are living in that area, this is a serious issue. I wish that the Government House Leader would

take the issue as seriously as the residents in the area are.

Mr. Speaker: Order, please. On the same point of order?

Mr. Mackintosh: On the same point of order, Mr. Speaker, I am somewhat reluctant to get up to rebut the statement. But it is clearly a rule of this House, it is a long-standing principle, and for her to get up and argue now that by starting a preamble with the word "given" somehow exempts it from the category of preamble, and then to use the point of order to talk about the substance of the question is entirely out of order.

I remind the Member that continuing to be an affront to the rules of the House would comprise a matter of privilege.

Mr. Speaker: The Opposition House Leader, on the same point of order?

Mr. Marcel Laurendeau (Opposition House Leader): On the same point of order, because I do believe this is going to take some straightening out to get to the end of it, but we had 11 years of good government, and that is where we sat for 11 years. When we were in government, we had nothing but those types of questions coming, so that is where we learned it from. So, if we have erred, we would appreciate just a little bit of leeway.

Mr. Speaker: Order, please. On the point of order raised. I would just like to ask honourable members to reflect back when I was explaining points of order. I would just like to remind all honourable members that according to *Beauchesne's* Citation 409(2), a preamble should not exceed one carefully drawn sentence.

* * *

Mr. Speaker: I would ask the Honourable Member to please put her question.

* (14:00)

Mrs. Mitchelson: Will the Minister, since the residents of the area are extremely concerned about the fumes that are being emitted by the toxic waste that still remains in the ground and

given that children are playing in an area where fences have been removed before the tests have been completed, as they were supposed to by March 31, now take some action and ensure the safety and security of the children that are playing in that area?

Mr. Lathlin: I would like to advise the Member that we are also, on this side, very concerned about the issue that came about soon after I became Conservation Minister. That is why we took the action that we did. We issued a removal order under The Dangerous Goods Handling and Transportation Act.

Let me further advise the Member that I will do a further check, and I will report back to her in a short while.

Mrs. Mitchelson: I thank the Minister for that answer, finally. Will the Minister, given that this issue was to have been resolved by March 15 and that the tests were to be done by March 31, now ensure that that soil is tested immediately and that action will be taken immediately to protect the families, the children and the drinking water? Will he have the drinking water tested in the area to ensure that it is safe for the residents to drink?

Mr. Lathlin: I thank the Member for that good advice. I will endeavour, as soon as I can, to check it out and report back to her as soon as I can.

Gaming Policy Public Consultations

Mr. Jack Reimer (Southdale): Back in December of 1994, members opposite who are now in government introduced a private member's bill, Bill 203, The Lotteries Accountability and Consequential Amendment Act. The Bill was to analyze the economic and social impacts of gambling expansion, but more importantly called for public and community consultation. I was wanting to ask the First Minister whether he will advise the House whether he will still support this private members' bill that was brought forth by the Member for Selkirk (Mr. Dewar).

Hon. Gary Doer (Premier): It is regrettable that members opposite, in 1994, did not pass this legislation because it spoke to—

Some Honourable Members: Oh, oh.

Mr. Doer: Because, of course, in 1994 we knew there were secret plans for the McPhillips Street Station and Regent Avenue.

In 1994 we called for the full release of the secret report on the McPhillips and Regent Avenue stations, and regrettably those plans were not made available to the public. If they had been in 1994, the public would have been fully aware of what the secret agenda would be, and perhaps we would not have had a situation where the overspending at those two casinos was about 50 percent over the original budget. In other words, \$50 million was budgeted. *[interjection]* Members opposite can try to shout us down all they want, but they can wait for the Auditor's report. Regrettably, those cost overruns that were authorized by members opposite with a secret agenda, if the public would have known about it ahead of time they would have saved a lot of money, and we could have saved a lot of grief.

Mr. Reimer: My further question to the First Minister then is: Why, when he talks about secret agenda and he talks about the audit, the idea of having a secret is now in their court where they are not releasing the information in regard to their expansion of casinos?

As for an audit, we all saw the audit that was commissioned by the Minister of Finance (Mr. Selinger) that said that there was a tremendous deficit. Now, all of a sudden, there is a surplus. The idea of having audits conducted by that government have a lot of credence.

I will ask the Minister again: When he mentioned back in 1994, let us give some power back to the people, to the people where it belongs, public consultations is what he advocated at that time, public consultations—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. The Honourable Government House Leader on a point of order.

Point of Order

Hon. Gord Mackintosh (Government House Leader): I know the Member would like to get a bill moved on the Order Paper. I am sure he will have something to say if he wants to push that along. I suggest, Mr. Speaker, that you remind him that he should save his debate for that time. This is Question Period. He should put a question with no preamble.

Mr. Speaker: The Honourable Official Opposition House Leader, on the same point of order.

Mr. Marcel Laurendeau (Opposition House Leader): On the same point of order, I have got to agree with the House Leader. It was a very long preamble, even though it was prefaced with a question at the beginning and a question at the end.

Mr. Speaker: Order, please. On the point of order raised, the Honourable Government House Leader does have a point of order. I would ask the Honourable Member to put his question because *Beauchesne's* Citation 409(2) advises that a supplementary question does not require a preamble.

* * *

Mr. Speaker: I would ask the Honourable Member to please put his question.

Mr. Reimer: Thank you, Mr. Speaker. I will ask the question then of the First Minister. I will ask the question so that he understands and maybe he can answer.

Does the First Minister stand by his comments in '94 when he said, "Let us give some power back to the people, back to the people where it belongs," or is it his intention to ignore the overwhelming majority of the citizens of Headingley and St. Andrews?

Mr. Doer: I wonder if the Member opposite has actually read the Bill because it does not sound like he has. That would not surprise me.

One of the criticisms we made in '94 was that the legislative committee was not allowed to review the Lotteries Corporation for some two

years. I believe it was two or three months, and we brought the Lotteries commission before the Legislature, and members opposite wanted to run away from the committee because they did not want to hear the kind of legacy that they left us.

A second part of the Bill, Mr. Speaker, was the provision for the Provincial Auditor to be involved in the Lotteries Corporation. Thankfully, the Provincial Auditor is involved in the Corporation, and regrettably I do not think we are going to want to see the final report and investigation on the legacy left by members opposite.

Mr. Reimer: I will ask, then, is it not hypocrisy for the Minister of Consumer and Corporate Affairs to issue a statement, a news release, stating that he is demanding CRTC hearings and public consultation in regard to rate increases by the telephone company when we and the people of Manitoba are asking for public consultations and public input for the casino expansion, and they are not doing it? Where are they standing? Will they have public consultations in regard to these casino expansions?

Hon. Ron Lemieux (Minister of Consumer and Corporate Affairs): Mr. Speaker, the Member opposite raised a couple of questions with regard to consultation. Within the consultation, within the RFP, it states that proponents of proposals have to demonstrate support from local communities and that should be presented to the selection committee.

With regard to the CRTC, with the privatization of MTS, we take a look at what is happening with regard to the rates. The Member opposite raises that, and they should take full blame for that with regard to the increases to the people in the North and rural Manitoba. They will have those increases on their head.

* (14:10)

Economic Growth Technological Advancements

Hon. Jon Gerrard (River Heights): Mr. Speaker, my question is for the Minister of Industry, Trade and Mines. This morning I was

attending a very exciting and future-thinking conference at the Convention Centre called TechQuest 2000. I would ask the Minister, what is her strategy for building on the exciting ideas coming out of this conference to show leadership in the development of the new economy in Manitoba?

Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines): I am very pleased to have an opportunity to talk about TechQuest and our government's vision. In one day from today, you will see our government's plan for the next coming year in our budget. We are working co-operatively with a number of departments, particularly the Department of Education, and with a number of industries to develop a very strategic and focussed plan for the future for Manitoba.

Manitoba Innovation Network Future Plans

Hon. Jon Gerrard (River Heights): My supplemental is to the Minister of Industry, Trade and Mines. I would ask the Minister's plans for the organization which has done such a wonderful job in putting forward TechQuest 2000. Of course I speak of the important organization showing some future thinking in Manitoba, the Manitoba Innovation Network.

Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines): MIN has been working very hard at leading in a number of initiatives in Manitoba, very unique, very creative and innovative. All of the advisory committees that are reporting through government and primarily funded through government resources are being reviewed so that they can be as effective and as strategically directed as possible. We are working with the Chambers, the business community and those involved with the high tech industries.

Northern Manitoba Technological Infrastructure

Hon. Jon Gerrard (River Heights): I would ask the Minister, in my second supplementary, what her plans are to address questions raised by some at the conference that communities like The Pas and Flin Flon have relatively narrow

band width at the moment and need to have access to something more than 9.6 kilobytes per second if they are going to be full participants in the information world.

Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines): Manitoba's infrastructure requires upgrading. We are working co-operatively with the federal government. There has been a recent initiative cap to expand the number of locations that have access. There are a number of private sector initiatives, particularly in the Brandon region, which brought high speed access into Neepawa and Minnedosa. We want to congratulate those initiatives, and we worked with communities to ensure that we can improve the band width and the speed to the Internet.

CFB Shilo

Minister of Education's Comments

Mr. Harold Gillehammer (Minnedosa): Mr. Speaker, the Member for Brandon East (Mr. Caldwell) was quoted in the media this weekend indicating that this government supports a military presence in Shilo instead of Winnipeg. He said, "We recognize across Manitoba that the impact of Shilo on this region has a greater impact than the impact of Kapyong in Winnipeg. That would be an indication of the provincial will on that." I ask if the Minister of Education was speaking for his government on this issue.

Hon. Gary Doer (Premier): Mr. Speaker, the Member last week, I believe last Monday, asked the question to set up an all-party committee, and we have sent a copy of our initial response to the federal government, which was due May 5, and provided copies to members of the Opposition parties. We understand the economic importance of Shilo to southwestern Manitoba. We also understand the economic importance of the reserve troops in Brandon. We understand the economic importance of the other reserve troops all over Manitoba, some 15 units, some of which are being reviewed, some of which have been commented on by Ottawa to be reviewed for their effectiveness. We believe they are all effective in Manitoba. We do not want to see them removed.

We are also aware that the PPCL, located partially in Winnipeg, is very important for this

community. What we are trying to do is make sure that, on the one hand, we do not suggest that these troops end up in Edmonton, which, of course, happened to the troops in Victoria.

So I think it is very, very important that this Legislature recognize the troops that are already here. I think the withdrawal of the German troops in Shilo should be met by the same kind of work that the federal government has had in other areas of Canada when there has been a loss of some military presence, and that is the way we are proceeding with the federal government at this point in time.

Premier's Involvement

Mr. Harold Gillehammer (Minnedosa): So he was not speaking for the Government on that issue then, but I would say to the Premier and I ask the Premier, there is a sense of urgency in the Westman area, a sense of urgency to the extent that the City of Brandon is considering hiring a lobbyist because the two MLAs do not have time to deal with this issue. I would ask the Premier to get more involved in this and take more than this passive approach.

Hon. Gary Doer (Premier): Then I gather from the Member's question that it is the Progressive Conservative Party's position, members opposite's position that we should move the troops from Winnipeg to Shilo. If that is the position of the Members opposite, it is the first time we have heard that.

Some Honourable Members: Oh, oh.

Mr. Doer: Oh, it is not their position now. Oh, it is not their position. So who is speaking for the members opposite in this Chamber, Mr. Speaker?

Mr. Gillehammer: Mr. Speaker, our position is that we preserve all the bases in Manitoba.

Environmental Clean-up

Mr. Harold Gillehammer (Minnedosa): To the Premier. One of the scenarios being floated by the federal government is to keep the base at Shilo open without any troops there in order to

avoid the environmental clean-up. Has he spoken to the federal government on that issue?

Hon. Gary Doer (Premier): Mr. Speaker, so we have it clear, the Progressive Conservative Party of Manitoba is not in favour of relocating the PPCL to the Shilo base. Let us make it very clear, because you cannot have it both ways. The members opposite—*[interjection]* So I am glad there is all-party unity—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please.

Mr. Doer: I believe there is all-party unity, Mr. Speaker. on maintaining all bases in Manitoba, which means we do not move the troops from PPCL to solve the withdrawal of the troops from Shilo. Not only are we dealing with the bases, we are also dealing with the reserve troops that have been mentioned by the federal government, including troops in Brandon, the two very important troops here in Winnipeg, along with the existing base locations here in the province.

We have talked to the federal minister on two occasions on finding another deployment of troops for the Shilo base. We recognize, as the Member for Brandon East (Mr. Caldwell) and as the Member for Brandon West (Mr. Smith) have stated in our caucus, the economic importance of Shilo. Everybody in this Chamber recognizes the economic importance of Shilo to southwest Manitoba. That is something that we have to use as a fundamental assumption in dealing with this challenge.

I look forward to meeting with both the Member for Fort Whyte (Mr. Loewen) and the Member for Minnedosa, who have been chosen by the previous First Minister to be on the committee. We will be having members of our committee—I sent a letter to the Member for River Heights (Mr. Gerrard).

Our first goal is to make sure that the troops are not relocated right out of Manitoba to Edmonton, as happened with the troops in Victoria. We are trying to work effectively to get with the federal government some other use of Shilo, because we think it is a great base, great

opportunities, and could be utilized in a much more effective way.

* (14:20)

**Pelican Lake Centre
Public Consultations**

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, failure to consult is becoming a consistent theme with this government. The Minister of Family Services did not consult with families before he made his decision to close Pelican Lake Centre, nor did he consult with the community. In fact, when he did meet with the families after he made his decision, the families indicated to us it was like talking to a brick wall.

How will the Minister address the concerns of these 2500 people who felt that they were not listened to about Pelican Lake Centre? I would now like to table these petitions and letters of their concern.

Hon. Tim Sale (Minister of Family Services and Housing): Mr. Speaker, well, I would tell the Member opposite that when we formed government, within a matter of weeks I set up a meeting with the board that had been asked to take over the administration of the Pelican Lake Centre. I met with that board, I believe it was December 2 or 3. At that time there of course were parents of people living in Pelican who were on that board, and so I did meet in fact with people. I met with the staff, union representatives prior to that meeting, and I have met with them several times since. I met with the members who were concerned about the decision to close in the parking lot of the Red Oak Inn in Brandon in the wintertime. So I think we met with and consulted with a number of groups quite extensively, and I am quite pleased with that.

I am also pleased to tell the House that services are being developed of a day service nature, as well as some residential services, that most of the people who are being relocated are choosing to relocate close to family or friends. Insofar as those family and friends are in southwestern Manitoba, new services there will serve them and will employ people in that location.

Government Position

Mr. Mervin Tweed (Turtle Mountain): After listening to the Minister of Family Services confirm that he did not consult before his decision was made, my question is to the Minister of Education (Mr. Caldwell), although the Premier (Mr. Doer) may want to answer it as well. Will the Minister tell this House if he supports the resolution that he and his colleague from Brandon West passed as Brandon city councillors in favour of keeping Pelican Lake Centre open?

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please.

Points of Order

Hon. Gord Mackintosh (Government House Leader): *Beauchesne's* Citation 409—*[interjection]* They are a cranky bunch, Mr. Speaker. *Beauchesne's* Citation 409 states that—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. I cannot hear the Honourable Government House Leader on his point of order.

Mr. Mackintosh: Mr. Speaker, *Beauchesne's* Citation 409 states that questions must be addressed to the Minister responsible in the House for the current ministry. The question was posed to the Minister of Education for matters outside of the administrative ambit of the Department of Education.

Mr. Speaker: The Honourable Official Opposition House Leader, on the same point of order.

Mr. Marcel Laurendeau (Opposition House Leader): On the same point of order, Mr. Speaker. It is very clear that the question was dealing with a matter of a public official. He was a city councillor at the time. The question was put: Does he still support his motion at that time? That is all.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. On the point of order, questions are put to the Government, and

it is up to the Government which minister they select to answer the question or if they choose not to answer the question, but all questions are put to the Government.

* * *

Hon. Tim Sale (Minister of Family Services and Housing): I would say to the Member opposite that when the original decision was reached by the previous government, a decision on which they backtracked, they had no plan. They had no consultation. They did not speak to their workers. They did not speak to the families. They did not have a plan for those who were living there. They simply acted in haste. We wanted to take the time to make a decent plan, to make sure there was a place for people to live, to deal with the concerns of the staff and to put services in place in the community.

That is the difference between a planned approach and the kind of approach the previous government took, Mr. Speaker.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Special Olympics Curling Team

Mr. Edward Helwer (Gimli): I would like to take this opportunity to offer my most sincere congratulations to a Special Olympics curling team from the Stonewall, Teulon and Balmoral areas, who were recently honoured by the World Curling Tour in a ceremony at the University of Manitoba.

* (14:30)

They have earned this honour through hard work and teamwork, while demonstrating the meaning of sportsmanship. It is my pleasure to stand in the House and honour this group of young men by entering their names in the permanent record today.

The team of Craig Wakeford, Richard Bynski, Ben Phelan, Mark Gray and Todd

Wenzoski, along with their coach, Joyce Wrychowny, has received a great deal of support for their efforts, including team jackets donated by both the ladies' and men's Manitoba Curling Association. They have also received a banner noting their success, which is now a permanent fixture at the Balmoral Curling Club. In addition to these items of recognition, the Stonewall Curling Club proudly presented the team with individual monogrammed bags at their annual wind-up.

These young curlers, who won the national gold at the Special Olympics last winter, have been a source of great pride for the people in the region and for Manitobans everywhere. So I commend this team and their coach for their dedication to the sport of curling and for continuing the level of excellence displayed by the Manitoba curlers year after year. I wish them the best of luck in their future endeavours. Thank you.

Mayworks Festival

Mr. Doug Martindale (Burrows): I would like to commend the organizers, artists, union members and other volunteers behind Mayworks. Mayworks is a festival held throughout the month of May to honour the lives and struggles of working people.

Of the many noteworthy events in the festival, I would like to single out one in particular, one that only Winnipeggers could stage. It is a bus tour fittingly sponsored by the Amalgamated Transit Union Local 1550 that takes visitors on a trip through the history of the 1919 Winnipeg General Strike.

I was pleased to be on that tour on Sunday, May 7. We drove by the former site of the Alexander Hotel, stopped at the former CPR station, drove through Point Douglas and on to the Ukrainian Labor Temple, past the former All People's Mission, and then through the downtown to the Crescentwood area where we went past the former homes of several members of the Citizens Committee of One Thousand, who opposed the strike.

Then we went to William and Main where the Northwest Mounted Police charged the

strikers who were staging a protest parade on June 15, now remembered as Bloody Saturday. The police opened fire and two strikers were killed.

The tour was a good way to remember the Bloody Saturday martyrs and the 3500 workers who lost their jobs as a result of the strike. All that they asked for were living wages, an eight-hour day and the right to collective bargaining. Jacob Penner, a participant in the strike, became one of Winnipeg's most esteemed exponents of social justice.

I would like to commend the City's Protection and Community Services Committee for its decision to rename Notre Dame Park after Jacob Penner. As a founder of the Socialist Party of Canada and later a communist representing the north end on the Winnipeg City Council from 1934 to 1961, he did much to protect those on the lower rung of the social ladder, as he put it.

As someone who has had connections with community housing projects in Winnipeg, I am particularly pleased to see this early advocate of low-income housing honoured in this way. Thank you.

Income Tax Reductions

Mr. Harold Gilleshammer (Minnedosa): Despite this government's early fearmongering, Manitobans are now witnessing a fifth-straight surplus budget. That being the case, it is time Manitobans started seeing some real change in how much the Government takes out of their pockets.

Over the last few years, our government got this process underway by initiating a number of tax-relief measures. It is time for the new government to make a real commitment to this process. I would suggest that the ideal place for this administration to start would be by following the example of the federal government and that of other western provinces by fully indexing the tax structure to inflation.

Every year the Government is able to seize large chunks of revenue from unprotected taxpayers because of the inflationary push on their income. Over the last decade, the average

Manitoba taxpayer surrendered nearly \$2,500 to the provincial government because of bracket creep. In addition, thousands of low-income Manitobans were pushed onto the tax roll because of the system's inflexibility. This year alone, the Government is poised to collect a hundred and ten million dollars in bracket-creep revenue if action is not taken. In the age of balanced budgets and with the long overdue uncoupling of federal and provincial tax structures, there is no excuse for not taking this step. It is imperative that the bracket-creep tax grab be eliminated not only for the purpose of keeping our province competitive but to be fair to the hardworking citizens of Manitoba. Thank you, Mr. Speaker.

Bernie Wolfe Community School

Ms. Marianne Cerilli (Radisson): I want to recognize the wonderful breakfast I was part of last Friday, May 5, at Bernie Wolfe Community School in the Transcona-Springfield School Division. It was part of Ukrainian Education Week at the school, and it was hosted by the Transcona Parents for Ukrainian Education as well as the teachers and of course the students, kindergarten to Grade 8. It included traditional food, kasha, eggs, kolbassa, cheese, and the baskets were blessed by Deacon Hafichuk.

I want to give special recognition to the teachers: Kindergarten, Carole Trochim; Grades 1 and 2, Hanny Klimenko; in Grades 3 and 4, Irene Galbraith; and in Grades 4 to 8, Walter Stolar. There are also two other teachers on the English side, Rena Lawrence-Brown and Susan Carels.

This is a unique program in the Transcona-Springfield School Division where children spend 50 percent of the day learning in Ukrainian. The program recognizes the need for English language fluency both in writing and orally, and English language arts, math and science are taught in English. Art, music, social studies, health and Ukrainian language arts are taught in Ukrainian. Children learn Ukrainian through music, books and the daily use of the language. The children are taught both in English and Ukrainian, and the amount of Ukrainian instruction increases as the year progresses.

This program is supported through parents, through the association, Cheryl Nieckarz, Tammy Manchester, Melissa Deneka, who are part of the parent organizers of the breakfast, and all the others that attended to witness the wonderful singing, skits and dancing of the children.

The Ukrainian bilingual program at Bernie Wolfe is part of the commitment of many community members. I share their recognition that second-language programs are important in the overall development of the children, and I look forward to visiting there many more times in the future. Thank you.

Garden Valley Collegiate Senior Band and Choir

Mr. Peter Dyck (Pembina): On Tuesday I had the privilege of making a few remarks to the students and staff at the Garden Valley Collegiate in Winkler. I am proud to say that their senior band and choir have been selected to represent us at the Rocky Mountain Festival in Banff. The students and their teachers performed admirably throughout the audition process and were rewarded for their efforts with an invitation to bring their respective talents to this prestigious event. Indeed the opportunity is a once-in-a-lifetime experience for many of the students. I know that it will be much appreciated by those who have the privilege of going.

* (14:40)

There is no doubt that the people of Winkler will be represented well. I am certainly very proud of these young people, and they never cease to amaze me with their individual and, perhaps more importantly, group abilities. The festival that is hosting them will serve to further enhance their skills and develop their natural talents. They are an exceptional bunch, and I wish them well. Thank you very much.

ORDERS OF THE DAY

Hansard Correction

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, just as a preliminary, I

just have a Hansard correction on page 620. The last sentence of my remarks, there was "tension" and that should read "attention."

* * *

Mr. Mackintosh: In terms of orders of the day, if you could call the debate on the government motion introduced by the Minister of Agriculture and Food (Ms. Wowchuk).

GOVERNMENT MOTION

Federal Reparation for 1999 Farmland Flooding

Mr. Speaker: Resuming debate on a proposed motion of the Honourable Minister of Agriculture (Ms. Wowchuk), standing in the name of the Honourable Member for Fort Whyte (Mr. Loewen), who has 22 minutes remaining.

Mr. John Loewen (Fort Whyte): Mr. Speaker, here we are one day later, twenty-four hours closer to a budget, twenty-four hours further away from the worst natural disaster that this province has seen in a long, long time. And what do we have? We still have a government without an answer.

An Honourable Member: It is not a natural disaster, though.

Mr. Loewen: An unnatural disaster.

We have a government without an answer. We have a government that is refusing to support the farmers of southwestern Manitoba. We have a government that is making choices everyday, incorrect choices. We have a government that has gone on a spending spree since they have come into office. They have spent countless millions of dollars on unnecessary items in a simple effort to try and make the Deloitte and Touche report, which I am dismayed again yesterday that the First Minister called it a Deloitte and Touche audit in spite of the fact that he has known for months and months that that report is not an audit. It never was an audit.

The other day, the members opposite were trying to tell us about how much they knew in

business. Well, maybe they should explain to the First Minister if they know so much about business, they should try to explain to the First Minister the difference between a report and an audit. It is unfortunate that for the people of Manitoba, he does not seem willing to recognize that.

Mr. Speaker, I go back to the point that I was making. This government has made commitments worth millions and millions of dollars all over this province since they came into office, but they have not made a commitment to the farmers of southwestern Manitoba. Again, we saw that yesterday when the Minister of Intergovernmental Affairs (Ms. Friesen) stood up and in a ministerial statement told this House that they had set aside \$8 million to help rejuvenate housing in the inner city. There is no doubt that the members on this side of the House agree that something needs to be done with the state of housing in the inner city, but not at the expense of the farmers in southwestern Manitoba and those in the rural communities that are still suffering from this government's lack of support to them following the flooding disaster of 1999.

So, Mr. Speaker, I would like to close off my comments by simply bringing the attention of the Government back and focussing it to the issue at hand. The issue at hand is what can be done? What are we going to do for the people in southwestern Manitoba who continue to suffer from the neglect of the existing government and who continue to suffer from the lack of support that this government is showing for them?

Again, Mr. Speaker, we hear argument after argument about how it is somebody else's fault. Once more playing the blame game: it is the fault of the federal government that they are not willing to just jump to the table and agree to a 90-10 program; it is the fault of the federal government that this government cannot negotiate a 50-50 agreement. We have ministers who have flown down to Ottawa today, it is now quarter to four in Ottawa, and yet what have we heard? We have nothing. We have nothing to report back to this House on what they have accomplished or what they have not accomplished today.

So, Mr. Speaker, I call on this government to do the honourable thing and start writing some cheques. Start supporting the people of southwestern Manitoba as was done by the previous government. *[interjection]* That is right, start spending some money. Start giving some assistance. Start giving some aid to these people. Forget about coming to this House with announcements, with no plans that mean nothing. Spend some money where it is going to make a difference.

Mr. Speaker, I would like to close my comments by once again urging that this government get off the pot and get on with the job of supporting the farmers of southwestern Manitoba. Never before have so many farmers had to go to grain companies to ask for support in financing their operation, because the banks realize that without the support of the members opposite, those farmers are in deep trouble. So they have had to go to the grain companies, which is not their preference, and the grain companies are having to finance these farmers to help them get a crop in the field, which is the responsibility of this government. So I would urge this government to take some action, to live up to the responsibility of the people in southwestern Manitoba and get them some aid immediately.

Thank you, Mr. Speaker.

Mr. Scott Smith (Brandon West): Mr. Speaker, it is great pleasure to get up and speak on this motion that was introduced quite wisely by the Agriculture Minister, who fully understands this issue, a person who has been involved in it for many, many years, a person who is out there constantly with the people in the farming community, a person who comes from a farming background and a person who has met countless times with officials in Ottawa regarding this issue.

It is a motion that was presented by the Minister that we had hoped on this side would see real results in working together with members opposite. The unfortunate part, Mr. Speaker, I guess, is when the members opposite, although amendments are critical and make sense and can always be brought into a debate, the unfortunate part is the division even on the members' opposite side on this issue. It is an

issue that is extremely important to the southwestern farmers, and the Member opposite from Whyte Ridge has meant a great deal—

An Honourable Member: Fort Whyte.

Mr. Smith: Fort Whyte—I am corrected by the Member opposite. He has mentioned on numerous occasions that the people out in southwestern Manitoba are suffering. They are suffering a great deal from a disaster that was brought on by the heavy, heavy rains of last year, and the disaster assistance has been miserably misplaced by the federal government on this issue.

It is unfortunate that the members opposite have not come together for a passing on this motion. They have not come together in their own caucus on this issue. It is quite evident and quite obvious from statements made by members opposite that obviously they are not unified on this. We had hoped that they would be to support the farmers, the producers, the businesspeople and the communities of southwestern Manitoba.

It is interesting, members opposite have recently made statements regarding some of the business decisions that they have made for the province over the last number of years, and it is interesting, the Tory approach from members opposite to start writing cheques, start spending some money, start wheeling out the wheelbarrows and throw it at it. But, you know, Mr. Speaker, it is interesting, the amount of dollars in support, and rightfully so, that when members opposite had elected to put dollars forward for ailing farmers in southwestern Manitoba, that has been done. There has been over \$150 million, \$170 million put toward this effort from a province that has responded in a great way, from a minister who fully understands the issue, from some creative approaches to long-term initiatives on this and some of the insurance initiatives that have been presented by the Minister of Agriculture (Ms. Wowchuk).

It is extremely, and I will reiterate extremely, unfortunate when members opposite would like to start getting into issues of letting the federal government off the hook on a 90-10 split that is obviously a split that they should be paying, and it is a split that should be, in part,

50-50. There is full agreement on that. The Minister of Highways (Mr. Ashton), as well as the Minister of Agriculture, have not said that there would not be a 50-50 split on the issue, but the federal government, Mr. Eggleton obviously in his comments of last week has decided to completely wash the federal government's hands on this issue, to completely walk away from the table and to completely let the farmers down here in southwestern Manitoba.

* (14:50)

On the other hand, members opposite want to pull out chequebooks. They want to do what they have done so well in depleting a reserve fund that was set up in Manitoba, that they were not able to balance their budgets and balance their books over the last number of years on this, so they went into another method that they thought might work, and that is selling off Crown corporations.

It is unfortunate that they believe that they need to sell off Crown corporations to balance the budget. That is not our approach. That is not the approach of fiscal responsibility, and it is not the approach that Manitobans want to take. It was obvious in the last election. It is unfortunate that the great minds and business leaders of the members opposite here cannot seem to understand that when a baseline budget is struck that you do not drag into your savings fund to completely try to I believe foil Manitobans into saying that a budget is being balanced.

That is unfortunate that they have let us down with areas in the health that were overspent by over \$100 million by early in last summer. I guess that was their answer, too, that the Fiscal Stabilization Fund could have been dipped into for education, that it could have been dipped into for highways, it could have been dipped into for everything that they were doing inefficiently in not balancing a budget over the last number of years.

That is not our vision, to sell off Crown corporations to have a bank account and dig into the bank account and overspend. The issue is incredibly unfortunate to the farmers and producers, but I think it is even more unfortunate in this House when we have members opposite,

many of them that are living in rural communities, that are letting their constituents down by not supporting a very well-worded, a very well-placed motion by the Minister of Agriculture (Ms. Wowchuk) to go to Ottawa for their responsibility on this issue. We cannot reiterate that enough, that the deep pockets of the people of Manitoba, even though people in Manitoba recognize an incredibly unfortunate disaster for the farmers in southwest Manitoba, also recognize the fact that the federal government needs to accept the responsibility.

I think the members opposite are letting down the people in Manitoba not only in the urban centres, not only in the Winnipeg area but also completely in rural Manitoba in being so short-sighted, with no vision to attack the issue on the pockets of Manitobans and not asking for the federal government to come to the table. In any negotiations they should be open, they should be considered, and at no time did the Minister of Agriculture or the Minister responsible for disaster, the Minister of Highways (Mr. Ashton), say we would not go with the 50-50. It was the federal government that walked away from the plan, but I guess the members opposite here in their card-playing of many years did not quite understand the strategy that needs to be used for getting the federal government to the table to accept their responsibilities. The people in southwestern Manitoba have looked at this issue now and asked: Why are the members opposite bringing forth a rather weak support on this issue? [*interjection*] The Member opposite, from Virden, I believe, is saying weak—I cannot quite understand it, I think he is saying they are weak—

An Honourable Member: Arthur-Virden.

Mr. Smith: Arthur-Virden—is suggesting that maybe what they had for an amendment was weak. I certainly agree with that, but in the meantime, if they are going to present weak amendments to a good motion, it does hold up many, many of the Minister's responsibilities to take a strong, united front to Ottawa on this issue and to say, this is extremely important to members in Manitoba, every single person in Manitoba and that the federal government needs to accept the same responsibility that they accepted and accepted well in the Red River

flood, the same responsibility that they accepted in the severe ice storms in the east, and the same responsibility that they have accepted for many disasters that have happened in the eastern part of Canada.

I do not believe that southwestern farmers, southwestern business people and southwestern communities need to be looked at as second-class national citizens on an issue that is so important to our area and should come to the table. Obviously, Mr. Eggleton has different views, but I would like to hear that strictly from their party, not simply from Mr. Eggleton on the issue. I do not believe that the federal government would accept such a narrow-sighted line on the issue that has been presented, and I believe we need to hear that from the Minister of Agriculture (Ms. Wowchuk) when she is negotiating very, very hard for the producers and for the people of southwestern Manitoba.

The farm crisis has certainly affected people getting back onto their land. I believe that the members opposite as well as the Government fully understand and recognize the difficulties that Manitoba farmers are having in getting out onto their land.

The extreme issue of the businesses in the area, the chemical dealers, the fertilizer dealerships, the large industries in the southwest of Manitoba that rely on these industries, are extending greatly past any extension that they have put on their financing to assist the Manitoba farmers. I know that many of the smaller businesses are accepting larger lines of credit for these farmers to get back out on their land. They know that once farmers are able to get out and get the crops at least into the ground, there is a hope for the farmers to cash in most of their forage fields at the end of the year and hopefully see a return on their profit and keep the economy spinning. But it is compounded again by some of the larger elevators that are running into problems now because of the low commodity prices. We are seeing as early as today articles in the *Free Press*, where some of the large holding centres such as Agricore Co-operative and many of the others are talking about amalgamating, either that or they are talking about larger profit shares for less elevators.

This, again, puts more pressure on the producers. It is going to put more pressure on the farmers travelling the distances that they are going to have to travel to these different facilities, and it is going to lessen the chance by having more choices for farmers on their initial growth and the sale of their products in the end. We are seeing pressure on farmers here, many who have directed their efforts into canola crops and different forage, who are seeing the difficulty they are faced with by some of the larger producers within the corporate system such as McDonald's restaurants and many of the others who are starting to say that GMOs in the food produced—and I know it has been a great push in the ag industry throughout Manitoba and Saskatchewan that genetically modified organisms are not going to be accepted by some of the larger corporations, and that will disallow farmers, again, from selling part of their crops at any profit at all. It will regulate where they are going to be able to ship and where they are going to be able to send their final result and bring it to the point where farmers are going to be able to sell it in Canada only as long as genetically modified organisms are accepted by other larger industries and put out to place in their avenues.

Mr. Conrad Santos, Deputy Speaker, in the Chair

The farmer in southwestern Manitoba is impacted by corporate decisions worldwide now and decisions that are made by smaller and smaller vertically integrated, massily controlled industry, and it is affecting the bottom line. It is very, very difficult for some of the families within these communities to understand the direction that the federal government is taking regarding these responsibilities and which shrinks their market even more. It is getting to the point where many, many of the producers are wondering whether or not they should initially put their crops in at all. It is the pressure of the disaster, it is the pressure of the market being underachieved, I believe, by the federal government and the poorer reaction on the point of members opposite to a good motion that was presented that could have been taken by the Minister into Ottawa with her yesterday.

* (15:00)

It could have been brought forth as a motion that was supported in this House by every member and which had given clear direction to our minister that members opposite indeed support the efforts of the minister to achieve what is rightfully the dollars that should be paid by the federal government to Manitoba on a disaster.

The amendment prior had stated that a 50-50 initiative should be created, and it has never been disputed. It has never been said by the Minister or members of this House that we would not go into a 50-50 agreement and deal with it on that basis. But it is unfortunate that the great minds opposite cannot recognize the difference between a 9-to-1 dollar and a 1-to-1 dollar. Comparing a 90-10 split and a 50-50 split.

The unfortunate dollars on that is on \$1 million. Mr. Deputy Speaker, \$900,000 would be a 90-10 split for the federal government, \$100,000 for Manitoba. If the only avenue that was followed was by the prior amendment to the motion, that we go in on a 1-to-1, it is not hard to figure out how far the dollars would go to really helping the people that are affected, 500,000-500,000.

Now, when you compound that and multiply it by the amount of people that are affected and by the amount of dollars that we need to get into on this issue, it does not take long to figure out that the members opposite must have wanted to completely deplete the money that should be in for reserve for the citizens of Manitoba and to dig into the Fiscal Stabilization Fund as they have done so often and so recklessly over the past number of years.

I believe that farmers—the Member opposite says farmers are important, and I certainly agree. There is not a member on this side that does not disagree with that. The \$170-million commitment by Manitobans and by this government and by members opposite is a pretty good indication that this is an important issue and that very heavy dollars are being produced and put into this effort. Sooner or later members opposite might want to suggest they would like to see Hydro sold to deal with issues like this. But that is not the vision of this side, it is not the vision of the people of Manitoba, and it is not the way

that business practices should be done, with digging into a bank account and calling it balancing the books.

The farmers of southwestern Manitoba are probably, and I say probably, or assuredly, the most inventive people that you will ever see on any issue that is dealing with agriculture. It has been recognized worldwide in efforts of many members from southwestern Manitoba surely that have gone to different countries to help the countries on organizing and the best practices of the planning of certainly forage crops and how to stretch one acre into incredible production. Over the last number of years, certainly the past couple of decades, it has been pretty evident to the rest of the world that the breadbasket of the world here in southwestern Manitoba is using incredible practices to do just that.

The fear of many of the countries in the world that would like to buy the product, and I had mentioned before the genetically modified organisms that are in canola and other forage crops, is in a lot of cases unacceptable to me that without scientific fact or proof or fear of what people would like to call frankenfood that they are putting the different producers under great strain. It has been accepted by Canadian guidelines. It has been accepted by the federal government guidelines. Producers are using that in a manner that is very, very efficient within Manitoba here. We have seen over and over again many of the crops that are being used now are seeded with genetically modified canola crops certainly. The market is being pressured by our neighbours to the south in a great deal of their efforts.

Although it is not the only answer, Mr. Deputy Speaker, to expanding their crops, the pressures that are being put on in the low commodity prices are forcing many of the elevators now to look at alternate uses. We are seeing massive elevators going up in different areas in Manitoba. There are five major players here in Manitoba now that are now looking at reducing that to three. That will stretch many of the people from Arthur-Virden to drive a great deal of distance to get to elevators. It will be an incredible impact on the south of Brandon and the distance that is going to have to be driven to elevators. It puts incredible pressure on high-

ways and infrastructure here in Manitoba, and it puts incredible pressure on the municipalities and their municipal roads, this issue.

The shrinking dollar, the shrinking commodity price, the unresponsiveness from members opposite to come united on this issue to show the federal government that, in fact, we need to deal with this issue, that the federal government needs to deal with this issue, and the members opposite dragging their feet on this issue has been incredibly unfortunate for the people at the table who are stuck in the middle of this, who are stuck in the middle of members opposite being divided on the issue, where I would have thought that members opposite, many being from rural areas, certainly would have recognized that producers told us loud and clear many, many times in meeting with them and certainly as early as April 12 out here on the Legislature steps that they want to see action on the issue. They want to see the federal government come up to the table and assist the farmers, as the Province of Manitoba has assisted the farmers in their efforts.

Although many of us would like to go into a deficit to aid and assist the farmers of southwestern Manitoba, they also realize, in balancing their own books, that you cannot continually do that, that you cannot continually go into deficit budgeting as has been done in the last three and four years, to treat the taxpayers' dollars in that way.

I believe that farmers want to see this House go with a clear message to Ottawa. They want to see members opposite come together with the incredible efforts that have been put forth by our Agriculture Minister. They want to see the federal government not give them a handout; they are not standing there asking for anything that any other Canadian does not get. They are asking that they be treated in the same respect and in the same way that all other Canadians have been treated in a disaster. They have recognized that this is a disaster. We do not understand why they are not treating it as a disaster in their funding.

I know that we need to move on this issue. I am hoping that they are not divided, as it seems, the members opposite here, that we come

together clearly on this, that we get on with this issue and get some results for the producers in southwestern Manitoba and certainly all of Manitoba. It is not just the southwest. There are many other people who have been affected by this as well.

An Honourable Member: United we stand.

Mr. Smith: United we stand.

Just in closing, Mr. Deputy Speaker, members opposite seem to be indicating that they need to come together on this issue, that they need to assist the Minister of Agriculture (Ms. Wowchuk) in taking a strong message forth on this.

Obviously, we are not always going to agree on all issues in this House. We are not going to agree on many resolutions or motions that are presented to us. We are sometimes going to be divided on slight wordings. No one is opposed to good suggestions and to adding strength to a motion, but on this particular motion it is my hope that we can move quickly on this.

We have looked at amendments that have been defeated. We are now looking at a motion, and I think we need to send a clear message that this is important to all Manitobans. It is important to producers, it is important to business, it is important to people within the communities. I am sure when the call for the vote on this issue comes forth, we are going to have all members opposite as well as members on this side agreeing that this strong motion and this strong message need to be sent to Ottawa.

* (15:10)

I thank you very much for your time and your due diligence given to listening to this. I would like to have comments by many other people who would like to speak on this issue as well. So, listening to those, thank you, Mr. Deputy Speaker.

Mr. Marcel Laurendeau (St. Norbert): St. Norbert.

Mr. Deputy Speaker: The Honourable Member for St. Norbert.

Mr. Laurendeau: It is your riding, Mr. Deputy Speaker. I thought you would not have any trouble remembering it as one of my

constituents[*interjection*], a faithful constituent, may I add.

I am pleased to rise today and speak on the resolution that is before the House. It is with deep regret though that I must say I was confused how the Government of the day could stand in the way of an amendment that put in place exactly what we in the south end of the province had back in 1997, and that was government support.

In 1997, we stood together in this House, and we worked together on the dikes in my community, in Emerson and Ste. Agathe and St. Adolphe and throughout the south in fighting back Mother Nature. This government stood behind us when we did that and assisted us in funding even though the feds were not always there real quick, but there was an election at the time, we must remember. You can always count on a Liberal to be there when there is an election called. The only time they ever fall off the fence is when there is an election called, and it is the only time they ever live up to a promise.

So, Mr. Deputy Speaker, we have to look back in the past a little farther than the '97 flood, because that was a year of co-operation with the federal government because of an election. Back in 1989 when the forest fires were on and the Minister of Natural Resources at the time was the Member for Lakeside (Mr. Enns), there was never any question that the funds had to be put in place. Our government of the day put in place the funds that were necessary to help the people of the North. There was no question of waiting for the federal government to put any money in place. Those people were taken care of then when the money was needed.

Mr. Deputy Speaker, it is interesting when you look at it. It was not as if they were supporting us in the North. It was because we believed that as a government it was our responsibility. It was our responsibility to see that the people of the North were taken care of because there was an emergency at the time. But, now, down in the areas of southwest Manitoba, we have our communities of Melita, Virden, Oak Lake and other small areas—and even I get confused when we get down into that area, but I must say I have toured through the area before the flooding came and after—and Waskada, Minnedosa and all the rest of it. These people

were there for us in the south end. They stood up for us as Manitobans. They came and they helped us in the south putting the sandbags up. They helped us when it came to the funding, because they wanted to see the funding flow to the south during the flood.

Mr. Deputy Speaker, if we wait for a federal Liberal government to commit any money, the people of southwest Manitoba will no longer be there. We will lose the businesses that are there today, we will lose the farmers that are there today. And what do they say? It is just a natural transition, because that is what the federal Liberals believe. They believe that it is a natural transition that a lot of these farmers have to go broke, and I do believe that the Government of the day is falling into that trap. They are falling into the trap of believing that it is a natural transition, and they are helping it to succeed because they are not jumping on the bandwagon and putting the money on the table today. The money that is needed not only for the farmers but for the rest of the communities that are suffering, because it is not only farmers in southwest Manitoba, there are businesses who without any farm incomes do not have an income for their families.

So as you go through these small communities and you see the storefronts closing up, you see the children who will no longer have those needs being met at home. I only hope the Government, who saw the people of their communities in the North serviced by this government—even though we did not have any seats up there, not one seat, we supported them. But, Mr. Deputy Speaker, the people of the southwest, they do not know how to vote. They voted for Conservative governments. The Liberals sure are not going to support them. So we can see where they are coming from as a government. If you know how to vote, they will take care of you. But, if you do not know how to vote, you need not come because there is no way they are going to give you a hand up. They believe in handouts but never come for a hand up.

All they are asking for today is a hand up to be able to get their crops in the ground, to be able to produce the food that feeds us on our tables. But no, what do they do? They sit back

and they put together a little bit of bafflelegab, and the Minister goes to Ottawa. What does this minister do when she goes to Ottawa? She walks into a meeting with the NDPs out of Saskatchewan, says, let us go play to the media, and she walks out. She walks out of a meeting. She walks out, and it was all planned ahead. The media already had the release, and this is what she called negotiating. So can you blame a federal government who says come to the table? No, you cannot, because all they are doing is playing to the media and trying to get the hype. They are scared to see that they can show support for all Manitobans and Manitobans throughout the province.

Over the years, we negotiated with the federal government from 1989, and we did get those funds. We got the money back. It took 10 years to do it, but we did it because we stayed on their case. If you wait till the next election, the Liberals will be back at the table because being Liberals as they are, as soon as the election is called, the taps will open. The floodgates will be flooding open to put money into every constituency that they can possibly stand a chance for. Lo and behold, they are going to look at that end of the province, and you know what they are going to say, forget it, because they do not know how to vote. They do not know how to vote, Mr. Deputy Speaker, so they will never put any money in the southwest. Leave not this government to wait for the Liberals to put money on the table.

You had an amendment that would have put your money on the table. For the first time, you would have been supporting people of this province. Do you think that you are only supporting the southwest when you invest in that area? No. That is a support mechanism for not only the southwest but for all Manitobans. We as a community need the farming community, because they not only feed us but they create some of the wealth, some of the wealth that must flow throughout it. You do not seem to understand that because all it comes down to is: let us give a handout but no hand up when somebody is down and out.

So, come up to the table. Tell your minister to give up on the federal Liberals, because until there is an election called this fall, they are going nowhere. They will not support, because the

people of the southwest do not support them. It is terrible to say, but that is the way the Liberals are. I did not think this government was that way. I thought this government could stand behind Manitobans as a whole. I did not think you would take into account how they voted, but now I see it. *[interjection]* The Member for the Interlake was right. It does matter. It does matter how people vote.

Mr. Deputy Speaker, let me say that I know how you vote. You live in my constituency, but I would still represent you in this House. Even though I do not always agree with you, if you were down and out, I would be there for you and you know that.

I think it is important that we pull this thing together, and if it is a slight amendment that is needed to this, all we do is say make us a recommendation. Let us assist you in working for what is best for all Manitobans, and that is giving the aid to the people of southwest Manitoba who are indeed in need today. If we do not do something today, it is going to hang on your heads in the future. So do not wait for the federal Liberals. Take action, and take action now. Thank you.

*(15:20)

Mr. Stan Struthers (Dauphin-Roblin): Mr. Deputy Speaker, it was very interesting to listen to the speech just given previous by the Member for St. Norbert (Mr. Laurendeau). I am absolutely amazed at the way a member in this House can land on both sides of an issue. I was very much impressed with that kind of verbal gymnastics. On the one hand, he is on to that federal government, and he is going to tell them a thing or two and he is going to get tough with them. On the other hand, he supports an amendment that lets the federal government completely off the hook. Why would an opposition member in this House want to let the federal government completely off the hook?

We are doing what we can in this province, not just in this House, in this province, to get the best deal that we possibly can for the southwest in this province. What do we hear from members opposite? We hear a whole lot of rhetoric and a whole lot of cheap politics being played on the

other side of this House. It is time that that other side of the House put aside its cheap, little political games once and for all and voted on the resolution that is before us that says we have a united team in this province, united between the government, the opposition, the Leader of the Liberal Party in this province, the Keystone Agricultural Producers, the Association of Manitoba Municipalities, one farmer after another who have said we have to approach the federal Liberal Government in a united way.

What is this opposition doing? This opposition is destroying the coalition that we have built in this province. This opposition is dividing and conquering itself, Mr. Deputy Speaker. It is bad enough that you have a federal government that believes in dividing and conquering and weakening its adversaries, but to see what I have seen across the way from an opposition who chooses to play politics over the needs of the people in the southwest, most of these members across the way, many of the members across the way are absolutely, directly representing constituents in their area and have the audacity to come to this House and destroy the coalition that we have built.

In the long term, that is what is going to hurt the farmers in the southwest. It is bad enough they have put up with Mother Nature pouring water all over them. It is bad enough they put up with weeds growing that they cannot get a handle on. It is bad enough that Mother Nature has not been co-operating. Now we are faced with the spectacle of an opposition party who is just as intent through its own cheap political gains to work against those farmers as well.

The members across the way will learn, at some point, and they will get a lot of chances to learn how to be good opposition members, because I am afraid they are going to be in those seats for quite a long time if they keep this approach up.

The Opposition always has a choice, Mr. Deputy Speaker, and I remember being, as an opposition member for four and a half years, I remember having to make the choice between, do I do what is good for my little political career? or do I do what is right for the constituents that I represent? or do I do what is

right for the people in my area? or do I do what is right for the farm community? Sometimes you have to make those decisions.

One of the things that I have enjoyed as a member of this government is the responsibility that goes along with being a member on the government side of the House. But some of that responsibility is incumbent upon members of the Opposition as well. The people of Manitoba expect us to make good decisions. Whether you are on this side of the House or whether you are in the opposition, they expect you to put their needs and their interests ahead of your own political gains.

That is what motivated the Opposition to put forward an amendment that does not call for anything other than a negotiating process in which we start saying we want a 90-10 split, and if we cannot get that, we will go for a 50-50 split, and if we cannot get that, oh, what the heck, we will give it all. What kind of a negotiating position is that?

An Honourable Member: It is called the prone position.

Mr. Struthers: Exactly, they start off in the prone position, as the minister for Child and Family Services has pointed out. It is a prone position. You start with the white flag and move up from there. That is no way to represent your own constituents. That is just what the federal government likes to hear. They want to hear about how the Opposition is splitting apart the coalition in Manitoba. That strengthens the federal government. That encourages them to say no. That encourages the Minister responsible for disaster assistance to say no, to say: No, we are not going to help the people of southwest Manitoba. That is what you are encouraging the federal government to say.

Now, Mr. Deputy Speaker, what we are proposing, on the other hand, is not a cheap way to try to score some political points. It is a reflection of the hard work that our Minister of Agriculture (Ms. Wowchuk), our Premier (Mr. Doer), and our Minister of Government Services (Mr. Ashton) have put into the last number of months in getting a strong, united position put forward to the federal government in Ottawa. A

lot of work has gone into that, and not just by members of this government, but by members across the way in earlier days when they were less prone to politics and more prone to doing the right thing on behalf of their constituents. It was a lot of hard work put in by a whole number of groups in this province who are concerned about rural communities, who are concerned particularly about rural communities in the southwest part of our province.

Is this what the members opposite want to pull apart? Is this a tough stand on a program that they advise us to take part in? There has to be more than that, Mr. Deputy Speaker. We do not start by raising the white flag. I do not care how many times the federal government says no; the federal government has a responsibility when it comes to these disasters. The federal government has a responsibility for a 90-10 split on certain aspects of this disaster. They have a responsibility for a 50-50 split on other aspects of this disaster. I cannot believe that members across the way are willing to treat the people of southwest Manitoba any differently than the people who suffered in eastern Canada during the ice storm.

I find it hard to believe that members opposite encourage this government to treat southwestern Manitoba differently than the people who suffered through the Saguenay flood. I find it absolutely disgusting that members across the way would have us treat Manitobans in southwest Manitoba differently than what we have treated Manitobans in the Red River flood. We have been arguing for fairness; we have been arguing for equality; and we have been arguing for federal government responsibility right from Day One.

At the beginning there was unity. Now I wonder where the Opposition stands. Are they with us and with the people of Manitoba and the farmers of southwest Manitoba, or are they willing to pull apart the coalition that does have a chance of getting the federal government to agree to their responsibilities, or are they going to play cheap politics still? Well, we are going to find out, I suppose, Mr. Deputy Speaker. We are going to find out where that Opposition stands when we get a chance to vote on the resolution that is before this House.

I know where the Member for Lakeside (Mr. Enns) stands because he told us yesterday. The Member for Lakeside had the courage and the honesty to tell us that he was voting against our resolution. He said it in the House yesterday. On the one hand, this is a caucus, this is members opposite, saying that we stand for the farmers, that we stand united with other groups in this province, saying that we demand what is right for our farmers, that we want equal treatment for our farmers. On the other hand, when you have a resolution before you that does do exactly, the Member for Lakeside says no. The Member for Lakeside says no. Art Eggleton says no. The federal government says no. Everybody who is saying no is lining up.

* (15:30)

Our government says yes. We say, yes, we have to treat people fairly. Yes, we have to pay 90-10. We have to pay 50-50. We have to treat people in southwest Manitoba just like we treat them out east. Yes, we are saying that to them.

Why is the Opposition saying no? Why does the Opposition say that people in the eastern part of this country get special treatment over our very citizens in Manitoba? That is what I want to know, Mr. Deputy Speaker, and the telling tale will come when they stand to vote on this resolution.

I want to deal with one more matter, a matter that came up in Question Period today when the Member for Springfield (Mr. Schuler) referred to the work that our ministers were doing as "junkets." A junket, Mr. Deputy Speaker? Going to Ottawa to fight on behalf of farmers and somebody from the Opposition has the nerve to call it a junket? What does that member think our ministers are doing in Ottawa? Was it a junket when the Member for Arthur-Virden (Mr. Maguire) attended one of these? Is that what the Member for Arthur-Virden would say? Would the Member for Arthur-Virden refer to it as a waste of time?

That is an absolute insult, an absolute insult to not only the farmers in the southwest part of this province but all those leaders who have been working so hard to get a fair deal on behalf of the farmers in the southwest part of this

province. Junket, my foot, Mr. Deputy Speaker, and if the Member for Springfield had any feeling for this issue—

Point of Order

Mr. Larry Maguire (Arthur-Virden): Mr. Deputy Speaker, I rise on a point of order to clarify the situation in regard to the member across indicating the junket to Ottawa last fall as being a waste of time.

The situation was we went to Ottawa with no plan. We were seeking \$300 million of which there was supposed to be targeted dollars for southwest Manitoba, and there never was any targeted dollars in southwest Manitoba, Mr. Deputy Speaker. So very clearly there was no plan. I mean, always these kinds of efforts are worthwhile to try to receive some dollars from the federal government and show the urgency of the situation to them, but very, very clearly there was no plan and there was no commitment from the provincial government in regard to getting dollars on the record for southwest Manitoba.

Mr. Deputy Speaker: A difference of opinion is not a point of order.

An Honourable Member: Mr. Deputy Speaker, on the same point of order—

Mr. Deputy Speaker: On the same point of order?

An Honourable Member: On the same point of order, I asked for the recognition of the Speaker.

Mr. Deputy Speaker: I have ruled that there is no point of order.

Point of Order

Hon. Tim Sale (Minister of Family Services and Housing): Mr. Deputy Speaker, on a new point of order?

Mr. Deputy Speaker: A new point of order.

Mr. Sale: Mr. Deputy Speaker, I would ask that you instruct the previous speaker on the same kind of ruling that the Speaker made earlier today, and that is that points of order are to be

used for offences to *Beauchesne's*, to the rules of this House and that when a point of order is made it should be with a citation and it should be to some procedural error that has been made or breach of the rules of this House.

I would ask you to instruct the member that it is frivolous to use points of order and inappropriate to continue the debate.

Mr. Deputy Speaker: May I remind everybody in the House that points of order are departures of the rules of proceedings and traditions of this House. They have nothing to do with substantive points of arguments on any subject matter.

* * *

Mr. Deputy Speaker: The member for Dauphin can continue.

Mr. Struthers: Mr. Deputy Speaker, what we do learn from frivolous attempts to interfere with the workings of the House on those sorts of procedural steps is that the members opposite are really feeling the pinch on this issue, because on the one hand they do have people whom they represent back home who are expecting results.

They are expecting all of us as legislators to do the right thing on their behalf, to work together to get the federal government to come through with its commitments and its responsibilities, and on the other hand they are frustrated because they want to use this issue to score some cheap political points. I guess, on the crassness level, I can understand that, but this is not an issue that should be dealt with at that crass level. This is an issue of quality of life for people who live in our province, for people who contribute to our economy, for people who contribute to our tax base, people who have lived in this country for a long time. I put to you that what they need is a little bit better representation on this issue than what they are receiving right now from people across the House.

We have been told over and over and over and over again by people in the province of Manitoba, including the southwest, that what we need are politicians to set those things aside and choose to co-operate with each other and with the federal government. I believe the people of

the southwest, who I have had many opportunities to talk with on many occasions, have an expectation that if we need to get strong with the federal government to accomplish that, then we should.

There is this misunderstanding on the other side that somehow the amendment that was voted down yesterday would accomplish that. Well, it would not accomplish that. It was simply a political move on the part of the Opposition to squeeze into an issue. Now, this resolution that we are debating now that is coming up for a vote at some point is a resolution which will exactly do what the members across the way have been chirping for all day today. They are going to have to put their money where their mouths are. We are moving on this. We are strong with the federal government. We are working on behalf of the people of southwest Manitoba to get Ottawa to realize their responsibility.

What the members opposite are telling us here today is let the feds off the hook. I cannot understand why an opposition party who represents predominately the farmers in the southwest part of Manitoba would stand here in the House and offer themselves up as apologists for the federal Liberal Government. All we get are apologies through this opposition on behalf of the federal government. That is not what we need right now. What we need right now are people who have the courage of their convictions, who can rise above the politics of the matter and who can do the best job and make the best decisions on behalf of communities in the southwest.

We are committed to that, Mr. Deputy Speaker. I know the Premier (Mr. Doer) is. I know the Minister of Government Services (Mr. Ashton) is, and so is the Minister of Agriculture (Ms. Wowchuk), who have been working hard on this issue, and they do not deserve to have the members across the way get weak-kneed now and back out.

With those words, I would encourage the members across to rise above their usual temptation to play politics and vote in favour of the resolution put forward by our Minister of Agriculture.

Mr. Maguire: Mr. Deputy Speaker, I rise in this House today to speak to the motion that has been put forward. Now that the amendments have been defeated by the Government in session in Manitoba today, I want to rise to say that this is an absolutely deplorable situation to deal with the situation in southwest Manitoba. This is a deplorable outcome for the farmers of that region, their families and the communities and the businesses in those communities, as they have been struck by a disaster way beyond any control that they have in managing their situation in southwest Manitoba.

* (15:40)

The members, for whatever reason, voted down yesterday sound amendments to a motion that they put forward calling for some kind of disaster assistance comparable to the kinds of mechanisms that were put in place in '96 in the Saguenay, in '97 in the Red River Valley, in '98 in eastern Canada. With some kind of co-operation, they could have actually had an agreement on this in '99 if they had really worked hard with their federal counterparts and had the relationship, the sound relationship that they campaigned on during the election. We are finding out, and the citizens of Manitoba—not just the farmers in Arthur-Virden, all citizens in Manitoba—are finding out the kind of relationship that this government has with the federal government in Ottawa today.

The two ministers that we have in this government who are in Ottawa today are there at the invitation of the Honourable Minister of Foreign Affairs, Mr. Axworthy, from this city, to discuss this whole issue. We do not know what kind of plan they have put forward, if any. They have not presented anything in this House. They have talked the issues with the farmers of the southwest region, with the southwest rally group and with the Minnedosa rally group, but they have really not come forward with the kind of disaster assistance that either of those groups has been asking for, whether it is \$85 million or \$90 million that was recognized by both of those groups in discussions with the ministers here in this province. They have come forward as a government with a plan for \$43 million. They have not even tabled that in the House, although we understand that it has been developed on the

basis of a certain amount of dollars per acre on the unseeded acreage basis and roughly \$18 million in disaster financial assistance for the lost farm inputs and lost extra costs of farm inputs that it took to manage the weed situation in southwest Manitoba last year.

These dollars, Mr. Deputy Speaker, would have gone a long ways to supporting the farmers of southwest Manitoba. and it might even have been enough to have allowed them to get a crop in the ground this spring with a lot less credit arranged due to a natural disaster than they might have otherwise been forced to put forward. The kinds of dollars that have been put on the table today have been described in Ottawa by their counterparts as a pittance, in some instances, very, very little in the scope of the federal Treasury.

If the Manitoba Government, as has been indicated in the House, would have come forward with at least a 50-50 plan, we might have settled this issue many, many months ago, rather than holding on to the 90-10 idea of the New Democratic Government in Manitoba has come forward with and instead held these farmers ransom. The 90-10 is nice, but zero is unacceptable. That is the risk that the government of the day in Manitoba is willing to play with the farmers of this region, with the communities in this region, with their own supporters, to be quite blunt, even the people who have supported them in my constituency and others. They are playing roulette with their futures and certainly not contributing anything towards the settlement of a situation that has taken equity out of that whole region, due to a natural disaster.

Many natural disasters have been spoken to by my colleagues in regard to the way in which the previous government dealt with the federal government in dealing with these situations, and, of course, we have even seen them take credit for many, many things. One of them is even a Premier's statement in a report done by one of the major law firms in the city of Winnipeg, whereby he indicated that recently we came to an agreement with Ottawa that will see \$100 million in both federal and provincial funding flow to the Manitoba farmers, and there is no doubt about that. As I have said many times in

this House, those dollars are needed for the low-income levels that farmers have received, due to the low value of commodities that have been forced upon us by excessive subsidies from Europe and the U.S. and other international trading partners. We commend the governments for putting forth these dollars to our Manitoba industry, but also he goes on to say that this is on top of the \$70 million in provincial aid.

Mr. Deputy Speaker, all of those dollars came from the previous government's arrangements with the farmers of southwest Manitoba in that hard-hit region. Those are the only targeted dollars that we have seen. This government has put nothing forward in regard to targeting the southwest, as I said in my remarks earlier in speaking to the amendments in this House.

Many times in answers to all of the questions that have been put forth daily since this session began on April 25 this government has indicated, in answer to every one of those questions, that they have put no dollars forward. In fact, they have finally recognized that the \$20 million that the Premier (Mr. Doer) referred to the other day were dollars that came out of the dollars that came forward from the previous administration's dollars and sincerity and the program that was made available last year.

To repeat it, Mr. Deputy Speaker, the only dollars that have really been targeted to this whole region were the \$50 an acre that were put forward by this government, by the previous Conservative government. Those \$50 an acre, to the farmers who were not qualifying for AIDA, are the only dollars of support that they would have received out there today.

Now there are shortfalls in those other programs, but for this government to take credit for the dollars that have been put into that region today is purely ridiculous because they have done absolutely nothing for that region.

In fact, yesterday, in this House, as I pointed out earlier, the NDP voted down financial aid for southwestern Manitoba farmers. They voted down an amendment that would have actually called for 50-50 support in a cost-shared program with the federal government. Many, many times this spring the federal government,

before they retracted fully, indicated that they would come to the table if the provincial government would put some dollars on the table.

I think one of my cohorts in our caucus, the Honourable Member for Morris (Mr. Pitura), indicated the other day that there needs to be some clarification of the programs. I think that there is some confusion in the government members' minds in regard to the kind of resolution they put forward.

Clearly, the packages that I talked about earlier, whether it was the flood in Saguenay, the Red River flood or the eastern ice storm, many of the dollars in some of those areas were paid for on a 90-10 basis, as have some been paid in the southwest part of Manitoba. Southwest Manitoba did receive DFAA dollars on a 90-10 basis for issues like culverts washed out, roads washed out, fences destroyed. Those kinds of infrastructure programs are covered at least by that program. Though in discussions with some of the mayors in the hard-hit area last evening, they have still not received cheques from the federal government for the costs that they incurred during the spring of 1999 even as I stand before this House speaking today. Those bills are still outstanding as well.

So for the farmers to expect to get something out of DFAA, when lost inputs for fertilizer and chemical and the land restoration on some of those areas are not even covered by the definition of that agreement, and I assume that it was the definition that Mr. Eggleton was speaking to, our Minister for Emergency Preparedness Canada and Defence, when he made the comments before the Agriculture Committee in the House of Commons last week that there would be no support for southwest Manitoba under DFAA. Technically, he may be correct in that regard. Technically, that is what was paid in the Red River Valley flood here of 1997.

So our amendments came forward. Because to be realistic and to talk about what needs to be done and to talk about getting some aid for this region of Manitoba, rather than saying 90-10 or nothing, our Member for Emerson (Mr. Jack Penner) put forward the amendment saying that we should consider, purely to consider, Mr.

Deputy Speaker, not to extol or demand, but to consider negotiating a 50-50 cost-shared program in the form of a new subsidiary agreement, as was done in the Red River Valley when the JERI program was developed, the Jobs and Economic Recovery Initiative program.

* (15:50)

This style of a program is, pure and simple, what we hope is being discussed today in Ottawa by the Minister of Agriculture (Ms. Wowchuk) from Manitoba and the Minister for emergency measures here in the province, as well as, in discussions that our Premier (Mr. Doer) may have had with the Prime Minister on this issue if, in fact, any discussions there have ever occurred other than when they accepted the federal government's offer for the transportation adjustment fund.

Mr. Deputy Speaker, it would very realistic to come forward, and even if the \$20 million that the Premier referred to the other day were accepted as part of the Manitoba share for this program, it would still go a long way towards getting the federal government to come onside with its dollars and not set a new precedent for the kind of procedures that are required for that region of Manitoba and setting new rules for a new situation.

Purely, if they were to follow the precedent that was set in 1997 in the Red River situation, the farmers in southwest Manitoba would have received their dollars already for this disaster and would not be out there today "hung out to dry," so to speak, by having to find new credit mechanisms to put a crop in the ground in the year 2000, this spring. All of those farmers that have been hit by this disaster last year that are still farming today are out there, as we speak, putting a crop in the ground, trying to re-establish themselves and build up their equity that was lost over the last year due to the flood.

We know that much of the equity on these operations has been eroded due to the low prices. That is a totally different situation. We know that we need to look at a long-term safety net mechanism. We know that the National Safety Nets Council, of which there are farmers from Manitoba involved in that National Safety Nets Council, members of the Keystone Agricultural

Producers and other organizations are dealing with that, have been since last October when we were in Ottawa as the all-party delegation trying to find some commitment to this mechanism.

Mr. Deputy Speaker, I want to say that working together is a sound objective in this whole process. I want to reiterate that we would be working with the provincial government if they had a plan and if there were dollars on the table. Last year, it was very easy for the members across the way, who are governing in this province, to say, we are onside with the government because the government had made a commitment to put \$70 million, \$50 an unseeded acre, into the hands of the farmers of this disaster-struck area.

Mr. Deputy Speaker, somebody said the other day, you know, as an example, the Member for Brandon West (Mr. Smith) was just speaking in regard to this whole issue. It would be a sad day if there was a fire and the member's department where he previously worked had to check with the federal government before they could put out the fire or even go to it. The situation that we are faced with today is a similar analogy. These people are out there trying to save their farms and put out the fire, and they need help. They need to have a new subsidiary agreement developed between the federal and the provincial government as we speak. We hope that when the ministers return tonight from Ottawa that they will be able to report to this House, prior to the budget tomorrow, that they were successful in getting funds out of the federal government to meet the disaster in this hard-hit region of Manitoba.

If they are not, Mr. Deputy Speaker, the last amendment that was put forward by the Member for Emerson (Mr. Jack Penner) indicated that the provincial government, if they have failed through this whole process and having defeated an amendment yesterday, that would have put 50-50 dollars in the hands of the farmers, that they come to the table tomorrow in the 2000-2001 budget with some kind of support to help the farmers of this region.

The farmers, their families, the women and children of this region, the teachers, the hospitals, personnel, everyone in that region is

impacted by the outcome of what is going to happen between these two levels of government. We need a commitment in this House on budget day from the provincial government to come forward with a plan that will assure these people that they will be able to go back to their creditors and make the statement that they will be able to pay off some of those bills prior to the end of June or by the time they normally would come up to pay for some of the year 2000 inputs.

We know that the \$50 an acre was not enough in everybody's case last year to get them to the end of the crop year, but it certainly did help in relation to paying off the immediate bills that they had. Most of these farmers sold off all of the inventory that they had to help pay those bills, as well, and these circumstances are the reasons why the whole process of AIDA, transfer payments, the Transportation Adjustment Fund, and a number of the programs that are supposedly put in place to help these farmers have allowed many of them to fall through the cracks in relation to support for their operations in the future.

This government could take a lesson from what happened in Alberta with the Transportation Adjustment Fund where the Premier made the decision that they would pay \$143 million to their farmers and bill Ottawa for 60 percent of it. Mr. Deputy Speaker, I think we have to remember that last year the Progressive Conservative government in Manitoba also made the commitment to put \$50 an acre on the table for the farmers in southwest Manitoba and the unseeded acreage area. The federal government only came into it by saying, well, we will put forth our share in any kind of AIDA program payments that might come out in that region to those farmers who do qualify for AIDA. But because of my previous comments—selling of inventory, \$50 an acre coming into their hands as income, not as a disaster income as recognized by the federal government—that, clearly, there is duplicity in these programs and they have worked towards reducing the amount of actual dollars that the people in the most severely hit area of the disaster would have received.

I talked about credit for a few minutes, Mr. Deputy Speaker, and I want to go back to where

these farmers are getting the money today to put this crop in the ground. I think it is important to understand that the banking industry has worked very closely with many individual producers on an individual basis to try to make sure that as many of the farmers who are there as could possibly put a crop in the ground this spring, who have been there in the past, were able to do so. In some cases, they have waived principal payments on some loans to help and just asked for interest payments to be made. This is not just the independent banking institutions. It is also the Farm Credit Corporation and some of the Manitoba Agricultural Credit Corporation loans that have been put forward. In fact, the Manitoba Agricultural Credit Corporation made more dollars available so that crop could be put in the ground last year and so that young farmers could continue to have a means of getting on the land last year and maintaining themselves through the year 2000.

Members on the government side talked earlier about some of the headlines that are in the papers today about the amalgamation of the grain industry and the grain companies that is taking place. This is nothing new, Mr. Deputy Speaker, because, of course, for many, many years this whole industry did nothing towards centralizing its kinds of structures that it was building in regard to reducing its overhead and being competitive with some of our international competitors in relation to the grain-gathering industry, because, of course, as long as the Government was paying the bill, farmers and the taxpayers of Canada were forced to pay through the old mechanisms that were there. But since the Crow benefit has been taken away in western Canada and that support is gone completely, farmers are now paying all of that bill.

Grain companies are scrambling to find proper locations for their facilities, and one of the things that they are trying to do, as they have financial difficulties themselves, to try to attract business into their elevators, Mr. Deputy Speaker, is to come forward and offer more credit to the farmers themselves. So more and more farmers are going away from what we have historically known as the traditional financial institutions to borrow their dollars to put a crop in the ground and to carry their operating loans and instead they are receiving credit from non-

traditional areas, if you will, being the grain companies that are out there today, and there are fewer of them than there was when the Crow disappeared on August 1, 1995. There is no doubt about that.

* (16:00)

We have seen the amalgamation of Alberta Pool and Manitoba Pool to form the company we know as Agricare. We have seen United Grain Growers work together with Archer Daniels Midland, ADM, to come up with a more competitive company across the Prairies. Cargill maintains its position on the Prairie scene as well. Pioneer and some of the other major grain companies that are out there today are still expanding their operations. Even some of the independent fertilizer dealers that are out there that have traditionally been carrying farming situations and individual farming operations from spring to fall, many of these structures are dealing with some of the grain companies out there today to put forth credit for the individual farming operations as they are requiring it.

Of course, this can be seen as a double-edged sword, Mr. Deputy Speaker. In many cases there is a commitment required by the farmer to deliver their grain to these companies come harvest time, but most of it is being done on a contract basis.

Some of them are even offering this credit with no strings attached in regard to delivering to that particular company's facilities. So that is just another kind of arrangement that is being made in the country today that was not there in the past. It is something that has come about because of the low commodity prices, but it has been exacerbated in our region certainly because of the flood situation that occurred in 1999.

These companies, I guess it is easy to say that we should be wary of the large companies, we should be leery of the fact that the farmers are having to get larger in the kinds of operations that they are running in order to make a living out there today. I think that the diversification that has taken place over the last not just five years since '95, but over the last 20 years, as technology has speeded up the information flow that is available to farmers today, it has

happened in the farming community just the same as it has happened in every other industry, that as information flow increases on these farming operations, they are more able to manage their own operations than they have ever been in the past.

They do not have to rely on the kind of information that one company or another, and I am not just saying grain companies now, can give them in regard to the marketing of their products. They can look for themselves as to what the futures prices are. They can look for themselves as to the kinds of contracts that are available. They can look for themselves for the kinds of basis levels they can set in regard to marketing their canola or oats or many of the products that are not under the Board. In fact, the Canadian Wheat Board has come forward with some new amendments of its own that would allow farmers more flexibility than they have had in the past.

I would like to put it on the record that I was one of the first people to take that particular kind of package to the Canadian Wheat Board. Some members that I had worked with in the farm community presented that to the board of directors or, at that time, the chief commissioner and his commissioners of the Canadian Wheat Board. We put forward the idea that farmers should be able to price grain off the Minneapolis futures the same as the grain companies are able to do today, the same as the milling industry has been able to do for many years in all of Canada in regard to the hard red spring wheat market in western Canada.

It is a pleasure to see that the Wheat Board has made the changes to come forward to allow the farmers of the southwest and other regions the ability to price more of their product on a basis level that, even though the Wheat Board is still determining it, does give farmers somewhat more flexibility. I do not know how many are going to do it, because of course it would still be a lower price in the way I have analyzed that program than what they would be able to get out of being able to participate in that market themselves, because the basis levels would be much more competitive within the grain companies that are out there today.

I think the point has to be made that, as these grain companies amalgamate and as we may get down to, from the five or six major ones we have today down to three in the future, the number of people in those rural communities that depend on the jobs in those plants, of course, generally declines, the number of jobs that those support generally declines.

I think that does not necessarily mean that those people will have to move out of those regions, but we have to do everything we can to support the kinds of industries that are there from the diversification that is taking place in the livestock industry today and the pulse crop industry and the oil seed industry and the expansion of the bean industry in Manitoba, because now we are the bean capital of Canada with more acres of beans than even Ontario last year. That is a good move for the farmers of this province, in fact, for all the businesses in this province.

These companies will continue to amalgamate over time. They will continue to come forward. I also supported an effort between the three prairie pools when I was a delegate back in the late '80s for Manitoba, Saskatchewan and Alberta to come together as a company. In fact, that has not happened. We have Agricore now, which is the amalgamation of two of them, and I believe some day that all three will come together. I hear concerns about that being not accepted because of the Competition Bureau that we have in Canada, that they may have too big of a market share in this area; but, if we do not allow it to happen, we will run the risk of not having that as a Canadian-owned company for farmers in the Prairie Provinces to deliver their grain to. I think we would be much better off if the three of them were to come together and amalgamate and make a better bottom line for themselves by amalgamating their administrations and the locations of their plants in the future as well.

Mr. Deputy Speaker, the whole idea of a new subsidiary agreement, I know, does not go down well with my counterparts in the Government today here in Manitoba. They would rather stand before us and say: We need to continue to fight to get that 90-10 basis with the federal government. As I have said, that is a

sound plan if you want to try and do nothing, because that is exactly the result of what is going to take place. The farmers of southwest Manitoba are very, very tired of saying: We want a different agreement than what everybody else has had. All they are asking for now is that this government come forward with a 50-50 plan that would put dollars in their pockets, but it needs to see some commitment from the Manitoba Government. They are becoming very, very distraught out there at what they are hearing coming from this government, the idea that we can give them false encouragement again by sending two ministers off to Ottawa, because they had a meeting with Minister Axworthy and his counterparts. I mean, what we need is a meeting with Mr. Eggleton, a meeting with the Prime Minister, a meeting with the Agriculture Minister, to sit down and develop the will to put a new subsidiary agreement in place so that we can actually come up with another JERI-style program.

If we could find the recognition and the sincerity in the Government today to do that, then we would be able to alleviate some of the disaster that the farmers in southwest Manitoba are having to put together in order to get a crop in the ground this year. Some have already had to leave. I know of a few phone calls that I have had from farmers who have indicated that financial institutions, in spite of the flexibility that is out there today, will not be able to put a crop in the ground this spring. This has been a very severe situation for many of these young farmers, and for many who have been carrying a large capital investment over the last number of years. It has been a support to many of them that the beef industry is growing and that the prices have held for that side of the industry, that the hog prices have recovered somewhat, and that we now have sound markets for that product here in the province of Manitoba, not just one plant but also the one that the Government has supported tripling the size of here in the city of Winnipeg, the Schneider's plant. They recognize through those efforts the diversification that is required and the marketing that we need to help the diversification into the value-added industries and sectors that we have in Manitoba.

The whole plan that they have seems to be that we will continue to come forward on a 90-

10 basis. Never having to put out any dollars at all, we think, is really their plan. They would hope that the federal government continues to keep their heels dug in, and then they can say, well, we really tried a lot, we really tried hard to get dollars for that region.

*(16:10)

I think the members in Brandon have not indicated the kinds of importance that this industry is to the city of Brandon and that region. I believe that if we could clearly come up with the kind of effort that was required to put a sincere motion on the table before us to debate, our party would be prepared to come together to support these people to have an all-party agreement in this House to come forward for the farmers who are out there today, who really need to see the support so that they can put another crop in the ground.

Mr. Deputy Speaker, before I close, I would just like to say that I have just received a note indicating that it was just announced that Manitobans' pleas for funding have been turned down, and this is nothing more than what we expected all along. The ministers have stated that the meetings did not go very well in Ottawa. Well, this is not rocket science. We knew when they left last night that there was no plan. They had just finished defeating amendments to their own motion that would have given them some freedom and flexibility to talk about a 50-50 program. If they had done that, perhaps there would have been some opportunity for the farmers in southwest Manitoba to have received some kind of recognition seven, eight months ago.

Clearly, the federal government took the opportunity to see the dissension of their own will to put forward a clear mechanism here for the province of Manitoba and the southwest region to say, well, we are not going to do anything, that they are just going to sit back and do nothing. Now, we have had this confirmed, and that is unfortunate that the farmers of this region, that the communities are not going to receive those kinds of dollars. We have to continue to work hard to find a new mechanism to put dollars in these farmers' pockets and to try

to come forward and find a new will to put dollars on the table for this region.

With that, Mr. Deputy Speaker, I am going to close off my comments and remarks in regard to the motions by saying what I said earlier that it is easy to be onside when there are dollars on the table, that this government's proposal is 90-10 or nothing. It appears from the reaction in Ottawa today that it will be nothing again, in spite of the fact that many of the federal members have been out in that region to try and find out what the severity is and actually agreed that there was a disaster that took place out there last year by coming to the House of Commons committee meetings in Brandon last fall. I want to say, as well, that if we could get support for an all-party motion with some amendments to look at allowing the hands of this government to be freed up so that they could discuss the 50-50 cost-shared basis and a new subsidiary agreement, like the JERI-style program, that we may come to some agreement on how to deal with the federal government on this issue.

In closing, I want to reiterate, as I have asked many times in this House throughout this week, that if the Manitoba Government continues to fail to get support out of Ottawa for any kind of an agreement for farmers in southwest Manitoba, are they willing to put more than the \$4.3 million, or their 10 percent, if you will, of what they have analyzed to be the funds required to meet the disaster in southwest Manitoba? Are they prepared to come to the table in the budget tomorrow and put some dollars on the table for that region and help the communities and help those farmers be able to get themselves back to the equity position that they were in because of a natural disaster and through absolutely no fault of their own, through no dealings of their own, that caused them to be in the situation that they are in today? Will they put those dollars in the budget tomorrow? Thank you very much.

Hon. Ron Lemieux (Minister of Consumer and Corporate Affairs): Mr. Deputy Speaker, I am pleased to have the opportunity to speak on this resolution and the issue that affects all Manitobans, and certainly of high concern to southwestern Manitoba. We have had a number of people speak with regard to this issue, and I think it is important to deal with the issue head-

on. I think that the previous speaker addressed some of the concerns that I think we all certainly recognize, that the people who are in the southwest are really concerned about this issue as we are as a government.

We have had members on this side, the Member for Brandon West (Mr. Smith) as well as others, make comments with regard to this particular resolution. Our record goes back to even in opposition where we have had the Premier and others raise this particular issue in this Legislature. All we are asking of the federal government is that we want fair and equitable treatment. We have had people in the Saguenay, people who have been hard hit with ice storms, people who have suffered in '97; we want to be treated fairly. We have had the Minister of Agriculture and Food (Ms. Wowchuk), and we have had the Minister of Highways and Government Services (Mr. Ashton), speaking to the federal government on a number of different occasions.

The federal government, whoever the minister is or the representative of the federal government, keeps passing the buck and passing them on to different departments. Speak to Mr. Eggleton and then Mr. Eggleton states, speak to Mr. Vanclief. Finally, we have an opportunity to meet with them, and I am not sure what the Member for Arthur-Virden (Mr. Maguire) was referring to about a statement that was just released with regard to the negotiations or certainly with regard to the meetings today that have taken place, that they have not been successful. If that is true, it is regrettable. I just want to state that the federal government has a responsibility here. They are shirking their responsibility. We in Manitoba and the farmers and people in the southwest want fair treatment, and the federal government is turning their back on them and the people of Manitoba will certainly remind them of that when Mr. Chrétien calls the election this fall or whenever he decides to do so.

The Minister of Agriculture and the Minister of Highways and Government Services have been working diligently from Day One in order to get the people of the southwest the funding that they deserve. Now I want to state that it is very easy to get personal and certainly to be very

political with regard to issues like this, and I will try to keep my comments so that they veer away from that because I feel that nothing is served by that. But I know that, with the Member for Arthur-Virden, certainly a good portion of his constituency is from there, and not only the southwest but central Manitoba as well has been hard hit because of the flooding. He probably has personal experience of people calling him and speaking to him directly with regard to the hardship that they are facing, and the young people that are contemplating either losing their farm and contemplating on moving from that area. Possibly they have lived there their whole life, and it is truly an unfair situation.

I just want to state that, as was mentioned before, farm families are under extreme pressure. You have got commodity prices that are depressed, farm incomes decreasing, and it seems that, whenever they start to get up and take one step forward, they have to take two steps back. They are getting kicked and continually. I think the farm community as a whole is really feeling that they deserve better from all of us, and I know that there have been comments—and I think it was in the *Brandon Sun*; I may be corrected—but they made reference to an MLA opposite about using the steps of the Legislature to take cheap political shots at our Minister of Agriculture on this particular issue. I think all people in Manitoba would like to see us working together.

* (16:20)

We understand that there are different political philosophies in this room. That is a given. I think Manitobans realize that. But, when it comes to natural disasters and people are trying to work together, and when you get two ministers of the Crown going down to Ottawa to negotiate in good faith and try to get a better deal for farmers, those two ministers do not need people in this Legislature hindering that process.

I just want to state that, as a member of a rural constituency, I just feel that there have been some remarks made in this Legislature that somehow, because someone lives in Brandon or lives in Winnipeg, they are not entitled somehow to be able to speak towards this issue because they are not personally affected in some way. I

just want to state that I believe all members, or most members in this Legislature, would agree that we recognize that, whether you are from central Winnipeg or whether or not you are from Brandon or from the LaVerendrye constituency, we all have certainly deep feelings with regard to any kind of disasters that people are affected by. Whether it be the 1997 flood or the flooding in the southwest, people in Manitoba come together on many different issues, this being one.

I think this is a time for all of us in this Legislature to stand together on this particular resolution, and I am hoping members opposite will support this when it comes time to vote on this. We will be watching certainly on this side of the House to make sure that we get unanimous support including that from opposite.

I just want to say that the Premier (Mr. Doer) of Manitoba has also shown great leadership in this issue. The Premier has continually—not only did he go down to meet with people, I believe it was in Melita, but in the southwest—has often spoken to different residents from that part of the province and has a deep feeling and also an understanding of what people are going through and has shown great leadership. I believe the Minister of Agriculture (Ms. Wowchuk) as well as the Minister of Government Services and Highways (Mr. Ashton) have as well.

To sit here sometimes and listen to the debate as opposed to getting down to more specifics with regard to the disaster that has taken place, whether it is 50-50 or 90-10, some have taken the opportunity to slam those ministers instead of giving them support where they need it because when they are dealing with Mr. Eggleton or Mr. Axworthy and so on, it does not take, as was put across from members opposite, a brain surgeon to look through Hansard and to see what has been put on record when you get a fractious legislature where you have the Opposition and Government split on an issue.

I believe the federal government is trying to play politics, to use that word. I know it is an overused word, but they are trying to play politics with that because they know that, when you have members in the Opposition as well as

the Government not coming through with a clear voice, it certainly lends to them just passing the buck, as was mentioned previously.

Our message has been continuous and continually sound with regard to this whole issue. We recognize the seriousness of this natural disaster. We have been working on it and continue to work on it. It is a Manitoba issue, so we are disappointed that certainly some members opposite are making it a partisan issue. I do not believe all members opposite have done so, but some members opposite have. We are continuing to work, and we will continue to work, until we get the federal government to realize and take their responsibilities seriously with regard to this matter.

I just want to state, Mr. Deputy Speaker, that the federal government has a special responsibility here with regard to disasters. Provinces do not have the financial ability to go it alone. I think most people recognize that. Canadians expect the federal government to help, as I mentioned, the Saguenay flood in Quebec, the eastern ice storms, in Manitoba in 1997. If Quebec farmers were compensated for damage to maple trees, so should flooded fields in the southwest. Most of us here seem to understand that. It is hard getting that message through to the federal government. I mean, Manitoba has requested a number of funding arrangements to get money into the southwestern Manitoba. We requested 50-50 in JERI programs, and 90-10 DFA programs and the funds from the Western Economic Diversification. Each request has been rejected, continually: I am sorry, no money for farmers. No, no, no. No money for farmers. I mean, we continually hear that.

The federal government has a responsibility, and we are trying to show them the light. I am sure Minister Ashton and Minister Wowchuk are doing that probably as we speak. They will not give up until they get the federal government to realize that they do have a responsibility in this matter and they want them to come to the table and, as members opposite put it, put their money where their mouth is.

Now, with each request we made to ministers Eggleton, Duhamel and Vanclief, we have been told that this disaster is the

responsibility of a different department, continually. I mentioned that earlier. You have got Vanclief passing the buck on to Axworthy and Axworthy passing the buck on to Eggleton and so on, and Duhamel saying, well, I do not know what they want to do.

Now, coming into government, when we were elected on the 21st of September, we felt from that day on that we would be able to work closely with this federal government, and I still believe that. I believe that there are many, many similar issues that they have, as we have, that we can work together and work co-operatively on.

This, for whatever reason, Mr. Deputy Speaker, seems to be one of those issues that we are having some difficulty getting the message across to the federal government to uphold their responsibility. That does not mean that we are going to give up, as was stated earlier by many, many members on this side of the House. Certainly, there were comments made today, and some heckling that had taken place during Question Period and other times, about a junket. I know the Member for Dauphin-Roblin (Mr. Struthers) mentioned about how derogatory that term can be. It is not a holiday.

I know that, when the Member for Arthur-Virden (Mr. Maguire) went earlier in the year, or I believe it was before Christmas when they went to visit with the federal government and to talk and negotiate with regard to this issue, it was not considered a junket. We were unanimous at that point. We felt that we had a point to make. The Member for River Heights (Mr. Gerrard), I believe, went; the Member for Arthur-Virden went. It was an all-party committee that went to Ottawa to give them a strong message on how we felt in Manitoba with regard to this issue.

Now since a speech took place on the steps of the Legislature, when members from the community from the southwest came and there were a couple of partisan remarks made on the steps of the Legislature at that point, it seemed to be there has been a shift of some members opposite in wanting to turn this into some kind of a partisan political debate, instead of trying to assist and trying to support the Cabinet ministers

on this side who are trying to negotiate in good faith with the federal government. Yes, it would be nice to have that support going to Ottawa, but members opposite are not willing, or at least some are not willing, to be helpful. I mean, you have the Agriculture critic who has said that the provincial government should use the Stabilization Fund to provide disaster assistance and should cover negative margins under the 1999 AIDA program.

There has been some constructive all-party co-operation, but sadly, as of late, some members opposite have really made it a partisan issue.

I guess, Mr. Deputy Speaker, coming from the southeast part of the province, we have not had to worry, at least since 1997, about floods and flooding. I would just say that I think all of us in Manitoba are really wishing to get ahead with this issue, wanting to get some assistance from our federal government, which we deserve and which we rightly should have. We want to move ahead. I believe that people in the southwest wish to move ahead as well.

* (16:30)

I just want to say that our members from Brandon, both Brandon East and Brandon West, have certainly dealt with people from the region, dealt with this issue head-on. They have tried to assist people in whichever way they can, and should be commended for that, and worked extremely hard to try to address all of these concerns.

I know, Mr. Deputy Speaker, that we will continue to fight for the interests of southwestern farmers and the communities in the southwest. I believe it is imperative that the federal government join Manitoba in recognizing the urgency. We are going to get that message through. We will continue to fight on that. We are calling on the federal Liberal caucus to urge federal cabinet to reverse Eggleton's decision and provide support to the farmers in southwestern Manitoba. We are urging the federal government to assume its seat at the table in good faith in keeping with Lloyd Axworthy's comments and historical precedent.

Mr. Ashton is calling for meetings continually, and finally they have had an opportunity to meet. But the Member from Arthur-Virden stated that in the most recent either news release or clipping that he has received that we were not or our ministers were not successful. I guess members on this side will never let the federal government off the hook with regard to their responsibility. Every time we meet and cross paths with a federal minister or member of the Liberal caucus, we are going to remind them of their responsibilities and remind them about southwestern Manitoba farmers and the hardships that they have had to face.

I just want to say, Mr. Deputy Speaker, that I want to commend members opposite that have truly been sincere about this issue and have not tried to politicize this in any way. They really have made comments from the heart in wanting to address the situation. I realize that there is a battle within their caucus as to which way to go on this, and it must be difficult.

I know the Member for Arthur-Virden has had to deal with a lot of people and farmers from the southwest himself and in many ways should be commended for trying to highlight this issue and to make sure that all members are certainly aware of that hardship. Being from the southeastern side of the province, obviously I do not have opportunity to cross paths with people from the southwest often, but that is why it is appreciated, some of the comments that he has made about the hardships faced by not only the people who are farming in that area, but the businesses that have had a tremendous amount of hardship because of the flood. I think often we forget about that because, being from the area that was flooded in 1997, there are families that are still struggling to try to bounce back from the 1997 flood of the Red River Valley.

What we are asking for from the federal government is no different than what happened in '97. Treat us fairly, that is all we ask. We are not asking for any special status, we are just asking. There is precedent there. We want to be treated fairly.

Mr. Deputy Speaker, I just want to state in closing that Manitobans, whether they be from

the southwest or any part of this province, are certainly very strong-willed people. They will bounce back. We know how people on this side of the Legislature are going to vote with regard to this resolution, and we are going to be totally—
[interjection]

The Minister of Agriculture (Ms. Wowchuk) has continued to comment, whether it be in the press or in this Legislature that this issue is extremely important. She recognizes that and is fighting very hard for farmers, whether it be in the southwest or any other part of the province.

This government has repeatedly requested support from the federal government and will continue to do so. This government has pursued support for compensation under section 25 of the DFAA. There has been all-party co-operation on lobbying the federal government for assistance for Manitoba farmers and that we do urge the federal government to reconsider its position on funding for the 1999 flooding which occurred throughout the province, but specifically in the southwest, and that we include the loss of applied fertilizer, land restoration as eligible costs under the DFAA.

When it comes time to vote for this, we will be watching very carefully to see how members opposite vote on this. I realize they are torn and they are not sure what they should do because people from the southwest are watching them as well and saying, how are they going to vote on this? I know it must be a real dilemma for them, because the people from the southwest are watching them carefully and wanting to determine what are they going to do with this issue, because the resolution is extremely important. So we urge members opposite to support this, get behind us, put pressure on the federal government and get them to come to the table and to deliver.

I just want to say, Mr. Deputy Speaker, that flooding no matter where it is in Manitoba is extremely serious, and we all recognize that. It is very difficult not to be too political on this issue because sometimes comments are made from either side of the Legislature that sometimes makes one want to jump in and be totally partisan. I believe most members opposite, absolutely members on this side, feel very

strongly about this issue and why we need to resolve this: so the people of the southwest can get on with their lives and continue to be productive citizens and strong taxpaying citizens of this province.

You take a look at the city of Brandon, Brandon is thriving. The housing market there is booming, yet you just have to take a short drive to the southwest of Brandon and it is like day and night. You have Brandon, it is really booming, and then people in the southwest, whether it be car dealerships or other industries and business in the southwest, are really hard pressed by what has taken place with the million-plus acres that they were unable to seed. This has a domino effect as we all recognize.

So, Mr. Deputy Speaker, I wanted to make sure that I had the opportunity to stand up and certainly be recognized, to make my comments with regard to this issue, to try to add to the debate, if you will, and certainly wanting to try to put it on record how I, as a member of the Legislature and certainly a member from the southeast with all my colleagues in this Legislature, support the people of the southwest because we understand. As I mentioned before, having gone through the '97 flood of the Red River Valley, we had the opportunity to see what it is really like when people are hard hit like that and it has taken three, four years and many people still have not bounced back since the '97 flood.

I certainly wanted to take the opportunity, Mr. Deputy Speaker, to stand and speak to this issue and at least put on record how members on this side are willing to stand up and speak up for people of the southwest and fight on their behalf and press the federal government on their responsibilities. I would like to conclude by just saying that we want to vote on this issue. We ask members opposite to vote on this issue, to stand up to be counted. We want to get this issue brought forward as soon as we can. We want to deal with this and pass this resolution and pass a strong message onto our colleagues in Ottawa that we do support them in their fight with the federal government to receive funding.

Thank you, Mr. Deputy Speaker, for the opportunity to speak on this issue.

* (16:40)

Mr. Edward Helwer (Gimli): I just want to take a few minutes to put some comments on the record for this very important resolution. I think, when we talk about agricultural assistance or assistance for farmers in the southwest, it is important. It is important that this government pay attention to what the farmers of southwest Manitoba need. Whether it has to be a 90-10 program or a 50-50 program, or even if this government has to dip into their reserves to be able to help the farmers of Manitoba's southwest, it is very important.

I do not think the people on the opposite side or the people in Ottawa or a lot of people even in Winnipeg here—they do not realize the importance of our farming community in all of Manitoba, but especially in southwest Manitoba and the problems they have had. The rain and the flooding that they had last year certainly was devastating out there. There is a human element to this. Many human factors come into play here. The wives of many of these farmers had to find jobs, go to work. All these farmers have families. They send their kids to school and—

An Honourable Member: Clothe them.

Mr. Helwer: And clothe them, that is right. There is no end to the expenses. It is no different than anything else. They cannot, as it used to be, just be able to produce their own food, but nowadays everybody has to have electricity, everybody has to have a phone. You have to have all these things—

An Honourable Member: Internet.

Mr. Helwer: Internet, that is right.

It does take a lot to make it in an average family, regardless of whether you are a farmer out in southwest Manitoba or whether you live in Winnipeg. Everyone wants these amenities, and they deserve them. You have to have them. You cannot really do without them. So there is a real human element to the losses out there. Many of these farmers have lost just millions of dollars really in production, and they could not seed. If they did seed some, it cost them a lot of money to seed that particular land, and then they got

very little, if any, crop, or a very poor quality from them.

Really, you know, I have heard some people say there are other programs. There is the AIDA program, but that AIDA does not help. It is a very, very poorly designed program and does not help the average farmer out there.

An Honourable Member: It is a disaster.

Mr. Helwer: It is a disaster, but it is not even a disaster assistance program as it is supposed to be. It does not serve the farmers really. It is a very poorly designed program, and it does not work.

There is another factor out there, the towns and the communities that are just suffering also, and the businesses, whether it be the farm equipment dealers, the farm supply outlets, the hardware stores, or the grocery stores, or the restaurants. It does not matter what it is out there. All the businesses in southwest Manitoba are really feeling the pinch. If you go through the small towns, you can see it. You can virtually see the vacant buildings on Main Street and the closed stores. These are families who have been basically put out of business because of the disastrous rains and floods that happened last year. So there is a real problem out there, and I would hope that the Government of today would certainly recognize that fact and help these farmers in southwest Manitoba.

It is unfortunate also the federal government does not pay attention to what happens here in western Canada. If they do not come on-stream with at least the 50-50 program, they are really not serving the people of Canada well at all, especially the people of Manitoba and the people of southwest Manitoba when they have disasters such as this.

When we talked about disasters in other parts of the world, such as the flooding of the Red River, the ice storm in Québec and Ontario, the flooding in Québec, we have had many disasters, the forest fires we had back in '88-89, the drought of '88-89, there was some assistance for the drought for some of the farmers. All these things have always been cost-shared by provincial and federal governments because they

are natural disasters, no different than the rains of last spring were. This is a natural disaster, and it is time that the federal government did realize that out here we are human. We do vote too, but, unfortunately, they do not listen very much. But it is a factor, and we have not been getting the help that we need from the federal government either.

Last spring, the Filmon government, our government here, we did help them by putting \$50 an acre on the table. That did help, at least, it kept them in business last year. It got them to either keep their weeds down and to work their land so that they could get it ready for this year at least. Last year, they were able to live on their inventory from the year before. This year, there is no inventory; it is gone. They do not have anything to sell. They do not have any income, so they are really in trouble. As my colleague for Arthur-Virden said, you cannot get any money from the banks. You can talk to them all you want, they do not seem to want to support the agricultural community very well either. So there is a real problem out there, and it is time that both the provincial government and the federal government took some leadership and did something for those people.

Over the years, we have been through many disasters in the farming community and agricultural sector, whether it was fusarium in wheat here that affected a lot of us, especially us in the Interlake here about five or six years ago or a little more than that, maybe. When we had the first fusarium, it really took its toll on the wheat. For those kinds of things, there is crop insurance. For those farmers who want to buy crop insurance, that is fine; these kinds of things are covered.

In the case of the drought, there was no crop insurance. Crop insurance was not available to them, because they did not seed. In the case of whether it be the fusarium problem that we had or some of the other natural disasters that happen after the crop is growing, those things are covered by crop insurance and should help. Probably in the drought of '88-89 when we went through a drought, some of those acres were covered by crop insurance. When we had the flooding on the Assiniboine River a number of years ago, that was a disaster. A lot of those

farmers were flooded out and were not able to put their crop in. They did not get any income either. There was not a program to suit them.

Throughout the years, the agriculture sector have gone through many difficult times. We have to deal with the world markets, with the weather, with the transportation problems that the railways have put on us over the years and all the regulations throughout, whether it be the Canadian Wheat Board or all the regulations to the environment, transportation issues. All these things have added up to make agriculture a very, very difficult profession. Today, how does a young guy get into agriculture, into farming? It is very, very difficult. First of all, I do not know where he would borrow the money to be able to buy the equipment, the land and the equipment, because you need millions of dollars, virtually millions of dollars, to be able to get started. So, it is a very risky venture regardless, and a lot of farmers who are there today have been there a long time. A lot of them are going to be going out of business, because they will not be able to survive. We have always had the weather to contend with. This is one of those things, but it was a real disaster there last year.

The other thing is the commodity prices. We have gone through probably a period this last three, four or five years of some of the lowest commodity prices that I can remember.

An Honourable Member: Way below the cost of production.

Mr. Helwer: Way below the cost of production, that is right. Fifty years ago, in 1950, prices were higher for a bushel of wheat than they are today. Well, tell me one other item that you buy or sell that is worth less today than it was 50 years ago. I cannot think of anything. *[interjection]* That is right. You do not work for the same salary you did 50 years ago or your grandparents did or your parents or your grandparents did. Why do we expect farmers to be able to do that? Yet, they are receiving less today for a bushel of wheat than they did in 1950.

* (16:50)

The tractor or combines, the equipment that they have to buy, you know, in the '50s were—

[interjection] Well, that is right. That is when the machinery dealers made some money, too. The expenses, at that time farmers could survive on a lot less, too. They did not have to go to the store to buy everything like they do today. We did not have the power and electricity to pay for and things of that nature, phones, computers and things like that, but today it is important that we have these kinds of things and farming is such a reciprocal business. You have the peaks and the valleys, but over the years many farmers have been able to survive the peaks and valleys, but this past year and nowadays when expenses are there, your expenses are there, we expect a better class of living on the farm and we should. So it is very difficult to be able to make ends meet.

You know, when we talk about diversification and what has gone on in Manitoba, the last five to ten years there has been a lot of diversification thanks to the Filmon government. They have helped farmers diversify into hogs, cattle, bison, more forage crops.

Elk is another good crop. Farmers are very innovative and always looking for ways to try to make a few dollars some way or another. But when we talk about all these special crops, such as beans, like my colleague said we are going to become the bean capital of Canada, Manitoba. That is terrific.

An Honourable Member: We surpassed Ontario just a few years ago.

Mr. Helwer: By growing beans, that is terrific. We have always had a good segment of farmers that grew peas, lentils and things of that nature to try to get away from the grain business, the wheat and barley business, and unfortunately if things do not improve on the grain side, such as wheat, barley, oats, more farmers will be going to other crops such as beans, peas, lentils, forage and also more livestock to try to make ends meet. We produce the grain or the freight on the grain. As an example, the freight is worth more than the product you produce. Does that make sense to grow something where the freight is higher to ship it to Vancouver or to some exporting country than what the farmer gets to produce it? It does not make sense.

Another item in the diversification system has been in the vegetable business. I think some of our farmers, and I have many small market gardeners in my area, in my new area of St Andrews who have really done pretty well and can make a pretty good dollar on 20 or 30 acres by growing cabbage, carrots, radishes and things of this nature, which is fine and it supplies a local need. So we want to encourage farmers to be able to get into these kinds of things and do these kinds of things to be able to produce a proper livelihood—*[interjection]* That is right, so we do not have to import everything from California, Florida and Chile, or wherever else some of these vegetables come from. *[interjection]*

Oh, Peak of the Market actually does a good job of marketing these products for farmers, too. *[interjection]* Mr. McIntosh, he is the CEO; not the president, the CEO, but he does actually an excellent job. He is the new president of the Manitoba Chamber of Commerce, *[interjection]* Very good, well, that is terrific. Actually the Kuhls *[phonetic]* have been in the vegetable business for many, many years and actually they have made a great contribution to the vegetable industry, whether it be potatoes or things like that.

Mr. Speaker in the Chair

What about my colleague for Portage, the former member Mr. Connery. He has been very successful in the vegetable business, whether it be strawberries or onions, carrots, things of that nature. *[interjection]* The Member for Minto (Ms. Mihychuk) is making some comments there I cannot hear, but that is okay.

An Honourable Member: She is so critical of her own resolution.

Mr. Helwer: She does not have many farmers in Minto, so she does not really care if the farmers starve in southwest Manitoba.

An Honourable Member: She thinks the food comes from the Safeway store.

Mr. Helwer: That is right. Your government does not care, but that is the fact of life. Over on the opposite benches there, there are very few

farmers, very few primary producers. So they do not understand the real issues, the real problems that the farmers in southwest Manitoba are going through or farmers in all Manitoba who are trying to make a living. I do not know, but I can honestly say that we do have to try to help the rural people such as the rural producers, the primary producers, such as the farmers of southwest Manitoba, to try to be able to make ends meet.

Actually fertilizer has not really gone up that much in the last number of years, but fuel prices, especially this year, compared to what it takes to run that same tractor today than it did only two years ago, two years ago we were buying purple diesel fuel for 25 cents a litre. Today that same fuel is about 47 cents or maybe 48 cents, somewhere in that vicinity, almost double.

An Honourable Member: No provincial tax, but federal tax.

Mr. Helwer: That is right. There is no provincial tax on this farm fuel, but there is the federal excise tax. That is another thing the federal government could do. If they were to take that federal excise tax off farm fuel, that would help the farmers of Manitoba enormously. It would certainly lower their costs of operation. It would help with the natural gas that is used in the production of nitrogen and things like that. If you take those taxes off of those products. It certainly would help make farmers a lot more competitive on the world market.

That is the problem. We have to compete on the world market. We have to sell our wheat, barley, oats, canola. We are at the mercy of other subsidized countries such as the U.S., the European Common Market. We have to compete with those people. How can we do it when we have to pay excise tax on our farm fuel. This is one item the federal government should come to the table with and reduce that tax on farm fuel. That would certainly help to go a long way.

Oh, it is only a couple of minutes. I might as well carry on now till five o'clock. That is okay. I just have to answer the questions. The Member for Pembina (Mr. Dyck) is bringing up all these things, the cost of production and the diver-

sification and all these very important items that we have to deal with in agriculture.

Yesterday they even voted against our amendment to your resolution to try to help get the farmers some money. You voted against the resolution.

Unfortunately, they were not successful today in Ottawa either, the Minister of Agriculture (Ms. Wowchuk) and the Minister responsible for emergency measures. Unfortunately, the federal government did not listen to them.

If they would have voted yesterday for our amendment, we would have voted for your resolution. You would have taken that to Ottawa today and it might have made a difference for them in their negotiations with the federal government to get some assistance out here in Manitoba.

The other thing, the federal government a number of years ago, about four or five years ago, did away with the Crow rate, which subsidized the transportation of grain. This federal government, actually this Liberal government has done more to harm, hurt agriculture in Western Canada, and you are lining up right behind them.

Where is the Member for River Heights (Mr. Gerrard) to speak for the farmers? He is not supporting agriculture in Manitoba either, no better than the federal Liberals. They not only take the excise tax, they have taken away the freight assistance we have had. They are taking away all the assistance programs. They are making us pay for all the inspectors. Every time we want to ship a load of potatoes or export anything, we have to pay inspectors to come out and inspect that. We have to pay for all these extras that at one time were paid for by the federal government. So these are all extra costs over and above the items that the farmers had to put up with a number of years ago. It is not like the retail bills in the retail business where you can just add it on to your prices and pass it on to the consumer. *[interjection]* I am sorry, I am not in the fertilizer business.

How can the primary producer pass their costs on to the consumer? They cannot.

* (17:00)

Mr. Speaker: Order, please. When this matter is again before the House, the Honourable Member for Gimli (Mr. Helwer) will have 20 minutes remaining.

The hour being 5 p.m., it is time for Private Members' Business.

PRIVATE MEMBERS' BUSINESS

PROPOSED RESOLUTIONS

Res. 7—Foreign Trade

Mr. Harold Gilleshammer (Minnedosa): I move, seconded by the Honourable Member for Turtle Mountain (Mr. Tweed), that

WHEREAS Manitoba has a strong record of foreign trade with numerous countries in all parts of the world; and

WHEREAS 1998 was the fifth consecutive year in which Manitoba's foreign export growth exceeded Canada's; and

WHEREAS the increase in Manitoba's exports over these five years totalled 72 percent compared to national growth of 40 percent; and

WHEREAS foreign exports of goods and services are equal to approximately one third of Manitoba's \$30-billion economy; and

WHEREAS the United States is Manitoba's most important trading partner in terms of volume of sales; and

WHEREAS Manitoba's exports to the United States total over \$6 billion, a growth of 13.1 percent in 1998; and

WHEREAS Manitoba expanded trade with the United States to include more U.S. states as well diversifying the types of goods and services exported; and

WHEREAS the Member for Fort Rouge while in Opposition was extremely critical of what he termed Manitoba's trade dependency with the United States; and

WHEREAS the New Democratic Party upon forming government now appears to favour trade with the United States and values Manitoba's southern neighbours as trading partners on this global stage.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the Government of Manitoba to sustain their newfound enthusiasm for trade with the United States; and

BE IT FURTHER RESOLVED that the Legislative Assembly of Manitoba urge the provincial government to build upon the efforts of the previous Progressive Conservative administration by considering supporting and expanding free trade agreements with other countries to ensure that Manitoba's economy continues to grow and prosper.

Motion presented.

Mr. Gilleshammer: This resolution is a very significant one and an important one for members of the Manitoba Legislature, and I would hope that we could encourage the members of the Government to support this resolution. We know that there have been dramatic changes in their policies over the last couple of years.

Certainly Today's NDP are newfound believers in balanced budgets, and we would hope that part of this newfound image would include the support for the trade agreement. We know that in the past they have been very, very critical of trade with the United States and with other countries. I would just read into the record a speech made in October of 1990 by the now Minister of Labour (Ms. Barrett). It says: "New Democrats and I believe Canadians at large believe that the Free Trade Agreement was one of the worst things that could have ever happened to our country, and the effects will be long-lasting and overwhelming. There will be more unemployment, less full-time jobs, less jobs in the manufacturing sector. Jobs that are

created are going to be more likely in the service sector. We will have more reliance on resource extraction and less reliance on the manufacturing of goods."

That was put on the record by a cabinet minister in the now NDP Government in October of 1990, and I think sums up the thinking of that party at that time on free trade with the United States and, in fact, trade in general. I would submit to you that a lot of the dire predictions were included here about unemployment; we have a province now where the unemployment rate is one of the lowest in the country. It has been tracking downward through most of the latter part of the 1990s, and now it is around the 5% range, which, in fact, many people would say is full employment.

Much of that success in finding jobs for Manitobans is due to the development of world-class companies within our province, many of them who trade with the United States and other countries around the world.

She talked at that time about fewer full-time jobs in the manufacturing sector. I can tell you that manufacturing and the manufacturing sector is one of the rightest parts of the Manitoba economy. In bus manufacturing we have New Flyer Industries and Motor Coach Industries who produce some of the finest vehicles in the world. Many of those are exported to the United States. As a result, there are hundreds and hundreds of jobs in the bus manufacturing industry.

We have the fashion industry with companies like Nygard International and Western Glove and many others who produce some of the finest fabrics. In fact, these are exported to markets in New York and California and other parts of the United States. As a result, we have created many, many jobs in that area. In fact, Manitoba has had to turn to immigration and appeal to the national government to allow immigration so that we can have enough employees. In fact, immigration has been part of the solution of that problem, and some of these companies are threatening to leave Manitoba for want of employees in the fashion industries.

We have people who are in the wood frame business. I have had the opportunity to tour Willmar Windows and Loewen Windows, again, businesses that are creating hundreds of jobs within our economy, and much of their production is being exported to the United States and around the world. In fact, when I toured Loewen Windows I was very impressed that they believed in just-in-time delivery. Some of the product that was just coming off the assembly line was destined for Japan. Again, a very important trading partner for Canada and Manitoba in particular.

Similarly, Standard Aero, Bristol and Boeing in the aerospace industry, touring those plants they have created many hundreds of jobs. In fact, Standard Aero does engine repair for many of the major airlines around the world. Again, either trading in products or trading in services is very, very important to Manitoba, and I would urge the Government to support this resolution and understand how important trade is.

Mr. Conrad Santos, Deputy Speaker, in the Chair

Similarly, in the food products business, McCain Foods in Portage la Prairie produces some of the finest French fries in the world. Many, many of these are destined for the American market. Palliser Furniture here in Winnipeg, again, is increasing staff at this time, I believe. Under that name, they employ close to 4000 people, and many of the products they make, the furniture products, are exported to the United States, again, a very important trading partner for Canada.

Similarly, we have had tremendous diversification into agriculture. We not only now do not just depend on the grain sector and the oil seed sector, but on a tremendous growth in the pork industry and the cattle industry and some of the non-traditional products that my colleague from Gimli was mentioning in his discourse just a little while ago.

So, again, I would encourage the members opposite to support this resolution which recognizes the importance of trade to Manitoba.

Now this trade development was not an accident. Part of it is due to the low Canadian dollar. We will all admit to that. It helps for lower production costs in Canada, but it also is the result of an environment, an environment that has been created in this province for businesses to grow and develop, an environment that we want to see the current government support.

It also is dependent on the quality products that are produced. All of these firms that I have mentioned, that I have had the opportunity to tour over the last decade, produce a quality product. Manitobans can be very, very proud of the fact that all of these companies produce products that are sought after around the world.

* (17:10)

I would like to congratulate the current government for this fall and over the winter, I guess, having the Manitoba Century Summit. We were all given a copy of this handbook and the results of the Century Summit. No less than six places in this document, the people who attended the summit, and they are named in here, people like Chuck Loewen and David Friesen, part of the outcome of this was a call for competitive taxation and lower taxes. That is very important for these companies to grow and develop and be able to create those jobs in our economy and be able to develop products which they can send around the world.

So as we are on the eve of another budget, their own workshop is calling on them to lower taxes to be sure taxes are competitive.

I am afraid that we have not seen a commitment to lower taxes, however. The Premier (Mr. Doer) was talking in the paper last week addressing a group of nurses. He said that their government was not going to join other governments around this country in lowering taxes, that it was not a right-wing bird that was flying in circles, lowering taxes and calling for tax cuts. I am hopeful that the Premier was just addressing a friendly audience who wanted to see governments spend more money and that this does not reflect his thinking, because I can tell you every province that has brought in a budget this year, British Columbia, Alberta, Saskat-

chewan, Ontario, Quebec, the Maritimes, all of them have made a very conscious attempt to lower taxes in their budgets. These lower taxes that Manitoba businesses want will help to not only create new businesses but enhance the existing businesses which are now exporting millions and millions of dollars of product into the United States.

The Minister of Finance (Mr. Selinger) in most of his answers this year has indicated that he is taking a balanced approach. He has not explained that. He is probably going to explain it tomorrow. We hope a balanced approach in his mind is priority spending, debt reduction and lower taxes. That is what Manitobans have come to expect over the last five budgets. We hope that is the message he delivers tomorrow.

Rather than commit to lower taxes, the Minister of Finance and the Premier are, I think, trying to take credit for tax reductions that were in last year's budget, and that is fine. It does not really fool anybody. What Manitobans will be looking for tomorrow is what new taxes are going to be lowered, how we are going to be able to compete with other Canadian provinces and, in fact, other jurisdictions that we trade with.

We ask the Government, the Premier, the Minister of Finance, to show some leadership tomorrow to be sure that they satisfy the people they invited to the Century Summit who had a lot of good ideas, who put a lot of thoughts on the record. A very important one that jumps off the page at any one who reads this is to lower taxes.

I have mentioned some of the larger companies in Manitoba that do a lot of exporting, but I want you, Mr. Deputy Speaker, and members of the House to know that there are a lot of small companies and factories throughout rural Manitoba that produce product that is also exported to the United States, and in fact around the world. In my home community of Minnedosa, we have the Morris rod weeder plant. It employs, when it is in full production, over 100 people. They produce air seeders. Many of those have been exported to the Middle East. But it creates jobs, and it creates economic activity for small communities.

They go through the various fluctuations in the farm economy in Canada and around the world. There are times when they have to go into a layoff surge, and other times they are at full employment. There are probably 150 or 160 people working there. They need to have the Manitoba Government assist with the things that the Manitoba Government can control. We cannot control the marketplace in a foreign country. We cannot control the demand for the product, but we can be sure that the right conditions are there for that company to exist. They need to know what the rules are going to be, what the taxes are going to be, and the provincial government can send a strong message to them tomorrow to be sure that companies like that continue to exist and to thrive here in Manitoba.

Another one that comes to mind is in the Russell constituency now, but it was in my constituency before. It is a company that makes grain augers. They have set up a plant in a farmyard. They have a couple of mobile homes there and some round metal sheds where they produce these augers. They started into production simply to support themselves and the local market. Now these augers are being exported into the United States, and I believe some other foreign countries, and it created 16 jobs there. Again, it was an environment that was right for them and a quality product that could be produced. They are there, and they are in business because they know what the ground rules are.

I urge this government to make a statement on trade, contrary to what their statements were in the early '90s where they so vigorously opposed the free trade agreement. This is an opportunity for Today's NDP to say we not only changed our stance on balanced budget, but we also changed our stance on trade items.

Again, I emphasize that this province is very dependent. About a third of our economy in some way, shape or form relies on international trade. Again, the Government has an opportunity in tomorrow's budget to lay the ground rules for the companies in this province to create those jobs, to thrive and to continue to expand on the trade that we have.

I would point out that, as we approach the budget, I have indicated that other provinces have lowered their taxes, that they will have an opportunity tomorrow to provide this tax relief. I can tell you the business community is going to be extremely interested tomorrow in just what the budget says. But probably the best example we can use in terms of comparison is the province of Saskatchewan, our neighbouring province. They have reduced their sales tax in that province from 9 percent a few years ago to 6 percent in this budget. They of course border Alberta and are more conscious of that, but it is a major reduction in taxes. As well, they have cut income taxes by \$44 million this year. Like the federal government, they have indicated four- and five-year plans to continue to reduce taxes, in this case by \$260 million over the next three years.

So, again, it is an opportunity that this government has to send a strong message to Manitobans that being tax competitive is important. It is important for businesses, it is important for Manitobans, and it is an opportunity to show the support of this government for trade, which is so important in our economy. Thank you very much.

Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines): I am very pleased to be here to discuss the important issue of trade, its impacts on our Manitoba economy and what we see as our vision of export and trade for Manitoba.

Our government is clearly supportive of the trade initiatives, many of them initiated by the previous government. There was a reorganization of Manitoba Trade. It was a successful reorganization. Manitoba Trade is considered to be one of the most efficient and most effective trade organizations by any jurisdiction. We are proud to continue that and build on it to make Manitoba Trade even more effective and reap the benefits from exports as we have seen in the past.

* (17:20)

This particular last year has been very difficult for Manitoba. The agricultural sector has taken a serious decline, both in commodity

prices and, of course, has implications to the equipment manufacturers. The whole farm and rural economy has been impacted, both by the devastation of the flood in southwestern Manitoba and the drastically low prices for grains that Canadian prairie farmers in particular are struggling to deal with.

I was very pleased to have the opportunity to go to Seattle where my mission was to raise these very concerns with the federal government who seem to turn their back on prairie farmers over and over again. It is very easy for them to say—you know, I had the opportunity to talk to the federal Minister of Agriculture, and he said: Either you make money or get out of the business. This is from a farmer who apparently does not understand the realities of being a grain farmer in western Canada. This is an individual who has a different reality.

We need to diversify our farm economy. You know, I think that prairie farmers have been very adept at trying to diversify and look at other markets and find the positive, as we always have in Manitoba's history, but the insensitivity by the federal Liberal Agriculture Minister took my breath away.

It is clear that in fact the federal government had made very little effort in terms of dealing with the agricultural subsidies that are very important to us, but very little relevance, I think, on the federal radar screen. So, over and over again, we look to the federal government to be more sensitive, to appreciate the plight of farmers, as the government did back in the '40s, but they say no, and they refuse, and we turn to the Opposition to work hand in hand on the issue of agriculture in the resolution that this House is debating, actually, right now.

In terms of trade, for every billion dollars worth of export that Manitoba sells, 7000 jobs are created. That is a very remarkable number and one that we want to grow and increase the number of opportunities in that area. Much like our economy has diversified over the past few years, it is also important that Manitoba diversify its trade partners. I think that the example is clear when you look at the B.C. economy and how it got impacted by the Asian flu. That had a devastating impact on that

economy, and it is just now starting to recover after several years of very remarkable decreases in their economic indicators.

So I think it is important for us to be diversified, but it is also important that we work our markets, our export markets, that we do not rely totally on the Americans, that we look for markets in Europe, in Asia, in South America. I know that we have been successful at doing that and have been working very hard to increase those links.

I did have an opportunity, as the Minister, to go down to Jalisco. I wanted to be sure that the trip would be economically advantageous to Manitoba companies because I am not one who is going to be going on trips very lightly. It has to be proven to me that somehow a minister from Manitoba is going to make a significant impact in that state, and, you know, I really am convinced, yes, it did open doors in Mexico. I was very well treated. The Mexicans in Jalisco are familiar with Manitoba, and there are a number of connections established that were first initiated during the previous government. We are continuing the work with that state, and over a number of years, with a number of missions and a number of contacts, deals are coming together.

Emerson Milling was in to see me just the other day. They said that because of the mission that we went to in March, they have increased the number of rail cars that they send to Mexico from one a month to one per week, four times their exports to Mexico because of that trip.

Now, that is not always the case. Sometimes you go down and the leads tend to be kind of soft, and first it is linking with individuals and getting them to know us. You know, I think that there are a number of sectors. One of the things that I would like to do is encourage Manitoba entrepreneurs and businesses to dream, to think bigger, to start to consider export markets, to start to consider the opportunity to expand and develop. I think sometimes we are our own worst enemies as we consider ourselves a small player in a great big global economy, but the number of opportunities that are there are really quite overwhelming and are quite profitable and can make a huge difference to Manitoba's economy.

On Friday, I had an opportunity to go to Portage la Prairie and see a budding and growing business that started only five years ago by three brothers. Two of them worked on the shop floor welding in a machine shop in a metal business. They decided to purchase a local business—the operator was retiring—picked it up, and they have doubled their sales annually since 1995. They now employ 35 people. I am sure that the Member for Portage la Prairie (Mr. Fauschou) could confirm that. I believe over 80 percent of their sales is into the U.S., a natural market for this. They make agricultural equipment. They have expanded and are on the verge of expanding again, and it is a story that I think reflects that family's ability to dream, to work on capitalizing some resources. Three family members put their resources together; they got a loan; they picked up the small business and they expanded. So we would like to encourage and we were proud as a government to assist in that in a small way. Their R.M. participated and banks and all kinds of people helped that business grow, and I think that is a good model for us to develop.

So it is important for Manitoba businesses to dream, to look at the opportunities out there, to take advantage of trade missions when they are being organized. I know that Manitoba Trade has successfully completed another mission to Chile, approximately at the same time, in March, with a number of high-tech companies that were also successful at securing some contacts and deals in that trade mission. So trade is vitally important in a number of sectors for Manitoba. We have an opportunity to expand, create good jobs and opportunities for Manitoba businesses to provide good employment opportunities.

* (17:30)

The U.S. has been in an economic growth spurt for quite a while actually, and when we look at diversifying our trade partners, I think it is important, because inevitably they will hit a downturn just as Asia did. It is very difficult to predict when, but Manitoba needs to protect itself, just as we have a diversified economy in terms of a number of sectors, so that if, as it is now that agriculture is in a downturn, many other sectors are very buoyant. Manufacturing is buoyant, aerospace, parts industry, Motor Coach

and the Flyer industries are doing very well. Our biotechnology companies are growing, expanding and are doing remarkably well, and over the past eight months we have seen some remarkable success stories and continued growth in Manitoba, and we are pleased to be a small part of that by providing a secure place for Manitoba businesses to continue to work and grow and prosper.

Manitoba's trade with the U.S. is concentrated in five states: Minnesota, North Dakota, Michigan, Pennsylvania and Washington. In Washington, of course, it is related to the aerospace industry and our relationship with Boeing in Washington, and it is largely due to the overwhelming success of major manufacturers like New Flyer and Boeing. On Monday, I had an opportunity to go and tour Motor Coach, and it has just achieved another contract which, in fact, is going to mean that that business is expanding. Presently they have 1000 people working in their shops, and by the fall they expect to have over 1700 employees at Motor Coach.

Last week, I had an opportunity to tour Palliser. Palliser, too, has done remarkable things in terms of the furniture industry. They look at continued growth. You know, it is almost a whole subdivision. When I got my notice of where to go to the office, it was on Furniture Drive. That just tells you that they now own the whole street, and every building along that street is part of the Palliser empire.

It really is quite a phenomenal place. They go all the way from making the pressboard into cutting the pieces, into manufacturing the furniture, into the fine finishing and into the leather goods, and I am so pleased that the Premier (Mr. Doer) has a fine, best-quality Palliser leather couch in his office that I had the opportunity to just glimpse before it went off to the Premier's office, but I am glad to do it because it is a Manitoba-made product and very fine indeed. I may have another opportunity to buy Manitoba, so I am sort of keeping my eyes open.

Manitoba's top five commodities for exports are aircraft parts, electrical energy, unrefined copper, motor vehicle parts and furniture. There

are a number of sectors that are doing very well; mining, for example. We have seen almost \$400 million invested into the Flin Flon region and over \$70 million invested in Inco and into the Thompson region. We are looking for a fairly remarkable turnaround in the mining sector, and that is very good news for Manitoba.

Very pleased to support Manitoba Trade, to continue to work and build on the agents we have around the world and look to increase the amount of trade that Manitoba is able to complete. Thank you.

Mr. Mervin Tweed (Turtle Mountain): Mr. Deputy Speaker, I am pleased to speak on this resolution. I think that hearing the words from the Minister of Industry and Trade (Ms. Mihychuk) in the province of Manitoba who speaks so glowingly of the things that are happening in Manitoba, it makes me feel good, because I think that after sitting in government for five years and listening to them complain about the way trade was happening from Manitoba, that we were putting all our eggs in one handbasket and the trade in Manitoba was too dependent on one market, and now to have the minister stand up and acknowledge that it is a good trade that we have with the U.S., that we have continually tried to expand our opportunities, it almost is in direct contrast to what the now Minister of Labour (Ms. Barrett) said when she quoted that: "New Democrats and I believe Canadians at large believe that the Free Trade Agreement was one of the worst things that could have happened to our country, and the effects will be long-lasting and overwhelming."

Well, I will tell you they are. They are long-lasting in the fact that more Manitobans, more Canadians are working today than ever before in the history of Canada, and I credit that directly to the Free Trade Agreement, the agreement that brought hundreds of thousands of jobs to Ontario, and in the same relative comparison, the thousands of jobs that came to Manitoba. The numbers that I have heard spoken in the past when the Minister spoke on it, I am told that a billion dollars of investment in Manitoba actually creates more than 10 000 jobs. So, if it is 7000 or 10 000, to me it is still a strong plus for the province and for the people of Manitoba.

One of the quotes that was made at the time of the Free Trade Agreement, again by the current Minister of Labour, was the fact that "there will be more unemployment, less full-time jobs, less jobs in the manufacturing sector." Again, the Minister of Industry (Ms. Mihychuk) confirmed for us today that the manufacturing industry in the province of Manitoba is booming. She has had the opportunity to go to such places as the bus manufacturing and the Palliser manufacturing and the companies that have taken full advantage of the opportunities that were presented to the province with the agreement and the encouragement that there should be more done.

I had the great pleasure of serving in the same position as she is in, and I saw the opportunities that are out there. We have talked about Chile, we talked about Jalisco, and we talked about other places in Mexico. It is interesting, the fact that when people in the province of Manitoba are given the opportunity, they will pursue those opportunities and take advantage of them.

As a government, it is imperative upon us as legislators to encourage, not to discourage, not to make statements that there will be fewer manufacturing jobs and jobs that are created are going into the service sector. It just did not happen the way they forecasted it would.

Based on what I am hearing from the Minister of Industry (Ms. Mihychuk), it sounds almost like the members opposite are going to vote for and support this resolution that has been brought forward today. I think it is something that we can all agree has happened and is continuing to happen. Again, I would ask the Minister of Industry to confirm it, but we certainly know that the Manitoba Government, we encouraged them, and I would suspect that they would want to encourage the sustainability of the trade relations that we have with the U.S.

One small example, I think of the U.S., and it happened near the beginning of last year. The City of Winnipeg, the Province of Manitoba had negotiated a deal with the City of Denver to have flights going in and out of Winnipeg on a regular basis. I was being briefed on the information, and I said, you know, tell me what the

importance is to this. What is the big deal? Why are we making such an issue of welcoming. I believe we brought an 11- or 12-person delegation into Winnipeg and showed them the highlights of Winnipeg. We were invited to fly on the initial flight, or the inaugural flight, back to Denver the next day, and I regret that I was unable to take that flight.

I was told that we do approximately, I think, it is \$800-million worth of business with the state of Colorado. I said, gee, that is wonderful. Is that No. 1 in the U.S., or is it No. 2, or where does it stand in the U.S.? I think at that time it was 14th in the states that we deal with. So I think it is vital that we continue to push forward with the opportunities that are being presented in the United States, which is what this resolution asks for. It encourages you to do that and do it on behalf of all Manitobans.

I have been very fortunate in my life. I grew up within 10 miles of an American border, and we got to know the businesses and the dealings going on on both sides of the border. We find that the opportunities that have presented themselves have been wonderful over the years and the opportunities that businesses in Manitoba are now seeing in the United States, in the Midwest particularly, but it is expanding. We no longer are restricted by miles because of the transportation and the ability to move goods and services from one community to another; it is unending as to what we can do and how we can do it.

So I would certainly encourage the Government to support the resolution, and, again, the resolution calls for you to continue to work hard at expanding your opportunities in other countries. To me, that is where the real opportunity lies. In a business, when you are trying to grow it, you take care of your good customers, your base customers, which, in this case for Manitoba, would be the United States, but the opportunities that grow on the outsides, on the edges, are the opportunities that we have as Manitobans to continue to increase our manufacturing and our production for the opportunities that present themselves.

The chances of attracting new manufacturers and new companies into the province of

Manitoba are there also, but they are only there if the province of Manitoba and the Government of Manitoba recognize those opportunities and offer the attractions that people need and businesses need to come to the province. We are getting closer to a budget coming forward tomorrow. I dearly pray that the tax cuts and tax reductions are on the agenda. When you are a business looking at growing opportunities, in today's world the opportunity is everywhere. People are going to look at what the opportunities are, but more and more young people and the professional people who are looking for opportunity are looking for the best province, the best tax regime that is out there. I would suggest that this government has to look long and hard at those conditions to create the opportunities.

* (17:40)

Again, I refer back to the booklet that was produced recently on the Manitoba Century Summit. Page after page it comes up. They talk about developing a labour force, and for our future economic success we must achieve personal and corporate tax competitiveness. When we talk about what we can do to expand the investment, the issues that come up: taxes, competitive, simple and stable. Ensure a competitive tax structure. When we talk about developing business through a competitive environment, the first things that come up are competitive taxes, a tax system competitive with the other provinces.

So I would urge the Minister of Industry to continue with her positive outlook on the province of Manitoba, to continue to search for the opportunities that are out there for the people of Manitoba, and encourage your own government that, in order to attract those opportunities to the province and create the wealth that we need, we need to continue to support things like a stronger relationship with the United States but also continuing to grow our free trade agreements with other countries to ensure our economy continues to grow.

So, with that, Mr. Deputy Speaker, I would ask the members opposite to support this. I think it is something that is very comfortable that we

could all stand and support, and I would encourage them to do so.

Mr. Cris Aglugub (The Maples): Mr. Deputy Speaker, I rise to speak on the resolution before us today. We believe trade is good for the province, that more trade helps sustain a strong economy and that it provides for more job opportunities. We have never been anti-trade. We are also not anti-trade with the United States, although we have expressed concern over how dependent our foreign trade record is on the strong U.S. trade relationship. To ensure a strong record of foreign trade, it is important to ensure that Manitoba works at diversifying its trade partners.

The Tories are on the record supporting trade diversification. In Gary Filmon's *Plan Manitoba: A Vision for the Future*, a 1990 election document, the Tory economic strategy was "to expand world trade and diversify Manitoba export." Generally, trade with other countries or trade with countries other than the United States has increased. Example, marginally, since 1990 trade with other countries is inconsistent.

When compared to the same time last year, trade with other country groupings has decreased by the following percentage: as our minister pointed out a while ago in her speech, in the European Union, our trade has gone down by 28.3 percent; in the Pacific Rim, our trade has gone down by 34.5 percent; in Latin America, our trade went down by 2.8 percent. Now, the Minister also pointed out that the reason for this is because of the slow down and serious decline of agricultural exports. It is important to Manitoba to maintain their trade relationship with the United States, but it is equally important to ensure the Province maintain a diversified trading economy.

The NDP Government recognizes the security in having diversified trading partners. In December 1999, Minister MaryAnn Mihychuk appointed a foreign trade representative to central Mexico to strengthen—

Mr. Deputy Speaker: Order, please. I would like to take this opportunity to remind all honourable members, when making a reference

to members, please use their constituencies or their ministries and not their names. I would just like to remind all honourable members. Thank you.

Mr. Aglugub: In December 1999, the Minister appointed a foreign trade representative to central Mexico to strengthen and expand relationship with the local business community and state government. Additionally, our Minister of Industry, Trade and Mines (Ms. Mihychuk) attended the World Trade Organization talks in Seattle. While there, she advocated for the protection and preservation of Canada's health and social service sectors, the progressive reduction of agriculture export subsidies to ensure Canadian farmers are on equal footing when competing for foreign market shares, and greater market access for Manitoba's industrial products to help diversify the province's export markets.

The Minister also advocated that countries retain the capacity to implement cultural policies to preserve and promote cultural diversity. All major trade agreements, like NAFTA and the WTO, are of course federal jurisdiction, but we feel trade agreements need to put more emphasis on rules that ensure trading is done and sustainable, fair and equitable manner, and that international trade organizations should not be permitted to usurp the power of elected government officials and overlook various environmental concerns.

We support and are willing to negotiate with the federal government any agreement that gives provinces a meaningful role in international trade and that gives provinces a role in trade agreements implemented in areas of provincial jurisdictions. It is important that when trade agreements are signed, there is a greater focus on balancing the interest of all groups affected by these agreements. We recognize and support the growing consensus that forces of trade globalization need to be shaped and moulded by elected officials.

Mr. Speaker in the Chair

It is important to ensure that promises of jobs, economic growth, increased exports and increased prosperity are shared with those less

fortunate. We do not want to see the actualization of these benefits at the expense of our poor, the environment, labour or developing countries.

The citizens from all corners of the globe are increasingly recognizing the concern that the current course of globalization may adversely affect workers or the environment. This was clearly shown by the fact that 50 000 people, people from all walks of life, took part in demonstrations and raised concerns at the World Trade Organization meeting in Seattle last year. The underlying message was that in charting the course of globalization, we need a broader view, that we need to look beyond the bottom line and equally examine and address the greater challenges to democracy, social cohesion, the environment and cultural diversity that trade globalization continues to impose.

We look for the support of this House in our resolve to work toward the establishment of a stable, rules-based global economy that protects the rights of workers and the environment, provide for cultural diversity and ensure the ability of democratically elected officials to act in the public interest. It is within this context, Mr. Speaker, that Manitoba should work to develop its trade relationship and encourage the growth of foreign trade. Thank you very much.

* (17:50)

Mr. Jack Penner (Emerson): Mr. Speaker, I rise with a great deal of pleasure to be allowed to put a few comments on record in regard to the resolution put forward by our colleague in regard to some of the initiatives and talking about some of the trade opportunities. I listened with a great deal of interest—what was the Member's name?—to the Honourable Member for The Maples' (Mr. Aglugub) comments a little while ago, and I appreciate him putting on the record the concern that this administration has for the employed people, the environment and workers in general.

I think it only fair to say that the initiatives put forward by the previous administration in working hard to establish an actual institute for the environment in the city of Winnipeg, which was a significant coup, I believe, because it brought expertise from all around the world from

the environmental side to this city in Manitoba. I think it was not only a coup for Canada but for Manitoba and the city of Winnipeg. I think all people in all walks of life will benefit by the work that is being done by the International Institute of Environment, and I believe the establishment of the Round Table on the Environment and sustainability by the Province of Manitoba back in 1988-89 I think again stands very tall and very proud and the efforts put in and the recommendations made and the legislation put in place to protect the environment and indeed to encourage economic development through diversification I think will stand very tall in the record of the Filmon administration and the efforts put forward by the Filmon administration.

The job creation that has gone on in this province because of the initiatives that we took I think is second to none and is demonstrated today by the low unemployment rate that we have and the high employment rate that we have in this province. Indeed, the Honourable Member for The Maples (Mr. Aglugub) recognizes this in his comments, and I think that, in itself, demonstrates that it takes a long time of very slow changes that have to be made to encourage that kind of industrial development. Trade is simply a matter of exchanging products that other peoples of the world need that we in this province can produce. I think the \$6 billion of trade that we do with the Americans is a clear demonstration of that. I think that demonstrates Manitobans' efficiencies. Our workers, the people who are employed, the employees, their efficiencies within the workplace demonstrates that we can compete on an international scale.

I am concerned, Mr. Speaker, that we have taken over the last couple of months an initiative that I think will fly in our face and I think will demonstrate the naivety of doing away with the rebate on the sales tax that this province has now initiated. I know that many of those of you who travel to North Dakota and Minnesota know that when you come back you can fill out a form and get your state tax back. *[interjection]* Yes, you can. The Minister of Industry and Trade (Ms. Mihychuk) says, no, you cannot. Well, it just demonstrates to me how naive this government was in its position in saying, no, we will no

longer rebate the PST to those Americans coming here to do their shopping.

It is not only tourists who come here to do their shopping. I will be attending on the 19th of May an opening of a lumberyard in Sprague which needs the employment and needs the job creation that has been done. The people who are opening the lumberyard in Sprague tell me that roughly about 60 percent of their business is Americans coming in to buy products at their store to take back to the United States, and we are now saying to those Americans that from now on that product is going to cost you 7 percent more than it did three months ago. You know what that is going to do? That is going to put us in a very non-competitive position.

The furniture store in Altona, Sawatzky's Furniture store, just acquired a brand-new delivery van. Do you know why they acquired a brand-new delivery van? Because most of their product that they sell out of their furniture store is sold to the Americans, and one of the main reasons that they come over here to shop is because they can buy it 7 percent cheaper because we exempt them from the sales tax. Now this government has said we will no longer do that. We will no longer recognize the need to be competitive.

If our Canadian dollar relationship changes much on the positive side for the Americans, then we will be in even deeper trouble. Many of our communities along the U.S. border will feel the economic impact of the decision that this government made in doing away with the provincial sales tax redemption. I think this government should think long and hard before it brings down the hammer on those employment opportunities that the Honourable Member for The Maples (Mr. Aglugub) talks about that are needed to keep the people of this province working.

So, Mr. Speaker, I appreciate greatly having been given the opportunity to put those few words on the record, and I would ask that this government take a long, hard look at that decision, and maybe they will come to realize that they need to revoke the decision that they made and re-institute the sales tax exemption, as

we are able to from the American side and reciprocate in that decision-making process.

Mr. Scott Smith (Brandon West): Mr. Speaker, I am glad to put a few words on the record regarding this, which, as the Member opposite for Emerson says, is an extremely important issue. The advances of trade are certainly worthwhile pursuing. The amount of dollars that are brought in and the jobs that are created are certainly a major benefit of it. I know that, with members opposite, the Member for Fort Garry (Mrs. Smith) believes also that interprovincial trade is extremely important. I know in this article in the *Sun*, as early as today, the Member for Fort Garry, with Stockwell Day from Alberta, seeing obviously there are some relationships there that can develop both interprovincially, into the United States and, in fact, in a lot of other areas.

The importance in the trade agreements is not to put all your eggs in one basket, so to speak, and the importance of that is pretty obvious in what has happened to B.C., relying totally on an Asian market that crashed in '97-98 and the drastic effects that it had on their exports and their business in the communities within British Columbia. The exports of the top five Asian markets dropped by \$1.86 billion, a drop of 23 percent to British Columbia's economy through '97-98, and it was devastating. If you have one partner that you rely on continually, it is nice to expand into different markets, and it is certainly nice to expand into broad-based and world markets. The trade reliance of one specific area is not the vision of this government, although it is an important vision. I know the Minister of Industry and Trade (Ms. Mihychuk)

has met with her counterparts from Mexico, and that is a very, very important corridor as well to consider.

The ability of Manitobans and the strength of Manitobans to hit a market of some 87 million people in the United States market is an area to pursue. There is absolutely no doubt about it. Eighty-seven million people within 30 road hours or transport hours from the province of Manitoba, such as a vision of Winnport or areas such as that, is an important area to consider and to look into.

But the diversity of trading partners is simply an issue that has to be addressed. I know the Minister mentioned previously the biotechnology industry and the advances that Manitobans made in that area should be seriously considered, not only in the American market in the five states now—Minnesota, North Dakota, Michigan, Pennsylvania and Washington State—but the full expansion of the biotechnology industry down into the southern states, certainly into the fruit-growing states and right from the California coast to the Florida coast and that entire area. I believe that we are going to see very large expansion within that market over the next little while.

Mr. Speaker: Order, please. When this matter is again before the House, the Honourable Member for Brandon West (Mr. Smith) will have 12 minutes remaining.

The hour being 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 9, 2000

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