

Second Session - Thirty-Ninth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

Official Report
(Hansard)

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The Honourable George Hickes
Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

Member	Constituency	Political Affiliation
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BLADY, Sharon	Kirkfield Park	N.D.P.
BOROTSIK, Rick	Brandon West	P.C.
BRAUN, Erna	Rossmere	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
BRIESE, Stuart	Ste. Rose	P.C.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CULLEN, Cliff	Turtle Mountain	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
GRAYDON, Cliff	Emerson	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
HOWARD, Jennifer	Fort Rouge	N.D.P.
IRVIN-ROSS, Kerri, Hon.	Fort Garry	N.D.P.
JENNISSON, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARCELINO, Flor	Wellington	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McFADYEN, Hugh	Fort Whyte	P.C.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine, Hon.	Riel	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa, Hon.	Seine River	N.D.P.
PEDERSEN, Blaine	Carman	P.C.
REID, Daryl	Transcona	N.D.P.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
RONDEAU, Jim, Hon.	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SARAN, Mohinder	The Maples	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELBY, Erin	Southdale	N.D.P.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan, Hon.	Dauphin-Roblin	N.D.P.
SWAN, Andrew, Hon.	Minto	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 9, 2008

The House met at 1:30 p.m.

PRAYER

ROUTINE PROCEEDINGS

PETITIONS

Dividing of Trans-Canada Highway

Mrs. Mavis Taillieu (Morris): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The seven-kilometre stretch of the Trans-Canada Highway passing through Headingley is an extremely busy stretch of road, averaging 18,000 vehicles daily.

This section of the Trans-Canada Highway is one of the few remaining stretches of undivided highway in Manitoba, and has seen more than 100 accidents in the last two years, some of them fatal.

Manitoba's Assistant Deputy Minister of Infrastructure and Transportation told a Winnipeg radio station on October 16, 2007, that when it comes to highways projects the provincial government has a flexible response program, and we have a couple of opportunities to advance these projects in our five-year plan.

In the interests of protecting motorist safety, it is critical that the dividing of the Trans-Canada Highway in Headingley is completed as soon as possible.

We petition the Legislative Assembly as follows:

To request the Minister of Infrastructure and Transportation (Mr. Lemieux) to consider making the completion of the dividing of the Trans-Canada Highway in Headingley in 2008 an urgent provincial government priority.

To request the Minister of Infrastructure and Transportation to consider evaluating whether any other steps can be taken to improve motorist safety while the dividing of the Trans-Canada Highway in Headingley is being completed.

This is signed by Tom Scoular, Anna Baraiski, Gary Wright and many, many other Manitobans, Mr. Speaker.

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

Waverley West–New School Construction

Mr. Hugh McFadyen (Leader of the Official Opposition): Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

The government has taken upon itself to develop Waverley West, a suburb that will eventually be the size of Brandon, without funding for new schools in this part of Winnipeg which will ultimately put a strain on other schools in the Pembina Trails School Division.

With the realignment of catchment areas, caused by this lack of funding, families will be required to move their children from one school to another.

Disruption for children attending southwest Winnipeg schools could be harmful to their education and present a difficult and unnecessary change for these children and their families.

We petition the Manitoba Legislative Assembly as follows:

To urge the Minister of Education (Mr. Bjornson) and the Premier (Mr. Doer) to consider setting aside land and funds to construct new schools and accommodate the needs of the new provincial government development of Waverley West to allow children attending schools in the southwest area of Winnipeg to remain in existing schools located closer to home.

Signed by Samantha Conlin, Monique Minarik, Evelyn Torwart and many, many others.

Crocus Investment Fund–Public Inquiry

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

The background to this petition is as follows:

The 2007 provincial election did not clear the NDP government of any negligence with regard to the Crocus Fund fiasco.

The government needs to uncover the whole truth as to what ultimately led to over 33,000 Crocus shareholders to lose tens of millions of dollars.

The provincial auditor's report, the Manitoba Securities Commission's investigation, the RCMP investigation and the involvement of revenue Canada and our courts, collectively, will not answer the questions that must be answered in regard to the Crocus Fund fiasco.

Manitobans need to know why the government ignored the many warnings that could have saved the Crocus Investment Fund.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Premier (Mr. Doer) and his NDP government to co-operate in uncovering the truth in why the government did not act on what it knew and to consider calling a public inquiry on the Crocus Fund fiasco.

Mr. Speaker, this is signed by C. Serrano, O. Surla, E. Saria and many, many other fine Manitobans.

COMMITTEE REPORTS

Standing Committee on Crown Corporations Third Report

Mr. Daryl Reid (Chairperson): Hello, Mr. Speaker, it's good to be back.

I wish to present the Third Report of the Standing Committee on Crown Corporations.

Madam Clerk (Patricia Chaychuk): Your Standing Committee on Crown Corporations presents the following as its Third Report.

Some Honourable Members: Dispense.

Mr. Speaker: Dispense.

Meetings

Your committee met on the following occasions:

Thursday, October 13, 2005, (3rd Session – 38th Legislature)

Wednesday, December 12, 2007

All meetings were held in room 255 of the Legislative Building.

Matters under Consideration

Annual Report of the Workers Compensation Board for the year ended December 31, 2004

Annual Report of the Workers Compensation Board for the year ended December 31, 2005

Annual Report of the Workers Compensation Board for the year ended December 31, 2006

Annual Report of the Appeal Commission and Medical Review Panel for the year ended December 31, 2004

Annual Report of the Appeal Commission and Medical Review Panel for the year ended December 31, 2005

Annual Report of the Appeal Commission and Medical Review Panel for the year ended December 31, 2006

Workers Compensation Board 2004-2008 Five Year Plan

Workers Compensation Board 2005-2009 Five Year Plan

Workers Compensation Board 2006-2010 Five Year Plan

Workers Compensation Board 2007-2011 Five Year Plan

Committee Membership

Committee Membership for the October 13, 2005, meeting:

Mr. Aglugub
Hon. Ms. Allan
Ms. Brick
Mr. Cullen
Mr. Cummings
Mr. Dewar
Mr. Goertzen
Ms. Irvin-Ross
Mr. Maloway
Mr. Santos
Mrs. Taillieu

At the October 13, 2005, meeting, your committee elected Ms. Brick as the Chairperson and Ms. Irvin-Ross as the Vice-Chairperson.

Committee Membership for the December 12, 2007, meeting:

Hon. Ms. Allan
Mr. Dewar
Mrs. Driedger
Ms. Howard
Mr. Maguire
Ms. Marcelino (Vice-Chairperson)
Mr. Martindale
Mr. Reid (Chairperson)
Mr. Saran
Mrs. Stefanson
Mrs. Taillieu

Officials Speaking on Record at the October 13, 2005, meeting:

Tom Farrell, Chairperson
Doug Sexsmith, President and CEO
Harold Dueck, Vice President, Finance and Administration
Alice Sayant, Vice President

Officials Speaking on Record at the December 12, 2007, meeting:

Tom Farrell, Chairperson
Doug Sexsmith, President and CEO

Reports Considered and Passed

Your committee considered and passed the following reports as presented:

Annual Report of the Workers Compensation Board for the year ended December 31, 2004

Annual Report of the Appeal Commission and Medical Review Panel for the year ended December 31, 2004

Workers Compensation Board 2004-2008 Five Year Plan

Reports Considered but not Passed

Your committee considered the following reports but did not pass them:

Annual Report of the Workers Compensation Board for the year ended December 31, 2005
Annual Report of the Workers Compensation Board for the year ended December 31, 2006
Annual Report of the Appeal Commission and Medical Review Panel for the year ended December 31, 2005

Annual Report of the Appeal Commission and Medical Review Panel for the year ended December 31, 2006

Workers Compensation Board 2005-2009 Five Year Plan

Workers Compensation Board 2006-2010 Five Year Plan

Workers Compensation Board 2007-2011 Five Year Plan

Mr. Reid: Mr. Speaker, I move, seconded by the honourable Member for Wellington (Ms. Marcelino), that the report of the committee be received.

Motion agreed to.

**Standing Committee on Crown Corporations
Fourth Report**

Mr. Daryl Reid (Chairperson): Mr. Speaker, I wish to present the Fourth Report of the Standing Committee on Crown Corporations.

Madam Clerk (Patricia Chaychuk): Your Standing Committee on Crown Corporations presents the following as its Fourth Report.

An Honourable Member: Dispense.

Mr. Speaker: Dispense.

Meetings

Your committee met on the following occasions:

Monday, November 21, 2005

Thursday, October 25, 2007

Wednesday, December 19, 2007

All meetings were held in room 255 of the Legislative Building.

Matters under Consideration

Annual Report of Manitoba Hydro-Electric Board for the fiscal year ended March 31, 2004

Annual Report of Manitoba Hydro-Electric Board for the fiscal year ended March 31, 2005

Annual Report of Manitoba Hydro-Electric Board for the fiscal year ended March 31, 2006

Annual Report of Manitoba Hydro-Electric Board for the fiscal year ended March 31, 2007

Committee Membership

Committee membership for the November 21, 2005, meeting:

Mr. Aglugub
 Ms. Brick (Chairperson)
 Hon. Mr. Chomiak
 Mr. Hawranik
 Mr. Jha
 Mrs. Mitchelson
 Mr. Penner
 Mr. Reid
 Hon. Mr. Robinson
 Mr. Schellenberg
 Mr. Schuler

At the November 21, 2005, meeting your committee elected Mr. Aglugub as the Vice-Chairperson.

Substitutions received during committee proceedings:

Mr. Dewar for Hon. Mr. Robinson
 Mr. Faurschou for Mr. Schuler

Committee membership for the October 25, 2007, meeting:

Hon. Mr. Ashton
 Mr. Dewar
 Ms. Howard
 Ms. Marcelino
 Mr. Reid
 Hon. Mr. Selinger
 Mr. Swan
 Mr. Cullen
 Mr. Faurschou
 Mr. McFadyen
 Mr. Pedersen

At the October 25, 2007, meeting your committee elected Mr. Reid as the Chairperson.

At the October 25, 2007, meeting your committee elected Ms. Howard as the Vice-Chairperson.

Substitutions received during committee proceedings at the October 25, 2007, meeting:

Mr. Jha for Mr. Dewar

Committee membership for the December 19, 2007, meeting:

Mr. Altemeyer
 Ms. Braun
 Mr. Caldwell
 Mr. Cullen
 Mr. Goertzen
 Ms. Marcelino (Vice-Chairperson)

Mr. McFadyen
 Mr. Reid (Chairperson)
 Mrs. Rowat
 Mr. Saran
 Hon. Mr. Selinger

Officials Speaking on Record

Officials from Manitoba Hydro speaking on the record at the November 21, 2005, meeting:

Mr. Bob Brennan, President and Chief Executive Officer
 Mr. Vic Schroeder, Chairman

Officials from Manitoba Hydro speaking on the record at the October 25, 2007, meeting:

Mr. Bob Brennan, President and Chief Executive Officer
 Mr. Vic Schroeder, Chairman

Officials from Manitoba Hydro speaking on the record at the December 19, 2007, meeting:

Mr. Bob Brennan, President and Chief Executive Officer
 Mr. Vic Schroeder, Chairman

Reports Considered and Passed

Your committee considered and passed the following reports as presented:

Annual Report of Manitoba Hydro-Electric Board for the fiscal year ended March 31, 2004

Reports Considered but not Passed

Your committee considered the following reports but did not pass them:

Annual Report of Manitoba Hydro-Electric Board for the fiscal year ended March 31, 2005

Annual Report of Manitoba Hydro-Electric Board for the fiscal year ended March 31, 2006

Annual Report of Manitoba Hydro-Electric Board for the fiscal year ended March 31, 2007

Mr. Reid: Mr. Speaker, I move, seconded by the honourable Member for Fort Rouge (Ms. Howard), that the report of the committee be received.

Motion agreed to.**Standing Committee on Crown Corporations
Fifth Report**

Mr. Daryl Reid (Chairperson): Mr. Speaker, I wish to present the Fifth Report of the Standing Committee on Crown Corporations.

Madam Clerk (Patricia Chaychuk): Your Standing Committee on Crown Corporations presents the following as its Fifth Report.

Some Honourable Members: Dispense.

Mr. Speaker: Dispense.

Meetings

Your committee met on the following occasions:

Thursday, October 13, 2005, (3rd Session – 38th Legislature)

Wednesday, December 12, 2007, (2nd Session – 39th Legislature)

Monday, March 10, 2008, (2nd Session – 39th Legislature)

All meetings were held in Room 255 of the Legislative Building.

Matters under Consideration

Annual Report of the Workers Compensation Board for the year ended December 31, 2005

Annual Report of the Workers Compensation Board for the year ended December 31, 2006

Annual Report of the Appeal Commission and Medical Review Panel for the year ended December 31, 2005

Annual Report of the Appeal Commission and Medical Review Panel for the year ended December 31, 2006

Workers Compensation Board 2005-2009 Five Year Plan

Workers Compensation Board 2006-2010 Five Year Plan

Workers Compensation Board 2007-2011 Five Year Plan

Committee Membership

Committee Membership for the October 13, 2005, meeting:

Mr. Aglugub

Hon. Ms. Allan

Ms. Brick

Mr. Cullen

Mr. Cummings

Mr. Dewar

Mr. Goertzen

Ms. Irvin-Ross

Mr. Maloway

Mr. Santos

Mrs. Taillieu

At the October 13, 2005, meeting, your committee elected Ms. Brick as the Chairperson and Ms. Irvin-Ross as the Vice-Chairperson.

Committee Membership for the December 12, 2007, meeting:

Hon. Ms. Allan

Mr. Dewar

Mrs. Driedger

Ms. Howard

Mr. Maguire

Ms. Marcelino (Vice-Chairperson)

Mr. Martindale

Mr. Reid (Chairperson)

Mr. Saran

Mrs. Stefanson

Mrs. Taillieu

Committee Membership for the March 10, 2008, meeting:

Hon. Ms. Allan

Ms. Blady

Ms. Brick

Mr. Cullen

Mr. Eichler

Mr. Jha

Mr. Maguire

Ms. Marcelino (Vice-Chairperson)

Mr. Reid (Chairperson)

Ms. Selby

Mrs. Taillieu

Officials Speaking on Record at the October 13, 2005, meeting:

Tom Farrell, Chairperson

Doug Sexsmith, President and CEO

Harold Dueck, Vice President, Finance and Administration

Alice Sayant, Vice President

Officials Speaking on Record at the December 12, 2007, meeting:

Tom Farrell, Chairperson

Doug Sexsmith, President and CEO

Officials Speaking on Record at the March 10, 2008, meeting:

Tom Farrell, Chairperson
Doug Sexsmith, President and CEO

Reports Considered and Passed

Your committee considered and passed the following reports as presented:

Annual Report of the Workers Compensation Board for the year ended December 31, 2005

Annual Report of the Appeal Commission and Medical Review Panel for the year ended December 31, 2005

Workers Compensation Board 2005-2009 Five Year Plan

Reports Considered but not Passed

Your committee considered the following reports but did not pass them:

Annual Report of the Workers Compensation Board for the year ended December 31, 2006

Annual Report of the Appeal Commission and Medical Review Panel for the year ended December 31, 2006

Workers Compensation Board 2006-2010 Five Year Plan

Workers Compensation Board 2007-2011 Five Year Plan

Mr. Reid: Mr. Speaker, I move, seconded by the honourable Member for Wellington (Ms. Marcelino), that the report of the committee be received.

Motion agreed to.

**Standing Committee on Public Accounts
First Report**

Mr. Leonard Derkach (Chairperson): Mr. Speaker, I wish to present the First Report of the Standing Committee on Public Accounts.

Madam Clerk (Patricia Chaychuk): Your Standing Committee on Public Accounts presents the following as its First Report.

Some Honourable Members: Dispense.

Mr. Speaker: Dispense.

Meetings

Your committee met on the following occasions:

September 7, 2004

September 8, 2004

November 28, 2005

December 10, 2007

All meetings were held in room 255 of the Legislative Building.

Matters under Consideration

Auditor General's Report – Audit of the Public Accounts for the year ended March 31, 2003

Auditor General's Report – Audit of the Public Accounts for the year ended March 31, 2004

Auditor General's Report – Audit of the Public Accounts for the year ended March 31, 2006

Committee Membership

Committee Membership for the September 7, 2004, meeting:

Mr. Aglugub

Hon. Mr. Gerrard

Ms. Irvin-Ross

Mr. Loewen

Mr. Maloway (Vice-Chairperson)

Mr. Martindale

Mrs. Mitchelson

Ms. Oswald

Mr. Reimer (Chairperson)

Hon. Mr. Selinger

Mrs. Taillieu

Committee Membership for the September 8, 2004, meeting:

Mr. Aglugub

Hon. Mr. Gerrard

Ms. Irvin-Ross

Mr. Loewen

Mr. Maloway (Vice-Chairperson)

Mr. Martindale

Mrs. Mitchelson

Ms. Oswald

Mr. Reimer (Chairperson)

Hon. Mr. Selinger

Mrs. Taillieu

Substitutions received during committee proceedings at the September 8, 2004, meeting:

Mrs. Rowat for Mrs. Mitchelson

Committee Membership for the November 28, 2005, meeting:

Mr. Caldwell
 Mr. Cummings
 Mr. Hawranik
 Mr. Maguire
 Mr. Maloway (Vice-Chairperson)
 Mr. Martindale
 Mr. Nevakshonoff
 Mr. Reimer (Chairperson)
 Mr. Santos
 Hon. Mr. Selinger

Committee Membership for the December 10, 2007, meeting:

Mr. Altemeyer
 Mr. Borotsik
 Ms. Braun
 Mr. Derkach (Chairperson)
 Ms. Howard
 Mr. Lamoureux
 Mr. Maguire
 Mr. Maloway (Vice-Chairperson)
 Hon. Mr. Selinger
 Mrs. Stefanson
 Mr. Swan

Officials Speaking on Record

Officials speaking on the record at the September 7, 2004, meeting:

Mr. Jon Singleton, Auditor General
 Ms. Bonnie Lysyk, Deputy Auditor General and Chief Operating Officer

Officials speaking on the record at the September 8, 2004, meeting:

Mr. Jon Singleton, Auditor General
 Ms. Bonnie Lysyk, Deputy Auditor General and Chief Operating Officer

Officials speaking on the record at the December 10, 2007, meeting:

Carol Bellringer, Auditor General

Reports Considered and Passed

Your committee has considered and adopted the following reports as presented:

Auditor General's Report – Audit of the Public Accounts for the year ended March 31, 2003

Auditor General's Report – Audit of the Public Accounts for the year ended March 31, 2004

Reports Considered but not Passed

Your committee considered the following reports but did not pass them:

Auditor General's Report – Audit of the Public Accounts for the year ended March 31, 2006

Mr. Derkach: Mr. Speaker, I move, seconded by the honourable Member for Springfield (Mr. Schuler), that the report of the committee be received.

Motion agreed to.

* (13:40)

**Standing Committee on Legislative Affairs
 First Report**

Mr. Doug Martindale (Chairperson): Mr. Speaker, I wish to present the First Report of the Standing Committee on Legislative Affairs.

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

Some Honourable Members: Dispense.

Meetings

Your committee met on Thursday, December 13, 2007, at 3 p.m. in room 255 of the Legislative Building.

Matters under Consideration

The appointment of the Children's Advocate

Committee Membership

Ms. Braun
 Ms. Brick
 Mr. Briese
 Hon. Mr. Chomiak
 Mr. Dewar
 Hon. Ms. Irvin-Ross
 Mr. Martindale
 Mr. Schuler
 Mrs. Stefanson
 Mr. Swan
 Mrs. Taillieu

Your committee elected Mr. Martindale as the Chairperson.

Your committee elected Ms. Brick as the Vice-Chairperson.

Motions

Your committee agreed to the following motions unanimously:

That the committee recommend to the Lieutenant-Governor-in-Council that Ms. Billie Schibler be re-appointed for a second three-year term as the Children's Advocate, commencing April 11, 2008.

That the committee authorize the Chairperson to ask the Speaker to inform all MLAs in writing of this re-appointment, prior to presentation of the committee report in the House.

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

Motion agreed to.

MINISTERIAL STATEMENTS

Tribute to Soldiers Killed in Afghanistan

Hon. Gary Doer (Premier): Mr. Speaker, I have a statement for the House.

Mr. Speaker, I rise to mark the passing of Sergeant Jason Boyes, Bombardier Jérémie Ouellet and Private Terry John Street. These men died in the service of their country and to the service of the people of Afghanistan.

Both Sergeant Boyes and Private Street served with the 2nd Battalion Princess Patricia's Canadian Light Infantry and Bombardier Ouellet served with the 1st Regiment Royal Canadian Horse Artillery, also based at CFB Shilo.

Manitobans do not take for granted the democratic rights and freedoms that make Canada a vibrant democracy. We are proud of the commitment and bravery demonstrated every day by our service men and women who are assisting the people of Afghanistan build a more stable society and thank them for their commitment to the safety and security of some of the world's most vulnerable people.

I wish to extend my deepest condolences to the families and friends of Sergeant Jason Boyes, Bombardier Jérémie Ouellet and Private Terry Street, as well as to the community at CFB Shilo. These

losses are felt by the entire community, and I know that our thoughts are with them today.

Mr. Speaker, I would ask that following the other tributes, this House stand for a moment of silence to mark the lives of Sergeant Jason Boyes, Bombardier Jérémie Ouellet and Private Terry Street.

Mr. Hugh McFadyen (Leader of the Official Opposition): I want to thank the Premier for the statement and would like to just say that we support the decision to have a moment of silence and also to extend our sincere condolences to the family and friends of Sergeant Boyes, Bombardier Ouellet and Private Terry Street.

The Premier has already outlined the nature of the service and the units that each of these brave soldiers were serving our country within, and I would just like to add that we, too, support what they're doing. We support the importance of the mission in Afghanistan. We support the efforts of the federal government to ensure that our soldiers have the equipment and the support that they require to be both safe and effective in achieving the objectives of that mission, Mr. Speaker.

So we certainly support this motion for a moment of silence. We, again, extend our condolences to the family and friends of those who have been lost and express our steadfast commitment to the great cause of service of democracy and well-being, security and rights for the people of Afghanistan. Thank you.

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

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

Mr. Gerrard: Mr. Speaker, I rise to pay tribute to the efforts of Sergeant Jason Boyes, Bombardier Jérémie Ouellet and Private Terry John Street. We remember them and their contributions to democracy, their efforts on behalf of Canada and on behalf of people in Afghanistan. It is fitting that we pay a tribute to them as a result of their death in the cause and service of our country.

I'd like to offer our condolences to the family and friends and to say that it is a sad time and that we wish the family and friends the best under the circumstances.

Mr. Speaker: Is there agreement for a moment of silence? *[Agreed]*

Please rise for a moment of silence.

A moment of silence was observed.

Introduction of Guests

Mr. Speaker: Prior to oral questions, I'd like to draw the attention of honourable members to the loge to my right where we have with us Mr. Harry Schellenberg, a former Member for Rossmere.

I'd also like to draw the attention of honourable members to the Speaker's Gallery where we have with us today Jim Chapryk, treasurer of the Point Douglas Residents Committee and president of the Sierra Club; also, Sharon Allard who is the housing co-ordinator for NECRC; and Mr. Sel Burrows who is the chair of the Point Douglas Residents Committee. Also in the public gallery we have Christine Burrows.

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

ORAL QUESTIONS

Power Line Development Location

Mr. Hugh McFadyen (Leader of the Official Opposition): We all know, as Manitobans, that Manitoba Hydro is perhaps our province's greatest asset. It's our best hope for a better future, Mr. Speaker, and we all agree on the need for a new transmission line from northeastern Manitoba to Winnipeg. We all agree on the need for a Bipole III to enhance the reliability of power services here in southern Manitoba, as well as to improve our export position.

But we also know that this government, through political interference, is directing Hydro to embark on the most catastrophic public policy decision that we've seen in many, many years here in Manitoba. They do so, Mr. Speaker, making the claim that they are the saviours of the boreal forest. They claim that they want to save the boreal forest, but their own report, this government's own experts in December indicated in a report to this Legislature that there are tracts of forest on the western route that are at even greater risk than those on the eastern side of the province that will be jeopardized by their decision to build a longer, more expensive, less reliable, more wasteful power line down the west side of the province.

We also know, Mr. Speaker, that they're going to cut 60 kilometres more trees going on a much longer

western route than on the eastern route. So, given that there's more environmental damage at a higher cost to going on the western route, I asked the Minister of Finance (Mr. Selinger) in committee in December what was the basis for the decision, and his answer was that the eastern forest has a higher profile and more emotional appeal than the trees on the western side of the province.

So I want to ask the Premier: In the seven months that have gone by since this catastrophic decision was announced, has he got his emotions in check enough to do the right thing for future generations in Manitoba?

Hon. Gary Doer (Premier): My emotions are always in check, and we always do the right thing, Mr. Speaker.

* (13:50)

Mr. McFadyen: The Premier's non-answer to the question, we know that we have a directive coming from government that is going to cost an extra \$1.5 billion. It represents the ability to build 60 high schools, pave 1,500 kilometres of road, to build a rapid transit system in Winnipeg, whatever the priorities are of Manitobans. This is the amount of money that is going to be flushed down the drain, forever compromising our ability as a province to have all the things that we might want.

Will the Premier please indicate that he will re-evaluate this decision, do what's right, save the environment, save money, do what's right for the next generation of Manitobans?

Mr. Doer: Mr. Speaker, the member was at the committee, eight hours of committee discussion. His numbers are different than the CEO of Manitoba Hydro. He can create and fabricate all the numbers he desires. The numbers that he is using are not the numbers that were presented at committee.

Unlike the old days, where the Conservatives didn't release reports, didn't tell the public that they were going to sell Crown corporations before elections—

Some Honourable Members: Oh, oh.

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

Mr. Doer: —we had the full analysis presented to the Hydro committee. The member opposite got

something that we never got in opposition. He actually got the Farlinger report. He actually got the pros and cons of both routes, in fact all three routes.

There is one specific recommendation in the Farlinger report directly to government, and that is do not build the transmission on the Interlake option, sometimes purported to be the location which we were using, by the member opposite, in many media reports, again fabricated, Mr. Speaker.

Well, if it's on the, quote, east side of Lake Winnipeg, or the west side of Lake Winnipeg, that's the Interlake route. I would point that out to members opposite. I know the facts play no part of it, but I would ask the member opposite to review the slide that was shown by Mr. Brennan to the committee and then go back and correctly pose his questions with the right facts.

Mr. McFadyen: Mr. Speaker, unlike the Premier, I was at the committee meetings that he is referring to, and, actually, if he had attended those meetings he would have heard Mr. Brennan say that there is no converter required if we follow the eastern route. There is a \$1.1-billion converter required on the east side, and, in fact, that point is again made in the report he just referred to, the Farlinger report, which says that, unfortunately due to its long length, the western line is unsuitable to operate with either of the existing Bipole I and II lines without a new converter. That is where \$1.1 billion of the cost comes from.

I know the Minister of Finance (Mr. Selinger) today wrote a letter to the *Brandon Sun* saying no, no, no, we are only wasting \$640 million Mr. Speaker. That is the Minister of Finance's defence. We say, based on what the CEO of Hydro is saying, it's \$1.5 billion. If they want to go around Manitoba arguing they are only wasting \$640 million, it doesn't satisfy very many Manitobans.

So I want to ask the Premier: Given that Manitobans are coming to us to ask why, what is behind this decision? We know it's not the environment; we know it's not finances; we know it's not about building a more reliable system; we know it's not because of Aboriginal population on the east side of the lake, because 15 out of 16 communities support it, Mr. Speaker. Manitobans are asking: Is this another case of the floodway deal? Is it the secret Crocus deal? Which of the NDP's friends are benefiting from this decision at the expense of Manitobans?

Mr. Doer: Mr. Speaker, there are many friends of the NDP that will benefit, and there are many friends of all of Manitoba that will benefit because we will have the intestinal fortitude, the backbone to build a transmission line to free up future export sales for the benefit of all Manitobans.

Members opposite had a recommendation to build a transmission line. They cancelled it. They had a recommendation—they actually had only to implement the Conawapa sale that we had negotiated in the '80s. They cancelled it. They are the party of negative thoughts. We are the party of intestinal fortitude and building a future for all the people of Manitoba.

Standing Committee on Agriculture and Food Meeting Request

Mr. Ralph Eichler (Lakeside): Mr. Speaker, Manitoba's cattle and hog producers are struggling to stay afloat. Low commodity prices, rising input costs, high dollar, pending country-of-origin labelling—it goes on and on—the hog moratorium. We are losing producers daily. Two years ago we had asked the minister and two months ago we had asked the Premier (Mr. Doer), the Minister of Agriculture and the House leader to call for the Standing Committee on Agriculture and Food to address these problems as soon as possible.

Mr. Speaker, will the Minister of Agriculture explain why the government refuses to do the right thing, call the Ag Committee as soon as possible? They don't have a good idea, don't have a monopoly on ideas. When will they do the right thing and call the Standing Committee on Agriculture and Food?

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): Mr. Speaker, I thank the member opposite for the question. It is indeed a very important issue. The member wants us to call the Standing Committee on Agriculture and Food. What I have done and what our government has done is meet with cattle producers, meet with pork producers, put in place additional programs that the producers have asked for. They asked for loans for the pork producers. We've done that. The cattle producers asked for programs. We've done that.

The provincial budget for agriculture support is over by \$68 million, additional funds that this government has put in place to support producers. The members opposite want to call a committee. I want to work with the producers and that's what we are doing.

Mr. Eichler: Mr. Speaker, it's obviously not working. Her ideas are failing. We're losing producers each and every day. There's more than 11,000 producers directly involved in the cattle and hog production. These industries create thousands of jobs, directly or indirectly. These industries are worth \$2 billion to the provincial economy. Producer debt levels are rising. Some producers have been hit hard on foreclosures. Recently, Nutri-Health Group of Niverville was placed into receivership. A company spokesman blamed the downturn in the pork industry.

Mr. Speaker, I ask again: Will the Minister of Agriculture call the Government House Leader, get the standing committee under way, so we can get the ideas, get them in the House, get them on paper, and get this program under way today?

Ms. Wowchuk: Mr. Speaker, very shortly we will hear a budget, and I would encourage the member opposite to listen to that budget. Then let's pass the budget, move over into Estimates, and then we will talk about those important issues.

The member opposite talks about action. This government has taken action. We've taken action. We've met with the producers. We've put additional resources in place. It is a very difficult time for the cattle and pork producers. They are being hit by some very unusual circumstances that have come together, a high Canadian dollar, high input costs and loss of markets because of country-of-origin labelling.

We've discussed them with the producers, Mr. Speaker. I've raised these issues with the federal minister, and we will continue to work—

Mr. Speaker: Order.

Hog Industry Moratorium

Mrs. Mavis Taillieu (Morris): Mr. Speaker, after months of uncertainty, the Doer government has levelled a punishing blow to the hog industry by extending the moratorium. This heavy-handed political decision was made even though the Clean Environment Commission's report did not recommend it. As Manitoba Pork Council chair Karl Kynoch stated, and I quote: There's no specific justification for the moratorium. It's all about politics.

This government is playing politics with farm families and the businesses and industries that service our valuable pork industry.

Mr. Speaker, will the Minister of Agriculture (Ms. Wowchuk) today ask her colleague the Minister of Conservation to reverse his heavy-handed decision?

Hon. Stan Struthers (Minister of Conservation): Mr. Speaker, the member's just wrong.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Struthers: Manitobans understand. Manitobans get it. The CEC report gets it. The people across the row here don't get it, by the sounds of it. The CEC very clearly, Mr. Speaker, talked about regional imbalances in this province and they said we had to act on that. I'm not willing to put my head underneath the sand and ignore the problem. They are.

Mrs. Taillieu: Mr. Speaker, it's very clear this government doesn't care about how much damage it inflicts on our rural economy. Starlight Colony near Starbuck is one of dozens of Hutterite colonies that will be hard hit by this hog moratorium. James Hofer of Starlight Colony recently stated, and I quote: Some colonies are going to be in a major bind. We're in a fix right now.

I've heard the same concerns from many businesses that serve the same industry.

Mr. Speaker, will the Minister of Agriculture (Ms. Wowchuk) do the right thing, stand up for agriculture, stand up for farm families and the rural economy in Manitoba?

* (14:00)

Mr. Struthers: Mr. Speaker, 28 percent of the phosphorus, 28 percent of Manitoba hogs are concentrated in two R.M.s in the southeast part of our province. That's over a quarter of the phosphorus that goes into the Red River and into Lake Winnipeg.

Are folks across the way telling me that we should just ignore that? Are they saying we should do nothing? Should we stick our heads in the sand and do nothing about that, as the Leader of the Opposition (Mr. McFadyen) said a number of months ago? Mr. Speaker, we have a responsibility to protect Manitoba's water. We're doing it. They blew it.

Crime Rate Government Initiatives

Mr. Gerald Hawranik (Lac du Bonnet): During the last three provincial election campaigns, the NDP promised safer communities. Yet, since we last sat in this Legislature, since the time we last sat in this Legislature, there have been nine homicides in Winnipeg and 18 in all of Manitoba.

So I ask the Minister of Justice: Why has he failed to deliver safer communities as he promised?

Hon. Dave Chomiak (Minister of Justice and Attorney General): Mr. Speaker, I'm very humbled and proud of the fact that Winnipeg city police, MPI and community resources have managed to reduce auto theft to the lowest monthly level since 1993 when the problem first arose, when members opposite were in office, when they cut programming to Indian and Métis friendship centres, when programs were slashed and cut, when chaos started to develop. I'm pleased we have been able to reduce auto theft.

I'm also pleased, Mr. Speaker, that we have community programs, over 50 Lighthouse programs that keep schools open after hours so kids can have a place to go and something to do. I'm proud of the fact that we've worked—

Mr. Speaker: Order.

Mr. Hawranik: Less than two weeks ago in Winnipeg, six people were shot in the same home. Three of them died. Within the same hour, another Winnipegger died as a result of a motor vehicle accident with the person operating a stolen vehicle.

So I ask the Minister of Justice: Winnipeg is becoming more and more dangerous. Why is he becoming less and less concerned?

Mr. Chomiak: Mr. Speaker, the fact that Winnipeg has increased its number of police officers on the street by over a hundred I think has been well received by the citizens of Winnipeg, the fact that we have programs like Safer Neighbourhoods and that it has closed down almost 300 prostitution houses, gang houses, drug houses, because we have programming for kids, because we've reduced auto theft by 30 percent, because we have community action committees, people like those in the gallery today that work in the community, that work with individuals to reduce the opportunities of individuals to become involved in crime.

We are working with the community to try to make and continue to make Manitoba a safer place, the kind of place that is expanding and growing as it is by leaps and bounds.

Mr. Hawranik: Mr. Speaker, *Mclean's* magazine recently rated Winnipeg as one of the most dangerous cities in all of Canada. Among major cities, we're No. 1 in Criminal Code offences, we're No. 1 in robberies, No. 1 in violent offences. The NDP campaigned in three elections on the same failed promise. That promise was to make our communities safer.

So I ask the Minister of Justice again: Why has he failed to make our communities safer?

Mr. Chomiak: Mr. Speaker, I'm very pleased that the highest crime rate ever recorded in history was in 1997 when members opposite had cut Indian and Métis friendship programs, fired a thousand nurses, didn't expand police resources, left the communities on their own, and since then we've been able to hire more police officers, more prosecutors, more community programs to help individuals.

The only thing that was being built when we came into office was a gang courthouse. We're expanding schools. We're expanding resources to community bases. That's the kind of government that Manitobans want. That's what they voted for in the last three elections, Mr. Speaker.

Gage Guimond Death Inquest

Mr. Stuart Briese (Ste. Rose): Mr. Speaker, two-year-old Gage Guimond died while in the care of Child and Family Services. He was removed from a safe and loving foster home and sent to live with his great-aunt who was known to have addictions and a record of abusive behaviour. His great-aunt is now charged with his murder.

The minister has refused to call an inquest into Gage's death. Will the minister do the right thing and call an inquest today?

Hon. Gord Mackintosh (Minister of Family Services and Housing): Mr. Speaker, we must all mourn the loss of Gage Guimond, and we must make sure that we all act on any lessons that can be learned from the tragedy.

Mr. Speaker, the member opposite, of course, well knows that this Province does have a robust review regime in place to make sure that we do, in fact, understand what went wrong. Were they

individual decisions that went wrong? Were there systemic problems that have to be addressed and, indeed, are there combinations of the two? So, in addition to the review of the Chief Medical Examiner, soon to be the Children's Advocate, the Chief Medical Examiner has made recommendations for further investigations which are currently under way by the southern authority, which, of course, is accountable for the agency. We commend them for taking their—

Mr. Speaker: Order.

Mr. Briese: Mr. Speaker, the minister has continued to pass the buck to the Chief Medical Examiner. Section 25 of The Fatality Inquiries Act states, and I quote, "the minister may direct the provincial judge to conduct an inquest with respect to a death" Mistakes were made in Gage Guimond's case. His safety was not put first, and there needs to be a formal inquest to make sure this never happens again.

I again ask the minister to do the right thing and call an inquest into Gage Guimond's death without delay.

Mr. Mackintosh: Mr. Speaker, a statement was made in this House before, and I'll quote it. The statement is: Ultimately the Chief Medical Examiner has to make a determination of whether an inquest will be done or not. That statement was by the Member for River East, June 23, 1999.

Mr. Speaker, what we have relentlessly done in this Chamber, and indeed I believe it's a long-standing practice, is to respect the professional judgment of the expert views of the Chief Medical Examiner who receives advice, I should say, from the Children's Inquest Review Committee on whether to call an inquest.

So the issue is a very live one. It's an open question. It's one that falls to the Chief Medical Examiner, and in the meantime the review will be completed because we want to make sure that all—

Mr. Speaker: Order.

Mr. Briese: Mr. Speaker, the *Winnipeg Free Press* reported today that Gage's great-aunt, who is now charged in his murder, may have called CFS for help before Gage's death. Her calls were not returned. The events that led to this tragedy need to be fully investigated by a provincial judge and not the authority that was in charge of his care.

The minister has the authority to call an inquest. Why won't he do the right thing and call that inquest today?

Mr. Mackintosh: As I said, the question of whether an inquest will be held is an open question. It is one that clearly is a decision that has yet to be made. In terms of the particular allegation, I remind all members of the House, Mr. Speaker, and I'm sure you will share in this one, that one of the most important objectives now is to ensure justice in the courts of law in this province. I want to make no statement whatsoever, and I hope members will join me, that would in any way provide the defence with any arguments to subvert the course of justice in the criminal proceedings.

Education Facilities Overcrowding

Mr. Peter Dyck (Pembina): Mr. Speaker, more than 1,000 students in huts, kindergarten enrolment in September to be 300 children and rising, timely access to washrooms and gym facilities denied, safety in crowded hallways should a fire or emergency arise. Is this what the Minister of Education would call education in Manitoba?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Mr. Speaker, I thank the member for the question. What we call a commitment to education in Manitoba is the policies and platforms of this government which have seen an unprecedented funding announcement this year for operation. It's also a commitment that we have made to continue to expand our capital program and thus far, since 1999, we've invested \$423 million into school capital.

We will continue to address the needs of our students throughout the province of Manitoba. That is our commitment and that's what we will do.

* (14:10)

Mr. Dyck: Mr. Speaker, obviously their plan is not working because it's not addressed the situation and the overcrowding within our division. Grades 11 and 12 students have been mandated by this minister to receive a certain number of gym credits in order to graduate. With the lack of space and overcrowding, how are they to achieve this requirement?

Mr. Bjornson: With respect to the Healthy Kids, Healthy Futures task force recommendations on compulsory physical education, we made the strategy such that the flexibility in the plan allows for

students to achieve that credit on an in-school and out-of-school model.

Now, the ability of the schools to deliver that model within the walls of that particular school, the flexibility allows them to do that outside of the school as well. We know that the model wouldn't fit all existing facilities, and the flexibility in that particular model has allowed for school divisions to be innovative and creative in lifelong physical activity and recreation opportunities, Mr. Speaker.

Special Needs Children Support for Home Care

Hon. Jon Gerrard (River Heights): Mr. Speaker, to the Minister of Family Services: For eight and a half years, this government has failed to adequately support families with special needs children so that they can look after their children at home. Many children who could be looked after by their parents end up by being taken away from their families and put into care or in institutions.

In one recent example, the family of Tricia and Gord Kell and their daughter Tammy have been stonewalled by the government for two years. Indeed, the situation is now so desperate that Tricia Kell is on the fourth day of a hunger strike in front of the Legislature.

I ask the minister: When will the government ensure adequate support for the Kell family and others like them who need help to look after their children with special needs at home?

Hon. Gord Mackintosh (Minister of Family Services and Housing): Mr. Speaker, first, to correct the member, this is a political Chamber. To say the government has taken no action, I want to address that, first of all. I think that all of us have to recognize the profound challenge it is for family members when there is a person with a disability in the family. There is a great responsibility, and it can be a very tiring and weary experience.

That's why the public sector does have a very important role. That's why we recognize and respect that and that is why—and I say that before my colleague comes in with the budget this year, but so far, as of this moment, we have invested an increase of 184 percent in community living for persons with disabilities, one of the biggest increases anywhere in any line in the budget. So that's our record.

Mr. Gerrard: Mr. Speaker, the question relates to Tricia and Gord Kell and their daughter, Tammy.

Now, it's true that Tammy is an extraordinary special needs child, that she is very difficult at times to look after. But, really, this is no excuse for the government's not acting to provide the help that's needed under such circumstances.

I ask the Minister of Family Services: Why, after two years, has he failed to provide the kind of support that's needed to this family to help them look after a very difficult special needs child at home?

Hon. Theresa Oswald (Minister of Health): Like all members of this Chamber, when we meet with parents and families that deal with the complex needs of their children, needs that arise from tragedies, Mr. Speaker, we have a responsibility together to make sure that we can ensure that families get the entitlements that they have and the services that are available to them.

We've been working very diligently in partnership with Family Services and Housing to make sure that this individual family finds all of the things that they're entitled to and, in this case that is so very complex and dynamic, as the situation changes, we need to change with them and ensure that the health-care side of the story and the Family Services side of the story can support this family through many challenges.

Jordan's Principle Implementation

Hon. Jon Gerrard (River Heights): Mr. Speaker, to the Premier: For two and a half years, I have been asking the government to implement Jordan's Principle, put the child first instead of having departments or governments arguing with one another about who's going to do what. The fact of the matter is that this child and the family needs the support at home, that there have been arguments and discussions going on for two years, but that Jordan's Principle has not been implemented and has not been followed.

I ask the Premier: When will he implement Jordan's Principle and make sure that the interests of the child are looked after first and that the family is supported so that they can look after their child at home?

Hon. Gary Doer (Premier): Well, Mr. Speaker, the two ministers have spoken to the complexities and challenges and the funding that has been put in place by the government, and we continue to work on the individual case.

I would say to the member opposite, the first instance where we applied Jordan's Principle was actually when the former government, federal government, eliminated the treatment of Aboriginal people for ambulance payments. We, rather than cutting off the payments of ambulance services based on the former Liberal government's action, we actually instituted payment to the City.

So we are trying to do the best we can when governments unilaterally make decisions, particularly at the federal level, that affect people.

Special Needs Children Support for Home Care

Mrs. Bonnie Mitchelson (River East): The profound challenges that members of government are talking about when families deal with and look after severely disabled children are issues, Mr. Speaker, that deserve a significant commitment. That family is entitled to be part of the solution and not have government departments dictate what the answer should be.

Mr. Speaker, I ask the government to stand up today and ensure common sense prevails and that the family is given the opportunity to ensure that the dollars that are there and should be available to serve Tammy's needs are there and that the family has that commitment from this government.

Hon. Gord Mackintosh (Minister of Family Services and Housing): Mr. Speaker, I can assure the House that there has been, of course, ongoing provision of support and services and trying to do better when there have been shortcomings and making sure that we continue to address them as they arise. But my understanding, after meeting with the family and my colleague the Minister of Health (Ms. Oswald) on Monday—I believe there have been four or five meetings and I believe that, except for a meeting with council today, my understanding is that family has been involved, which, of course, is such an important part of any meeting of this kind.

Mr. Speaker, we are going to make sure that we continue to do better in any way we can, learning from these complex situations, to enhance teamwork, to make sure that we address any gaps in services. That is our primary consideration, and we are bound and determined to make sure that the services for Tammy are delivered as appropriate and as are needed by the family.

Mrs. Mitchelson: Will this government assure that they do more than pay lip service to the Kell family?

Will they indeed ensure that the Kell family is an integral part of putting in place and using the resources that are available to the best of their ability?

They know what Tammy needs. Why aren't they given the opportunity to be a part of the decision-making process to provide the services that that family so drastically needs?

Hon. Theresa Oswald (Minister of Health): Mr. Speaker, I can assure the member opposite and all members of this House that the parents in this situation and indeed the caregivers, the medical experts, have all been very intimately involved in conversations.

I can also assure the House that we are working together to make sure that programs and services to which this family should duly be entitled are being provided to them, and where there have been gaps we are working together to fill those in. Those are on the medical side and they're on the family services side.

To suggest that this family hasn't been the most powerful voice in the dialogue is to misrepresent the facts in this House. They're a very powerful voice. They are teaching us. We are working together and we're going to do the very best that we can together for Tammy Hardt.

* (14:20)

Highway Accidents Responsibility for Costs

Mr. Blaine Pedersen (Carman): Mr. Speaker, rural municipalities are required by the provincial government to attend motor vehicle accidents on our highways. Typically, 12 to 15 personnel and three trucks respond to an accident scene. The current rates do not reflect the real cost to the volunteer fire departments of responding to these accidents, highlighting yet another example of downloading of responsibilities by this government.

Mr. Speaker, will the minister responsible commit to a review of the funding agreement with the rural municipalities to reflect the true costs of attending motor vehicle accidents?

Hon. Steve Ashton (Minister of Intergovernmental Affairs): Well, Mr. Speaker, certainly, as the minister responsible for our government-to-government relationship with 198 municipalities, I would hope that the member, in raising a concern on behalf of rural municipalities,

would also reflect on the fact that up until this year in terms of budget we've had historic increases in funding to our rural municipalities. In fact, we have taken the tax-sharing system from the 1970s that we inherited from the Schreyer government, and now with the Building Manitoba Fund, we're providing record increases.

By the way, this is not in anticipation of anything that might be announced in a few minutes, Mr. Speaker, in the budget. We're doing a great job in working with our municipalities providing resources to provide good government to Manitobans.

Westman Nursing Home (Viriden) Waiting List

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, for over a year and a half, the Westman Nursing Home in Viriden has had a waiting list of seniors for admission even though nearly a third of the beds are empty. This is the only personal care home in the Assiniboine Regional Health Authority with this level of empty beds, which the minister knows because I've been telling her about this problem for nearly two years, and she hasn't fixed it yet.

Will the Minister of Health please explain to these Viriden and area families why their loved ones are waiting for beds when nearly a third of the beds at their local care home are empty? It makes no sense to these families, Mr. Speaker?

Hon. Theresa Oswald (Minister of Health): Yes, the member opposite and I have discussed the challenges in that region in working together to ensure that we can build that staffing complement and that's exactly what we're working to do.

The member opposite knows that we made an announcement of \$40 million to ensure that we review the staffing guidelines in personal care homes, a review that hadn't taken place since 1973, Mr. Speaker.

I'm also very pleased to inform the House that, in very recent review of our colleges of nursing numbers, we know that there are 200 more nurses working in Manitoba today than there were one year ago. We know that we can work together with our nurses to build our complement of staffing in rural Manitoba. That's just what we're going to do.

Westman Reptile Gardens Star Attraction Status

Mrs. Leanne Rowat (Minnedosa): One of the most unique tourist attractions in Manitoba is the Westman Reptile Gardens. They regularly see over 15,000 visits per year and partner to provide animals for local and national films, productions and also provide a number of reptiles for the Assiniboine Park Zoo.

Mr. Speaker, achieving Manitoba Star Attraction status and proper highway signage could drive visitation up tenfold, according to proponents of the gardens.

Will the Minister of Culture, Heritage, and Tourism commit today to bestowing Star Attraction status on the Westman Reptile Gardens and meet with the Minister of Infrastructure and Transportation (Mr. Lemieux) to ensure that proper signage is put in place for this great Manitoba attraction?

Hon. Eric Robinson (Minister of Culture, Heritage, Tourism and Sport): I'll certainly work with the R.M. and the community that the member has brought to our attention and ensure that the proper procedures are followed in order for the Star Attraction logo to be placed there.

Letellier Bridge Replacement

Mr. Cliff Graydon (Emerson): Mr. Speaker, it's been nine years since this government shelved the sorely needed Letellier Bridge replacement project. Given this government's awful track record, it could take another eight years to get it done. The bridge problems are hurting the local economy, and it has been brought to my attention that proposals for the wind farm on the east side of the Red River have been hamstrung because it was impossible to haul the needed equipment across the Letellier Bridge.

Mr. Speaker, will the Minister of Infrastructure and Transportation, today, give a clear time frame for the start and the completion of the Letellier Bridge? Will it be one year, two years or 10 years?

Hon. Ron Lemieux (Minister of Infrastructure and Transportation): Mr. Speaker, I appreciate the vote of confidence from the member saying we're going to be here for another nine years. I really do appreciate that very much.

I can tell you, with adding \$4 billion to our 10-year capital plan and addressing highways

throughout the province, not only in northern Manitoba, \$60 million for PTH No. 10, for example, 61 for Highway No. 1, another 75 for Highway 75. We are indeed putting a great deal of investment into Manitoba. We're very proud of our record, and we'll continue to build Manitoba.

Automobile Theft Reduction Strategy

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, once again, yesterday, we find the government makes this profound statement that they want to make Manitoba a safer place to be. They're bringing in ankle bracelets. If you recall, this is something that they promised in the last budget. Well, I'll suggest to you that they blew it, that it should have been a comprehensive plan. The GPS is only one way of having an ankle bracelet. The radioactive ankle bracelet would have been far more effective, far more cost-efficient, could have done more in terms of dealing with the car thieves in the province of Manitoba.

My question is: Does the minister really understand the differences between ankle bracelets that he had to bring in the GPS and not the radio transmitter ankle—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I need to be able to hear the questions and the answers in case there's a breach of a rule. I ask the co-operation of all honourable members. Please continue with your comments. You have a few seconds left.

Mr. Lamoureux: Mr. Speaker, the radio transmitter is a very effective ankle bracelet. The government has done nothing in terms of bringing those in. They're far more cost-efficient, and it would be far more effective in terms of dealing with our car thieves and other individuals that are causing the problems in Manitoba today.

Hon. Dave Chomiak (Minister of Justice and Attorney General): Mr. Speaker, the member continues to demonstrate that one-trick ponies, a nuclear solution, isn't a panacea for everything. The EMS is a component of our overall strategy. I announced it in April. We sent people to Nova Scotia in May. We met and did briefings in August. We reviewed the protocols legally in the fall. We did reviews with the City of Winnipeg police department and asked their approval, their staffing in place and training of individuals at the end of the year and early this year. We tested it out, and, in fact, the

system that was in place, which is probably the most refined in the world, had some problems, tested it out, we're running it and it's working. It's not a one-stop solution as the Liberals like to always do. It's part of our comprehensive strategy to deal with all issues affecting crime, youth and justice.

Mr. Speaker: Time for oral questions has expired.

House Business

Hon. Dave Chomiak (Government House Leader): Mr. Speaker, I wonder if I might seek unanimous leave of the House to waive members' statements this afternoon and to tack the members' statements from this afternoon onto members' statements tomorrow in order to expedite the introduction of the budget.

Mr. Speaker: Is there agreement to waive private members' hours for today, but tomorrow we will—

An Honourable Member: Members' statements.

Mr. Speaker: I mean members' statements, I'm sorry. To not have members' statements today, but tomorrow when we have members' statements, they will be as today's. There would be two government, two official opposition and one Liberal.

An Honourable Member: Two sets.

Mr. Speaker: Two sets. Okay, so we'll have two sets of members' statements tomorrow. We'll have Wednesday's schedule and Thursday's schedule.

Is that agreed to? [*Agreed*]

So I'd like to remind our guests in the gallery that question period has expired and that anyone in the gallery without a specific pass for the budget, I'm sorry, but the budget process is by budget invitation. So anyone that does not have a budget pass, I'm sorry, but you will have to leave the gallery.

Are there any grievances? No, okay.

* (14:30)

Point of Order

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

Mr. Leonard Derkach (Russell): Mr. Speaker, I know that everyone in the gallery may not have a ticket for the budget today, but, surely, with the amount of space that appears to be available in our gallery, we should welcome any Manitoban into the

gallery to watch the budget if, in fact, there is room. I just make that as a point because there is room in the gallery.

Mr. Speaker: Okay. The honourable Member for Russell has raised the issue that for this budget, for this budget only, the members who are in the gallery can stay and watch the budget process. Is there agreement of the House for that to happen? *[Agreed]*

It's been agreed. So anyone who has—for our guests in the gallery, anyone who does not have a pass for the budget, you're allowed to stay to watch the budget. You're invited to watch.

Okay, so thank you very much.

* * *

Mr. Chomiak: Mr. Speaker, I wonder if we might take a two- to five-minute—a five-minute break, a five-minute maximum break in order to adjourn the House for the budget.

Mr. Speaker: Is the House in agreement of taking a five-minute recess? *[Agreed]*

Okay, we'll take a five-minute recess, then we'll reconvene in five minutes.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

BUDGET ADDRESS

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, I move, seconded by the Minister of Justice (Mr. Chomiak), that this House approves in general the budgetary policy of the government.

Motion presented.

Mr. Speaker and members of the Legislative Assembly, it is my honour to present Budget '08, our government's ninth consecutive balanced budget.

* (14:40)

Le Manitoba connaît aujourd'hui plus de succès qu'il n'en a connus depuis des décennies.

Translation

Manitoba is a province that is enjoying more success today than it has in decades.

English

Eight years of solid economic growth, strategic public investments and prudent fiscal management have combined to produce greater prosperity for Manitobans and their families.

The foundation of our economy is rock solid: our population is growing, industries are profitable, unemployment remains low, and our cost of living continues to be affordable. More young people are going to college and university, and a growing number are choosing to put down roots here.

La solidité de notre économie témoigne des contributions de chaque Manitobain et Manitobaine.

Translation

The strength of our economy is a tribute to every Manitoban.

English

Each and every day, our government is working with Manitobans, helping to build a strong economy by putting people first and managing our resources responsibly.

Our government invests in Manitobans' priorities: health care, education, infrastructure, public safety, and environmental protection. For eight years, we have invested wisely, managed the public debt, reduced taxes, and encouraged growth in the economy. Budget '08 continues this balanced approach, building upon our successes and preparing our province for the future.

We are preparing for the future because there are challenges ahead of us. The competition for skilled labour is fierce, the high dollar challenges our export industries, and the slowdown in the U.S. economy threatens to limit growth around the world.

These global economic threats are real. But Manitoba is well-positioned to meet these challenges head-on.

Mr. Speaker, our diverse economy, our enterprising business community, our hard-working and highly talented workforce, and our government's sound economic strategies will ensure that we meet these challenges.

The strength of our economy in 2007 is reflected in the statistics:

- The economy grew by 3 percent overall in '07, outpacing Canada for the second consecutive year;
- Population increase was the highest in 25 years driven by exceptional levels of immigration and the best interprovincial migration numbers in almost a quarter century;

- Employment grew by 1.6 percent as the employment rate and the labour force participation rate reached all-time highs;
- Housing starts were up by 14 percent;
- Retail sales rose 9.5 percent, second-highest in Canada;
- Farm receipts increased 18 percent, almost double the national growth;
- Private investment grew by 9.5 percent and Manitoba will lead the country with a 22 percent jump in 2008;
- Foreign exports increased 13 percent, even as national exports increased by only 2 percent, with strong gains to all major markets.

The development of clean, renewable energy continues to be a central part of our long-term vision to build the economy. Electricity exports are forecast to produce \$5.5 billion in revenues over the next 10 years.

While growth may slow due to changing conditions in the Canadian and world economies, Mr. Speaker, our economy is still predicted to grow by 2.7 percent in real terms in '08, well above the 1.9 percent predicted for Canada.

In the face of more uncertain economic times ahead, our government's strategy will be to focus on maintaining the gains we have made, holding steady to the same course that has served Manitobans so well.

Today's budget will support our province as it continues to grow and prepare for the future.

The budget reflects our commitments to move forward on:

- Delivering quality health care and promoting healthy living;
- Promoting a cleaner, healthier environment;
- Implementing new education and training opportunities for young people here and at home;
- Providing safer communities;
- Keeping Manitoba affordable;
- Developing our clean energy advantage for the benefit of all Manitobans; and
- Building our economy while building our communities.

Education

Post-secondary education equips our young people to seize the opportunities our growing economy offers.

Our strategy to ensure post-secondary education will meet the demands of the future rests on three pillars: affordability, accessibility, and excellence.

Monsieur le Président, le Manitoba est l'endroit où le coût des études est le plus abordable au Canada.

Translation

Mr. Speaker, Manitoba is the most affordable place to get an education in Canada.

English

These education policies are delivering results:

- Enrolments are up by one-third since '99;
- Student debt is down by 26 percent; and
- Manitoba has now the lowest student debt levels outside of Quebec.

Tuition fees as high as 80 percent within three years have been seen in other jurisdictions where tuition freezes have been eliminated.

Mr. Speaker, our government will not let that happen. Today's budget extends the 10 percent tuition reduction for one more year and provides offsetting funding increases to the universities and colleges. Beginning September '09 there will be a gradual increase in tuition fees back to the '99 level.

Starting next year, we will also begin to raise student financial assistance by \$8 million over the coming years to ensure that post-secondary education remains affordable. Programs specifically aimed at improving affordability for rural and northern students will be included.

Today's budget further improves affordability by reducing the interest charged on student loans by 1 percent.

To encourage graduates to put down roots and start their careers in Manitoba, we now offer the most attractive tax environment for new graduates in all of Canada. The new Tuition Fee Income Tax Rebate returns 60 percent of eligible tuition fees up to a maximum of \$25,000.

The second pillar of our strategy is about improving accessibility to increase the number of students who are able to successfully pursue

post-secondary education. Budget '08 promotes accessibility by adding \$1 million to improve high school graduation rates and support students in transitioning to post-secondary education; and providing additional resources to enhance accessibility and completion of post-secondary education by under-represented groups.

Le troisième pilier est l'investissement dans l'excellence.

Translation

The third pillar is investing in excellence.

English

Just two years ago, we committed to the largest-ever increase in post-secondary funding with a three-year, \$60 million commitment.

Mr. Speaker, today's budget surpasses that commitment. We are maintaining our commitment to increase operating funding by 5 percent, and we are adding another \$8.4 million on top of that. That gives the colleges and universities as much new money as they would have gained from a 6 percent increase in tuition fees.

Manitoba has supported post-secondary education capital projects totalling more than \$400 million since 1999, and Budget '08 commits more than \$100 million over the next two years for new and planned capital projects.

Mr. Speaker, this year we are pleased to begin supporting the University of Manitoba's Project Domino, a \$100 million multi-year project which will see the construction of a new student residence and the renewal of several other buildings on campus.

Our government has exceeded our commitment to fund public schools at the rate of economic growth. This year's increase of \$53.5 million is the largest single-year increase in more than 25 years.

Our government has a specific plan to reduce the burden of education taxes on property while increasing our share of funding for public education. We are moving toward funding 80 percent of the total cost of public education. Since '99, we have eliminated the Residential Education Support Levy entirely, cut farmland school taxes, and more than doubled the Education Property Tax Credit.

Manitoba's Aboriginal population is of great importance to our economic future and education is critical for Aboriginal economic success.

Investments in Aboriginal education and training are delivering positive results: university and college enrolments are up and apprenticeship registrations have more than tripled since 1999.

We are encouraged by recent discussions with the federal government to address the gap in education investments and programming. As a province, we are committed to working with every First Nation community and the federal government to build quality programs from early years through to high school graduation.

Manitoba introduced a four-year Bachelor of Aboriginal Midwifery program at the University College of the North. This program will increase the availability of midwives in Aboriginal communities, ensuring culturally and medically appropriate care for mothers and their newborns in their home communities.

Mr. Speaker, today's budget follows through on our commitment to support Aboriginal students entering the medical profession, beginning with a new program that will provide bursaries of \$7,000 annually to Aboriginal medical students.

Mr. Speaker, Budget '08 also continues to move forward with an additional investment for Red River Community College to create a new Interlake campus for Peguis and Fisher River.

Skills Strategy

Last year, our growing economy created 9,500 new jobs.

Manitoba's Provincial Nominee Program is bringing skilled workers and entrepreneurs from around the world to our province. Manitoba welcomed almost 11,000 new immigrants last year – the highest immigration rate in 50 years.

Mr. Speaker, I am pleased to announce that Budget '08 provides an additional \$1.2 million for immigrant settlement and language training services to facilitate the integration of new immigrants into our communities.

Depuis son entrée en fonction, notre gouvernement a plus que doublé le financement annuel alloué aux programmes d'apprentissage et d'alphabetisation des adultes au Manitoba.

Translation

Since taking office, our government has more than doubled annual funding for Manitoba's adult learning and literacy programs.

English

Mr. Speaker, today's budget brings our total investment to \$19.3 million annually for literacy programs.

Our government is committed to creating 4,000 new apprenticeship training spaces over four years. Today's budget provides additional funding to fulfil that commitment.

I am pleased to report that my colleague, the Minister of Competitiveness, Training and Trade (Mr. Rondeau), will soon be announcing a new agreement that will provide \$18 million for training, employment support, and skills upgrading in partnership with the federal government.

Supporting Innovation

The pace of innovation has increased rapidly with the expanding global marketplace. The Premier's (Mr. Doer) Economic Advisory Council has strongly advocated for greater investment in research and innovation: investments that enable productivity increases, resource conservation, and a higher standard of living. We have also taken action to support innovation including:

* (14:50)

- Increasing investment in research and development by 87 percent since '99;
- Supporting the development of commercialization centres; and
- Introducing tax measures to improve competitiveness and spur investments in productivity.

The Advanced Manufacturing Initiative helps Manitoba companies adopt innovative practices that reduce waste and increase productivity in the workplace.

Manitoba business leaders have called for an increased emphasis on innovation to maintain Manitoba's competitive position. A new Manitoba Innovation Council made up of business, research and community leaders will be created to guide a revitalized focus on innovation and commercialization.

Mr. Speaker, I am pleased to announce that Budget '08 completes our commitment to increase funding for the Manitoba Health Research Council to \$6 million to support health research.

The Premier's Economic Advisory Council also recommended improving competitiveness by reducing red tape and moving toward single-window service delivery for business. We have taken action on that advice by redesigning the Manitoba Business Portal to provide real single-window, one-stop access to business information and transactions over the internet.

Infrastructure

Our province's extensive network and highways and railways, coupled with our international airport and deepwater seaport in Churchill, represent a significant competitive advantage for Manitoba business.

The 1990s left Manitoba with a legacy of aging roads and bridges in need of repair and replacement. Our government is taking action.

Il y a deux ans, nous avons annoncé un programme sans précédent de quatre milliards de dollars sur dix ans visant l'amélioration des routes et des ponts dans toute la province.

Translation

Two years ago, we announced an unprecedented \$4 billion, 10-year program to modernize highways and bridges across the province.

English

The first five-year phase is underway with investments in key routes including the Trans-Canada Highway, the Perimeter Highway, and Highways 75, 6, 10, 16, and 59.

In all, Mr. Speaker, Budget '08 provides \$15 million as the first instalment of a total of \$125 million in new investment to increase inspections, maintenance, and rehabilitation of provincial bridges.

The Red River Floodway expansion began two and a half years ago with the support of the federal government and is nearing completion. When the work is completed, it will provide 1-in-700 year level of flood protection, protecting Manitobans from more than \$12 billion in potential damages in the event of a major flood.

We are also making significant investments in water and waste-water infrastructure. Manitoba is providing one-third of the funding for upgrading Winnipeg's waste-water treatment plants. Working in partnership, we will invest \$150 million for rural and northern municipal water and waste-water

projects. With federal and municipal government support, investments in Manitoba water protection will total over \$1 billion in the coming years.

Budget '08 contains important funding for clean drinking water projects including Grandview, Grosse Isle and Melita and for waste-water improvements for many communities such as The Pas and Roblin. As well, we are continuing to make upgrades to provincially owned waste-water facilities in provincial parks across the province, including Birds Hill, Big Whiteshell, and West Hawk Lake.

Today's budget also builds on our increased investments to upgrade water and waste-water systems in Aboriginal and Northern Affairs communities. Annual capital spending has now more than tripled since '99 and important investments will be made this year in communities like Thicket Portage, Wabowden, and Waterhen.

Water Protection

In Manitoba, we know the goals of protecting the environment and growing the economy can be achieved simultaneously.

Based on the work of the Lake Winnipeg Stewardship Board, our government introduced a major new strategy focussed on reducing nitrogen and phosphorus levels in our waterways. We have taken action on over 90 percent of the board's recommendations already, and we are continuing to move forward by engaging all those who contribute to the problem to become part of the solution. Mr. Speaker, since '99, we have committed more than \$190 million for water protection.

La protection des ressources hydriques est la responsabilité de tous.

Translation

Water protection is everyone's responsibility.

English

We were the first province to introduce legislation to regulate phosphorus in automatic dishwasher detergents, and we are pleased that our efforts succeeded in triggering a national response.

By January 1, '09, we will also restrict phosphorus application for lawn and garden fertilizers. We have introduced new standards to reduce the amount of nitrogen and phosphorus released by large waste-water treatment facilities and will be introducing limits for smaller water systems

and lagoons. We are also helping municipalities meet the new standards by sharing in the costs.

New rules will be announced this year prohibiting the use of septic fields in certain areas and bringing in new restrictions for current systems. Budget '08 also provides new resources for enhanced monitoring and inspection of septic systems.

Our government has introduced nutrient restrictions for the livestock industry to provide for environmentally sustainable growth. Following the Clean Environment Commission (CEC) review, we have placed a moratorium on hog industry expansion in parts of the province and will be strengthening regulations to protect sensitive and marginal lands in Manitoba.

Further restrictions on the spreading of manure during the winter have been accepted as recommended by the CEC. Restrictions will also apply to municipal sludge, and to fertilizers for lawns and golf courses.

Wetlands help to purify the water, mitigate flooding and reduce greenhouse gases. Mr. Speaker, I am pleased to announce that Budget '08:

- increases funding for Conservation Districts to more than \$5.3 million;
- increases our contribution to the Nature Conservancy of Canada to \$400,000 as part of a five-year, \$1.5 million funding agreement;
- continues funding for the Manitoba Habitat Heritage Corporation; and
- renews the five-year funding agreement for Oak Hammock Marsh Interpretive Centre with increases which will be matched by Ducks Unlimited.

Mr. Speaker, I am pleased to announce that today's budget introduces a new water conservation program that will encourage the purchase of water-saving appliances and devices.

Climate Change

Manitoba has a strong record of achievement in fighting climate change. We were the first in Canada to take action and we will be the first to demonstrate solid results.

In the days ahead, our government will be announcing our comprehensive multi-year funding plan to reduce greenhouse gas emissions, which will include action on sustainable farm practices, trucking

technologies, active transport initiatives, green heating technologies, and much more.

Mr. Speaker, our actions to date along with the new measures we will be announcing put us on track to have a carbon-neutral decade: no increase in emissions from 2000 to 2010, and we will become the first jurisdiction in Canada to meet a legislated Kyoto target by 2012.

Manitoba relies less on fossil fuels than much of North America, with 98 percent of the electricity generated coming from clean, renewable, water power.

Our government is developing our province's hydro-electric resources to their full potential for the benefit of Manitobans. Construction of the Wuskwatim dam in partnership with the Nisichawayasihk Cree Nation is underway now and development work continues on Conawapa.

Les investissements que nous avons effectués ces dernières années donnent d'excellents résultats.

Translation

The investments of past years are producing excellent returns.

English

Electricity exports bring hundreds of millions of dollars to Manitoba annually, and Hydro's debt equity ratio has improved from 86 percent 10 years ago to 78 percent today.

Other initiatives to promote the development of clean energy resources include:

- developing 1,000 MW of wind energy;
- creating a community wind power fund for monitoring towers;
- introducing the ethanol blended fuel mandate; and
- establishing a 5 percent mandate for biodiesel by 2010.

Through its Power Smart program, Manitoba Hydro is promoting energy efficiency through innovative programs such as energy audits, on-bill financing for retrofits and geothermal systems and promotion of energy-efficient appliances.

This year our government will work with Manitoba Hydro and community groups to assist an estimated 1,200 households with low incomes take advantage of energy efficient opportunities.

Healthy Manitobans

Improving health care for Manitobans remains one of our top priorities.

La Province a investi des sommes importantes pour former, attirer et fidéliser plus de professionnels de la santé. Ces investissements ont produit des résultats concrets pour les Manitobains et Manitobaines.

Translation

The Province has made significant investments to train, retain and attract more health care professionals and these investments have delivered real results for Manitobans.

English

Mr. Speaker, today there are 235 more doctors working in Manitoba than in 1999. In 2007 alone, Manitoba gained 54 doctors, the highest annual increase on record.

There are 86 more doctors practising in rural Manitoba and 103 more specialists in the province than in 1999.

Today's budget invests \$7.2 million in new resources to:

- expand the medical school to 110 training seats;
- increase specialty training, especially for emergency medicine; and
- increase support for the International Medical Graduate program.

Mr. Speaker, there are now 1,789 more nurses practicing in Manitoba than in '99. Of these, 265 northern and rural positions have been filled through incentives that encourage new nursing graduates to practice in rural and northern Manitoba.

Budget '08 moves us closer to our goal of hiring 700 more nurses with new funding to expand nursing training, including 40 more seats. With this increase, Manitoba is training almost three times more nurses annually than in 1999. According to the independent Manitoba Nursing Research Institute, more than 90 percent of nursing grads stay and work in Manitoba.

* (15:00)

Budget '08 invests \$1.2 million to fund additional nurse practitioner positions. Today's budget also provides funding to create a first-of-its-

kind graduate program to train twelve new physician assistants over the next two years.

Over the next four years, the Province will implement a comprehensive strategy to improve the quality of care in Manitoba's personal care homes. Budget '08 provides \$3 million to begin hiring additional nurses, health-care aides and allied health-care workers.

Our government has acted to address concerns with wait times and our policies are delivering results:

- Manitoba leads the nation with a one-week wait for radiation therapy, down from six weeks in the '90s;
- The wait time for MRIs has been cut to seven weeks, down from 28;
- CT wait times have been cut to six weeks, down from 18;
- Wait times for hip and knee replacements have been cut to 18 weeks, down from 44 weeks.

We are also providing Regional Health Authorities with new funds for a range of programs, including:

- \$2 million for provincial labs and rural diagnostic imaging;
- \$2.9 million for control of sexually transmitted infections and HIV;
- \$2.3 million for chronic disease prevention initiatives; and
- \$1.8 million for mental health programs.

We will invest more than \$20 million to develop a new Western Manitoba regional cancer centre in Brandon. Budget '08 also provides an additional \$1.8 million for cancer screening to ensure earlier diagnosis and treatment.

Mr. Speaker, Budget '08 moves forward with \$2.4 million to expand the availability of dialysis at locations across the province including Berens River, Gimli, and the Percy Moore Hospital serving Hodgson and Peguis.

We have committed \$40 million to redevelop the Women's Hospital at the Health Sciences Centre in Winnipeg, creating a new centre of excellence for women's health services.

De plus, on a commencé à planifier le réaménagement de la maternité de l'Hôpital Saint-

Boniface et la création du centre de naissance du secteur sud.

Translation

Planning is also under way to redevelop the maternity ward at St. Boniface Hospital and create a new South End Birthing Centre.

English

Mr. Speaker, our government has invested more than \$1 billion to improve facilities and equipment since '99. We have modernized and expanded more than 90 health-care facilities across the province. There are now new or renovated hospitals in Winnipeg, Brandon, Swan River, Thompson, The Pas, Pinawa, Gimli, Ste. Anne, and Steinbach. The \$135-million Health Sciences Centre redevelopment is the largest health facility redevelopment in the history of the province.

In the last year alone, projects totalling more than \$45 million were completed.

The work is continuing with:

- construction of a 100-bed personal care home in Neepawa;
- redevelopment of the surgical areas of the Ste. Anne Hospital.

One of our priorities has been to modernize outdated and aging facilities in Manitoba. Nowhere was this need greater than the Selkirk Mental Health Centre. I am pleased to announce that the redevelopment is well under way with completion expected later this year. Today's budget provides new resources for additional front-line staff for the centre. These improvements will make a real difference in the lives of those who rely on its services.

Better and faster emergency care is the goal of our investments to upgrade emergency rooms at hospitals around the province including St. Anthony's Hospital in The Pas and Seven Oaks, Concordia, and Victoria hospitals in Winnipeg.

Construction will begin this year on the \$5-million redevelopment of the emergency department of the Portage General Hospital. Next year, the \$4.5-million renovation of the emergency department at Bethesda Hospital in Steinbach is scheduled to start.

We have been listening to what doctors and nurses are telling us about emergency rooms, and we are taking

action. We have provided funding to more than double the number of training spots for emergency medicine. Building on this, Budget '08 provides another \$1 million in new resources to relieve the pressures on emergency rooms.

Pharmacare is another important way that we maintain affordability for Manitobans by helping to pay part of the medication costs for Manitobans in medical and financial need. Pharmacare is not a part of the Canadian medicare system. It is a co-insurance program in which the patient buying the prescription pays part of the cost and the provincial government pays the rest.

According to the Canadian Institute of Health Information, Manitoba provides the best drug coverage in Canada, paying 54 percent of prescription drug expenditures for Manitobans. We have adopted best practices and expanded the use of generic drugs to control costs. Nonetheless, the cost of this important program continues to grow.

Since '99, we have added almost 2,000 new drugs to Pharmacare and the average benefit paid has more than doubled. In Budget '08, Pharmacare costs are projected to rise to \$284 million and Pharmacare deductibles will increase by 5 percent to help offset rising costs. This will mean an increase of between \$2 and \$6 per month on average for most Pharmacare families.

Le système de soins de santé joue un rôle important dans le maintien de la santé, mais tout le monde sait que de saines habitudes de vie peuvent contribuer de manière importante à la santé et à la qualité de vie.

Translation

The health care system plays an important role in maintaining our health, but we all know that healthy living can contribute significantly to our health and our quality of life.

English

Our government was the first in Canada to create a ministry dedicated to healthy living, health promotion and disease prevention.

Mr. Speaker, Budget '08 provides new resources to expand our investment in healthy living, including:

- \$500,000 for recreation directors to expand recreation opportunities for youth in inner-city and other Neighbourhoods Alive Communities;

- \$2.1 million in public school funding to support physical education in grades 11 and 12;
- a new First Sports initiative to help more young people in rural and northern Manitoba participate in sports with funding to purchase the equipment they need; and
- support for projects like the Southdale Community Centre as part of our \$60 million, multi-year commitment to fund recreation projects across the province.

We have made a strong commitment to break the chains of addiction and improve mental health services by investing more than \$40 million over the past two years in addictions programming and capital. A new addictions treatment centre is under construction in Thompson and planning is under way to develop a mental health emergency room in Winnipeg, the first of its kind in Canada.

Healthy Families

Supporting families and building communities remains a key priority for our government. There are positive changes happening. Between '99 and 2005 there was a 25 percent reduction in Manitoba's child poverty rate and the number of single female parents living on low incomes has declined by over 40 percent.

In addition, the number of people on Employment and Income Assistance continues to decline and is at a 20-year low with 11,000 fewer individuals on the program than in 1999.

We will continue to do more to fight poverty and inequality. Mr. Speaker, today's budget brings to over \$70 million the amount that our government is investing annually to improve benefits and services for people on welfare and to help them transition to employment.

Budget '08 moves forward with our Rewarding Work strategy to enhance opportunities for education and training, expanding employment, and making it easier to work and succeed.

In 2007, our government announced a \$188 million multi-year housing strategy to improve access to safe and affordable housing for all Manitobans.

Budget '08 provides an additional \$16.6 million for Manitoba's HOMEWorks! initiative, including added funding for new projects under the Een Dah

Aung (My Home) program for Aboriginal off-reserve housing.

Mr. Speaker, I am pleased to announce that today's budget directs \$3.5 million to extend the Manitoba Shelter Benefit to help more people in need, including:

- extending benefits to eligible single adults and couples without children receiving income assistance;
- increasing support for individuals and families not on income assistance;
- implementing a pilot project that provides a portable benefit for individuals with mental health challenges; and
- creating a new transitional shelter benefit for eligible non-disabled single individuals and childless couples who leave welfare for work.

Budget '08 demonstrates our continued commitment to community living for persons with mental disabilities. Mr. Speaker, today's budget increases funding for the Supported Living Program by \$12.4 million.

Healthy Children

Healthy Child Manitoba co-ordinates the establishment of a province-wide network of programs to give kids a better start in life, including prenatal and early childhood development programs, healthy schools initiatives, and strategies for healthy adolescence.

Les services de garde d'enfants sont d'une importance vitale pour les familles du Manitoba.

Translation

Child care is vitally important to Manitoba families.

English

Our government has funded approximately 7,000 more child care spaces since 1999. New investments have improved training and salaries for existing staff and helped train more early childhood educators.

Mr. Speaker, I am pleased to announce that Budget '08 adds another \$5 million in new funding to improve access to quality child care in Manitoba, bringing the total increase in child care funding since 1999 to more than \$60 million. This will ensure more children benefit from licensed child care by:

- funding more spaces, including additional nursery school spaces;

- establishing a new training and recruitment fund; and
- following through on our commitment to increase salaries for early childhood educators.

Details of our longer term plan for child care will be announced by the Minister of Family Services and Housing (Mr. Mackintosh).

*(15:10)

In the fall of '06, our government began an overhaul of the child welfare system, committing more than \$48 million under Changes for Children to implement the recommendations of reviews undertaken by independent officers of the Legislature. We have taken action on the recommendations, including:

- hiring 90 new staff toward our commitment to add 150 new positions;
- increasing rates for foster parents by 23 percent;
- recruiting 900 new foster home beds; and
- focusing more on prevention and early intervention.

Mr. Speaker, I am pleased to announce that Budget '08 provides \$23.1 million to continue making the changes needed to better protect the interests of Manitoba's children.

Our strategy to prevent child sexual exploitation was officially launched in '02. Since then, new initiatives have been implemented in partnership with community organizations including:

- the Ma Mawi Wi Chi Itata Centre safe home;
- Ndinawe's child and youth care worker training program; and
- Ka Ni Kanichihk's specialized foster care program.

Today's budget provides resources to support the next steps in protecting Manitobans of all ages from sexual exploitation.

Budget '08 provides new resources to help young adults affected by fetal alcohol spectrum disorder to access opportunities like housing, education, recreation, crisis services, family connections and mentoring.

Arts and Culture

Arts and culture remain an integral part of the Manitoba way of life and the economy. Our

government actively supports culture and the arts with the second highest level of per capita funding in Canada.

Mr. Speaker, I am pleased to announce that Budget '08 provides new resources to support library development, including:

- more libraries, including several in First Nations communities;
- an annual rural and northern technology grant program; and
- a one-time grant to the Winnipeg Public Library for collection and technology upgrades.

Mr. Speaker, our government was proud to support the vision for a new Canadian Museum of Human Rights with our commitment of \$40 million. This museum will make it possible for Manitobans, Canadians and international visitors to gain a deeper understanding of human rights issues world wide.

This world-class museum is the result of a concentrated and sustained effort by the community that brought together all the sectors of the government and of the community and of the voluntary sector to pledge a total of \$265 million for its construction.

Our government is also supporting the community-led effort to preserve the historic site of Upper Fort Garry. We have pledged capital support and will designate the land a provincial park, providing funding for annual maintenance of the site in perpetuity.

Cette année verra aussi le début des travaux de construction d'un nouveau théâtre pour Le Cercle Molière. Nous aurons le plaisir de travailler en partenariat avec la communauté pour faire un nouveau centre pour cette compagnie théâtrale historique une réalité.

Translation

This year, construction will begin on a new theatre for Le Cercle Molière. We are looking forward to working in partnership with the community to help bring their vision for a new home for this historic theatre company into being.

English

Our government is also taking part in the new tourism promotion strategy called the Road to 2010. This strategy will include new promotional campaigns to capitalize on the excitement generated

by the 2010 Vancouver Olympics to showcase Manitoba on the world stage.

Improvements are continuing in our provincial parks. In the last four years, we have upgraded 544 campsites in 20 campgrounds and added 84 new campsites and 40 new yurts and family vacation cabins.

Budget '08 will continue our parks improvement with:

- more campground site upgrades;
- more new electrical campsites; and
- additional yurts and cabins.

Safer Communities

Manitobans want to feel safe in their communities and they expect there will be appropriate consequences for acts of violence and organized crime.

Manitoba has pressed the federal government to make needed changes to the federal Criminal Code and Youth Criminal Justice Act.

Our government has worked to increase police officers throughout Manitoba. Since '99, 155 police positions have been added throughout Manitoba and we have committed to add another 100 during this mandate.

Mr. Speaker, today's budget commits resources for 20 positions, including 10 for Winnipeg and two for Brandon. We will continue to work with the RCMP to increase their presence in the province. The recent federal announcement will help make further improvements in coming years.

Budget '08 also provides funding for:

- a new Mediation Services pilot project;
- two additional Crown prosecutors; and
- additional staff for the upgraded Milner Ridge Correctional Centre.

Well-targeted crime reduction strategies that balance enforcement and prevention do make a difference. Mr. Speaker, thanks to the work of the Auto Theft Task Force, auto thefts in Winnipeg in the first three months of '08 are down 46 percent.

Our budget has invested in prevention strategies that focus on helping youth at risk make more positive choices in their lives.

We have committed more than \$40 million through Neighbourhoods Alive! to support

community driven neighbourhood revitalization projects, including crime reduction and public safety. Budget '08 provides new resources for this successful program.

This year, we will also see the expansion of the Lighthouses program to provide five additional locations where young people can take part in sports, art, music, and other activities.

Rural Manitoba

Rural Manitoba is sharing Manitoba's healthy growth. Over the last 10 years, there have been positive population increases in our rural areas. Three out of 10 immigrants arriving through the Provincial Nominee Program are settling in rural Manitoba.

La Province offre un soutien de taille pour aider les municipalités à grandir.

Translation

Manitoba provides strong support to help municipalities grow.

English

The most recent data show that Manitoba is the province which provides the highest per capita level of unconditional grants to municipalities.

Through the Building Manitoba Fund, municipalities receive a share of provincial income, corporate, and fuel taxes: revenues that grow with the economy.

Mr. Speaker, I am pleased to announce that this year the Building Manitoba Fund will provide municipalities outside Winnipeg with a 6 percent increase over '07.

Community Places provides funding and planning assistance to non-profit community organizations to build, upgrade or upgrade facilities that benefit their local communities. Mr. Speaker, Budget '08 adds another million to this valuable program.

Au cours de 2007, nous avons formé un partenariat avec la collectivité de Notre-Dame-de-Lourdes afin d'appuyer l'ouverture du Centre Albert-Galliot, qui s'est révélée un grand succès.

Translation

During 2007, we partnered with the community of Notre Dame de Lourdes to support the successful opening of Centre Albert-Galliot

English

Agriculture is a key contributor to Manitoba's healthy economic performance.

Our government is supporting new opportunities for the rural economy with the development of bio-based products and processes. Biofuels like ethanol, biodiesel and biomass will provide new revenue streams for Manitoba producers.

We are helping to develop foods for the future through investments in the Food Development Centre, the Richardson Centre for Functional Foods and Nutraceuticals, and the Canadian Centre for Agri-Food Research in Health and Medicine.

Our government remains committed to farm programs that help ease the effects of unpredictable weather and markets. Over the five years from 2003 to 2007, Manitoba contributed almost \$450 million to stabilization programs.

The livestock industry in Manitoba and across Canada has been under significant pressure due to soaring feed costs, low livestock prices and the impacts of a high Canadian dollar. Our government is committed to ensuring Manitoba producers receive support to maintain their farm businesses today and position the sector for future profitability.

Manitoba, with funding from the federal government's new Community Development Trust, is investing \$14.7 million to support producers of cattle and other ruminant livestock. This is in addition to our government's adjustments to BSE recovery loans to improve cash flow for cattle producers.

For hog producers, our government made \$60 million in loan support available at favourable interest rates. In March 2008, we built on our commitment to protect our water resources while supporting value-added processing and vital jobs in Brandon and Neepawa. Through the Community Development Trust, we are supporting economic and environmental sustainability and building additional capacity that will help protect the industry against future trade action.

Mr. Speaker, Budget '08 provides the Manitoba Agricultural Services Corporation with an increase

of \$8.8 million to reflect rising crop values, which have brought the total amount of protection offered by production insurance to \$1.5 billion.

Mr. Speaker, today's budget also invests in the safety and security of the food supply through new investments in inspection services, veterinarian training and services and we are working on development of agri-food traceability processes to address both the safety and environmental needs here at home and the stringent requirements for international trade.

Northern Manitoba

The University College of the North is an innovative institution that educates people in their own communities and contributes to the next generation of northern nurses, teachers, and tradespeople. Through its two main campuses at The Pas and Thompson and 12 regional centres, it serves more than 2,000 students annually.

The Northern Healthy Foods Initiative promotes the production and availability of healthy, affordable food in northern and remote Manitoba communities. Mr. Speaker, Budget '08 builds on the success of this innovative program with new resources to expand into more communities.

Budget '08 provides an additional \$1.1 million for fire suppression, including an additional helicopter and the introduction of disability insurance for volunteer firefighters in Aboriginal and Northern Affairs communities.

Aboriginal Economic Development

The settlement of long-standing land claims is an important step in clearing the way for economic growth in Aboriginal communities. Mr. Speaker, with today's budget we are dedicating additional resources to speed up the overall process.

This year marked the first celebration of Manitoba's new February holiday, Louis Riel Day.

Nous partageons la fierté des Métis en reconnaissant Louis Riel comme le principal artisan de la création du Manitoba en tant que cinquième province du Canada.

Translation

We share the pride of the Métis people in recognizing Riel as the driving force to make Manitoba Canada's fifth province.

English

Our government is working with the Manitoba Métis Federation on an economic development strategy and other initiatives to benefit the Métis people in Manitoba.

Mr. Speaker, Budget '08 provides \$250,000 as the first of four annual contributions to a \$1-million Capital Improvements Fund for Friendship Centres across the province.

* (15:20)

We have started work on the all-weather road on the east side of Lake Winnipeg from Provincial Road 304 near Hollow Water to Bloodvein with the replacement of two bridges. Engineering work is continuing and planning for route selection beyond Bloodvein is underway.

The east side communities are also benefiting from new sustainable economic development and training opportunities, including:

- funding for the redevelopment of land use and resource management plans;
- establishment of the East Side Aboriginal Sustainable Tourism organization;
- the Island Lake First Nations Energy Efficiency and Housing Retrofit pilot project; and
- a 25-seat LPN training program for nurses at St. Theresa Point.

Our government continues to work with First Nations communities in the bid for a UNESCO World Heritage Site designation for 42,000 square kilometres of the southern boreal forest on the east side of Lake Winnipeg. Gaining international recognition for this globally significant boreal forest will maintain the ecological health of the land while providing the people who live there with opportunities for sustainable economic development.

Urban Centres

Budget '08 provides significantly increased funding for Winnipeg, Brandon and other municipalities.

Mr. Speaker, in 2008 the City of Winnipeg will receive more than \$200 million in funding to support services to citizens, including more road improvements, affordable and accessible transit services, and public safety. Since 1999, provincial funding for the City of Winnipeg has grown by 57 percent.

In 2008, we are providing \$29 million for road improvements, an increase of \$8 million over '07, towards our commitment to invest \$125 million in new funding for Winnipeg's transportation infrastructure. Manitoba is also providing one-third of the funding for upgrading Winnipeg's waste-water plants, an investment of \$235 million.

For the second year in a row, Manitoba is funding 50 percent of transit costs. This is only the second time this has been done in the last 15 years.

This year, Manitoba will receive \$17.9 million through the federal transit trust. We will work with Winnipeg to develop projects that will increase ridership, provide alternative active transportation options, including bicycle paths, and make progress towards its Rapid Transit Implementation Plan.

Les signes du progrès sont partout.

Translation

The signs of progress are everywhere.

English

The Keystone Centre's Agricultural Centre of Excellence has opened its doors to the world, Assiniboine Community College's Culinary Arts program has moved to its new home in the former Nurses Residence and we expect the construction of the state-of-the-art Culinary Theatre to be completed by September '08. We are also working towards finalizing an agreement for the construction of a trades facility as phase 2 of the Assiniboine Community College relocation.

There are two strong proposals for new fitness facilities in Brandon and we will continue to work with the city and federal government to help both these projects move ahead.

We should start soon on a \$7-million reconstruction of the Westman Regional labs, building on previous investments including the Health Studies Building at Brandon University and the redevelopment of the Brandon Regional Health Centre, a \$58-million capital commitment.

Brandon has taken a significant step in redeveloping its downtown core. Today's budget will provide resources for Renaissance Brandon to match the contributions from the City of Brandon.

Manitoba is also proceeding with major infrastructure upgrades for Brandon, including the 18th Street Bridge and the Eastern Access Route extension.

Fiscal Plan

Mr. Speaker, Budget '08 is a balanced budget fully reflecting Generally Accepted Accounting Principles. It builds on the achievements of the past eight budgets including:

- balancing the budget every single year;
- making the largest in debt and pension payments in Manitoba history;
- funding the government's full share of employee pensions for the first time in more than 40 years;
- we have also reduced the Province's net debt to GDP ratio and lowered debt servicing costs; and
- saved wisely for the future.

Mr. Speaker, Budget '08 is balanced, with a projected summary surplus of \$96 million. The budget's core options are also fully supported with core government revenues, including funding prepaid by the federal government for joint federal-provincial priorities, exceeding core government expenditures. This means our government has balanced the budget for nine consecutive years.

We will complete the transition to summary budgeting and reporting by updating balanced budget legislation based on advice of the Deloitte review. Our budget outlook projects continued balanced budgets into the future.

Overall, Budget '08 provides for a 3.3 percent growth in core expenditures as well as on a summary basis and a \$110-million payment on our general purpose debt and pension liabilities. This brings our total debt and pension payments to \$924 million over nine years, the largest such payment in Manitoba's history.

Mr. Speaker, we are proud of the progress we have made addressing the Province's debt, particularly the unfunded pension liabilities. The liability had grown to \$2.7 billion by '99. Left unchecked, it was projected to reach \$8.89 billion by 2028.

Rather than let the pension liability continue to grow unchecked, we started the first-ever plan to eliminate the pension liability without increasing the Province's net debt burden.

We started making current service contributions again, starting with the contributions for new employees. Building on this, in '07-08 we funded 75 percent of the unfunded liability of the Teachers'

Retirement Allowances Fund, strengthening the pension plan and generating long-term savings to the Province.

Budget '08 continues to address the unfunded pension liability by committing to begin funding the Civil Service Superannuation Fund. Mr. Speaker, with today's budget, I can say that Manitoba is now funding its full share of current service pension contributions for all employees.

Since our government took office, Manitoba's net debt to GDP ratio has been reduced by more than 30 percent, from 31.4 percent in '99, to an estimated 21.7 percent in '08-09. We are planning for continued reductions in Manitoba's net debt to GDP ratio over the medium term.

We have also reduced the cost of the debt to taxpayers, with servicing costs just 6.5 cents on the dollar, down more than 50 percent from 13.2 cents in 1999.

We have also prudently saved for the future. The Fiscal Stabilization Fund has grown from \$265 million to a projected balance of \$683 million at the end of '07-08. It will continue to be available to support the core operations of government.

Mr. Speaker, Manitoba has earned six credit rating improvements since '99 and Budget '08 follows the same sound fiscal approach that has proven successful for the past eight years.

Keeping Manitoba Affordable

Since '99, our government has delivered the largest personal and business tax in Manitoba history.

We have provided this unprecedented tax relief while balancing every budget, paying down the debt and pension liability, and investing in vital programs and services.

Cette approche équilibrée de l'allègement fiscal s'inscrit dans le contexte de notre engagement à conserver au Manitoba un coût de la vie abordable pour les familles et pour les entreprises.

Translation

This balanced approach to tax relief is part of our commitment to keep Manitoba affordable for families and for businesses.

English

Mr. Speaker, Budget '08 moves forward with new tax reductions that will save Manitobans and

businesses \$182 million annually. Added to the measures announced in previous budgets that take effect this year and next, taxpayers will have \$292 million in new annual savings by 2010.

Mr. Speaker, I am pleased to announce that today's budget increases the Education Property Tax Credit by another \$75 to \$600 in 2008, saving Manitobans an additional \$24.5 million annually. Since '99, the credit has increased by \$350.

This year's school funding includes a \$16-million Tax Incentive Grant to help school districts freeze taxes. In Winnipeg School Division, Manitoba's largest, the freeze saves a homeowner with a \$125,000 home more than \$25. Combined with the \$75 tax credit increase, these tax savings are more than \$100 this year.

The Farmland School Tax Rebate increases to 70 percent in '08, up from 65 per cent in '07. It will return over \$30 million to Manitoba farmers in '08 as a rebate on school taxes paid.

These measures are part of a comprehensive action plan that, taken together, will save Manitobans \$250 million in education property taxes in 2008.

Mr. Speaker, reducing education property taxes each and every year is paying dividends. Since '99, the education taxes on a home assessed at \$125,000 have been reduced by an average of 22 percent, compared to an average increase of 60 percent during the 1990s.

Mr. Speaker, great progress has been made in making education property taxes more affordable in Manitoba. We will continue this effort as we move toward funding 80 percent of the total cost of public education.

We are moving forward on our multi-year plan for improving personal tax brackets and rates. Effective January 1, '09, we will:

- reduce the tax rate for the lowest income bracket to 10.8 percent;
- raise the threshold for the middle income bracket to \$31,000; and
- raise the threshold for the top bracket to \$67,000.

* (15:30)

Budget '08 provides additional personal tax reductions by:

- adding \$100 to the Basic Personal Amount for '09, bringing the total increase in this amount to \$1,340 since 1999; and
- adding \$100 to the Spousal and Dependent Amounts.

Mr. Speaker, I am proud to report that an additional 2,100 low-income Manitobans will be removed from the tax rolls as a result of these new measures.

Today's budget also increases the basic amount of the Personal Tax Credit to \$195 for '09, benefitting over 281,000 households.

We are proud that Manitoba has the best home care system in the country, serving some 39,000 Manitobans annually. Informal caregivers play a vital role in helping home care clients remain independent. The majority of these caregivers are women supporting high-needs children or caring for aged parents.

Mr. Speaker, today's budget follows through on our promise to provide support to those caregivers with a new Primary Caregiver Tax Credit of \$85 per month up to \$1,020 per year for each person cared for starting in 2009.

Mr. Speaker, with today's personal income tax reductions, and measures our government has taken in previous years, Manitobans will save \$455 million annually in personal income taxes in 2010 and subsequent years.

Since '99, Manitoba businesses have also benefited from a series of tax reductions aimed at keeping our province competitive.

Nous avons réduit à la fois l'impôt sur le revenu des petites entreprises et l'impôt sur les bénéfices des sociétés.

Translation

Our plan has reduced both small business and corporation income taxes.

English

Budget '08 builds on this progress with another \$120 million in general and targeted tax reductions.

Mr. Speaker, Manitoba already has the lowest small-business tax rate in the country. When the small business rate drops to 1 percent in January '09, Manitoba small businesses will save an additional

\$9.7 million annually. This benefits 80 percent of taxable businesses in Manitoba.

The general corporate income tax rate will drop to 12 percent in July '09. This tax was 17 percent when we took office and our reductions since then are the first in half a century. Our next goal will be to reduce it to 11 percent in future years, subject to balancing the budget.

Capital taxes are often criticized for discouraging the investments needed to build more productive and competitive businesses. We listened to this advice and committed to phasing out the general corporation capital tax before 2011.

Today I can confirm that we will cut the general corporation capital tax rate to 0.3 percent for the next fiscal year and to 0.2 percent for the year after that. After December 31, 2010, the general corporate capital tax will be entirely eliminated.

Mr. Speaker, for manufacturers and processors particularly impacted by the high Canadian dollar, I am pleased to announce that we will:

- eliminate the corporate capital tax for manufacturers and processors as of July '08, freeing up about \$25 million annually to invest in enhancing productivity and competitiveness;
- extend the Manufacturing Investment Tax Credit to the end of 2011, providing added certainty to businesses, and building on the recent increase of the refundable portion of the credit to 70 percent which saves businesses \$2.8 million annually.

Today's budget also extends the Community Enterprise Development Tax Credit.

Mr. Speaker, the Co-operative Education Tax Credit is being expanded and renamed as the Co-op Education and Apprenticeship Tax Credits. This new component will provide an employer who hires a recent graduate from an apprenticeship program with a tax credit of up to \$2,500 a year for up to two years for each journey person they hire.

Budget '08 also uses strategic tax measures to attract and grow new industries.

Mr. Speaker, I am pleased to announce that we are enhancing the very successful Film and Video Production Tax Credit to maintain our competitive advantage and to continue to build the local film industry.

Based on the success of our film and video tax incentive, Budget '08 adds two new tax credit programs to encourage new growth in emerging industries.

Mr. Speaker, I am pleased to introduce the new Interactive Digital Media Tax Credit. This replaces the New Media Production Grant program and will provide up to \$2 million to encourage development of new digital media products through a refundable tax credit equal to 40 percent of eligible Manitoba labour costs.

L'industrie Manitobaine de l'édition de livres est aussi un secteur dont les possibilités de croissance sont immenses.

Translation

Manitoba's book publishing industry is also a sector with strong growth potential.

English

Mr. Speaker, I am pleased to announce that today's budget introduces a new Book Publishing Tax Credit which will help this industry expand by providing a refundable income tax credit equal to 40 percent of eligible Manitoba labour costs. This tax credit will also encourage environmentally-responsible publishing by offering an additional 10 percent bonus for books printed on forest-friendly paper.

The budget also extends the Riparian Tax Credit and contains a new measure to help reduce greenhouse gas emissions and advance our movement towards a carbon-neutral economy.

We are working to reduce the emissions from coal as an energy source. We have addressed the use of coal by Manitoba Hydro, and now we will work with other industries to make the transition from coal to less environmentally damaging fuels.

Mr. Speaker, today I am announcing we will introduce a new emissions tax on the burning of coal: \$10 per tonne of carbon dioxide equivalent emissions. We plan to have this tax be revenue neutral. The money raised will be invested to help industries make an economically sustainable transition. To give industry time to adjust, this tax will not take effect until July 2011.

Conclusion

Mr. Speaker, the budget 2008 is balanced. It builds on our strong, stable economy and creates

opportunities to move forward on Manitobans' priorities.

Des défis nous attendent, mais le Manitoba est en bonne position pour les relever de front.

Translation

There are challenges ahead of us but Manitoba is well-positioned to meet those challenges.

English

Manitoba's past eight years of steady growth creates opportunities for our young people, our families and our businesses. Mr. Speaker, Budget '08 positions Manitoba to meet the challenges ahead and grow for the future. I offer it to you today. Thank you.

Mr. Hugh McFadyen (Leader of the Official Opposition): Mr. Speaker, we very much look forward to rebutting and dealing with the comments made today, but I do want to say that I move, seconded by the Member for Tuxedo (Mrs. Stefanson), that debate be hereby adjourned.

Motion agreed to.

Messages

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, I have two messages from His Honour the Lieutenant-Governor, as well as the budget documents, which I would like to table.

Mr. Speaker: Order. Please stand for the reading of the messages.

The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba Estimates of sums required for the services of the Province for the fiscal year ending the 31st day of March, 2009, and recommends these Estimates to the Legislative Assembly.

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

Please be seated.

Hon. Dave Chomiak (Government House Leader): Mr. Speaker, just prior to moving the motion, I'd like to indicate that there will be a reception held in Room 200 by the Minister of Finance (Mr. Selinger) with respect to the budget.

I move, seconded by the Minister of Finance, that this House do now adjourn.

Motion agreed to.

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 9, 2008

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