

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

Official Report
(Hansard)

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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.
BLAIKIE, Bill, Hon.	Elmwood	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.
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, Hon.	Fort Rouge	N.D.P.
IRVIN-ROSS, Kerri, Hon.	Fort Garry	N.D.P.
JENNISSSEN, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MARCELINO, Flor, Hon.	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.
WHITEHEAD, Frank	The Pas	N.D.P.
WIEBE, Matt	Concordia	N.D.P.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, June 7, 2010

The House met at 1:30 p.m.

Madam Clerk (Patricia Chaychuk): It is my duty to inform the House that Mr. Speaker is unavoidably absent. Therefore, in accordance with the statutes, I would ask the honourable Deputy Speaker to please take the Chair.

Madam Deputy Speaker (Marilyn Brick): O Eternal and Almighty God, from Whom all power and wisdom come, we are assembled here before Thee to frame such laws as may tend to the welfare and prosperity of our province. Grant, O merciful God, we pray Thee, that we may desire only that which is in accordance with Thy will, that may—we may seek it with wisdom and know it with certainty and accomplish it perfectly for the glory and honour of Thy name and for the welfare of all our people. Amen.

ROUTINE PROCEEDINGS

PETITIONS

Multiple Myeloma Treatments

Mrs. Myrna Driedger (Charleswood): I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

Health Canada has approved the use of Revlimid for patients with multiple myeloma, a rare, progressive and fatal blood cancer.

Revlimid is a vital new treatment that must be accessible to all patients in Manitoba for this life-threatening cancer of the blood cells.

Multiple myeloma is treatable, and new, innovative therapies like Revlimid can extend survival and enhance quality of life for the estimated 2,100 Canadians diagnosed annually.

The provinces of Ontario, Québec, British Columbia, Saskatchewan and Alberta have already listed this drug on their respective pharmacare formularies.

We petition the Legislative Assembly of Manitoba as follows:

That the provincial government consider immediately providing Revlimid as a choice to

patients with multiple myeloma and their health-care providers in Manitoba through public funding.

This is signed by T. Delaronde, T. Epier, A. Halliday and many, many others.

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

Bipole III

Mr. Stuart Briese (Ste. Rose): I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

Manitoba Hydro has been forced by the NDP government to construct its next high-voltage direct transmission line, Bipole III, down the west side of Manitoba, a decision for which the NDP government has not been able to provide any logical justification.

Since this will cost Manitoba ratepayers at least 640 million more than an east-side route, and given that the Province of Manitoba is facing its largest deficit on record, the burden of this extra cost could not come at a worse time.

Between 2002 and 2009 electricity rates increased by 16 percent, and Manitoba Hydro has filed a request for a further rate increases totalling 6 percent over the next two years.

A western Bipole III line will invariably lead to more rate increases.

In addition to being cheaper, an east-side route would be hundreds of kilometres shorter and would be more reliable than a west-side route.

West-side residents have not been adequately consulted and have identified serious concerns with the proposed line.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to consider proceeding with the cheaper, shorter and more logical east-side route, subject to necessary regulatory approvals, to save ratepayers hundreds of millions of dollars during these challenging economic times.

And this petition is signed by A. Bates, S. Mathison, W.L. Fraser and many, many other fine Manitobans.

Multiple Myeloma Treatments

Mr. Kevin Lamoureux (Inkster): Yes, Madam Deputy Speaker, I move—or I'm sorry. I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition as follows. To the Legislative Assembly of Manitoba, these are the reasons for this petition:

Health Canada has approved the use of revlimin for patients with multiple myeloma, a rare, progressive and fatal blood cancer.

Revlamin is a vital new treatment that must be accessible to all patients in Manitoba, for this is a life-threatening cancer of the blood cells.

Multiple myeloma is treatable, and new, innovative therapies like revlimin can extend survival and enhance quality of life for an estimated 2,100 Canadians diagnosed annually.

The provinces of Ontario, Québec, British Columbia, Saskatchewan and Alberta have already listed this drug on their respective pharmacare formulas.

We petition the Legislative Assembly of Manitoba as follows:

That the provincial government consider immediately providing revlimin as a choice to patients with multiple myeloma and their health-care providers in Manitoba through public funding.

This is signed by J.A. Beaton, E. Fuhro and M. Laing and many, many other fine Manitobans. Thank you, Madam Deputy Speaker.

COMMITTEE REPORTS

Standing Committee on Social and Economic Development

First Report

Mr. Daryl Reid (Chairperson): I wish to present the First Report of the Standing Committee on Social and Economic Development.

Madam Clerk (Patricia Chaychuk): Your Standing Committee on Social—

An Honourable Member: Dispense.

Madam Deputy Speaker: Dispense? Dispense.

Your Standing Committee on Social and Economic Development presents the following as its First Report.

Meetings

Your Committee met on the following occasions in Room 254 of the Legislative Building:

- June 2, 2010
- June 3, 2010

Matters under Consideration

- **Bill (No. 31) – The Budget Implementation and Tax Statutes Amendment Act, 2010/Loi d'exécution du budget de 2010 et modifiant diverses dispositions législatives en matière de fiscalité**

Committee Membership

Committee membership for the June 2, 2010 meeting:

- Mr. BRIESE
- Mr. CULLEN
- Mr. GOERTZEN
- Hon. Ms. MARCELINO
- Mr. MARTINDALE
- Mr. NEVAKSHONOFF
- Mr. REID (Chairperson)
- Mr. SARAN
- Mrs. STEFANSON
- Hon. Mr. STRUTHERS
- Hon. Ms. WOWCHUK

Your Committee elected Mr. NEVAKSHONOFF as the Vice-Chairperson.

Committee membership for the June 3, 2010 meeting:

- Mr. BOROTSIK
- Ms. BRICK
- Mr. DEWAR
- Mrs. DRIEDGER
- Mr. JENNISSEN
- Hon. Mr. LEMIEUX
- Mr. MAGUIRE
- Mr. REID (Chairperson)
- Mrs. STEFANSON
- Mr. WIEBE
- Hon. Ms. WOWCHUK

Your Committee elected Mr. WIEBE as the Vice-Chairperson.

Public Presentations

Your Committee heard the following 30 presentations on **Bill (No. 31) – The Budget Implementation and Tax Statutes Amendment Act, 2010/Loi d'exécution du budget de 2010 et modifiant diverses dispositions législatives en matière de fiscalité**:

June 2, 2010 meeting

Paul Cenerini, Private Citizen
 Shannon Martin, Canadian Federation of Independent Business
 Ernest Muswagon, Private Citizen
 Randy Porter, Private Citizen
 Sean Palsson, Private Citizen
 Pat Bowslaugh, Private Citizen
 Ray Sitter, Private Citizen
 Kevin Rebeck, MB Federation of Labour
 Colin Craig, Canadian Taxpayer's Federation
 Chuck Davidson (by leave), Winnipeg Chamber of Commerce
 Mary Johnson, Private Citizen
 Cy Fien, Gendis
 Tara Walker & Steven Morrison (by leave), On. Screen Manitoba
 David Sanders, Private Citizen
 Wayne Anderson, Private Citizen
 Kathy Litton, Joint Canadian Tanning Association
 Andrew Nichol, Private Citizen
 Michael Willcock, Private Citizen
 Michael Silicz, Private Citizen
 Darren Penner, Private Citizen
 Kyle Mirecki, Private Citizen
 Marty Morantz, Private Citizen

June 3, 2010 meeting

George Gamby, Private Citizen
 Peggy Prendergast, Private Citizen
 Rick Negrych, Private Citizen
 Braydon Mazurkiewich, Private Citizen
 Howard Rybuk, Private Citizen
 David Enns, Private Citizen
 Paula Havinxbeck, Private Citizen
 Steven Penner, Private Citizen

Written Submissions

Your Committee received three written submissions on **Bill (No. 31) – The Budget Implementation and Tax Statutes Amendment Act, 2010/Loi d'exécution du budget de 2010 et modifiant diverses dispositions législatives en matière de fiscalité**, from:

Peter John Clements, Private Citizen

Richard Benoit, Retired Teachers' Association of Manitoba (RTAM)

Pat Isaak, Manitoba Teachers' Society

Bills Considered and Reported

- **Bill (No. 31) – The Budget Implementation and Tax Statutes Amendment Act, 2010/Loi d'exécution du budget de 2010 et modifiant diverses dispositions législatives en matière de fiscalité**

Your Committee agreed to report this Bill without amendment.

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

Motion presented.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Honourable Members: No.

Some Honourable Members: Agreed.

Voice Vote

Madam Deputy Speaker: All in favour, say aye.

Some Honourable Members: Aye.

Madam Deputy Speaker: All opposed, say nay.

Some Honourable Members: Nay.

Madam Deputy Speaker: In my opinion, the Ayes have it.

Formal Vote

Mr. Gerald Hawranik (Official Opposition House Leader): Recorded vote, Madam Deputy Speaker.

Madam Deputy Speaker: A recorded vote has been requested. Call in the members.

* (14:20)

The question before the House is: Shall the report of the committee be received?

Division

A RECORDED VOTE was taken, the result being as follows:

Yeas

Allan, Altemeyer, Ashton, Bjornson, Blady, Blaikie, Braun, Caldwell, Chomiak, Dewar, Howard, Irvin-Ross, Jennissen, Jha, Korzeniowski, Lemieux, Mackintosh, Marcelino, Martindale, McGifford, Melnick, Nevakshonoff, Oswald, Reid, Robinson, Rondeau, Saran, Selby, Selinger, Struthers, Swan, Wiebe, Wowchuk.

Nays

Borotsik, Briese, Cullen, Driedger, Dyck, Eichler, Gerrard, Goertzen, Graydon, Hawranik, Lamoureux, Maguire, McFadyen, Mitchelson, Pedersen, Rowat, Schuler, Stefanson, Taillieu.

Madam Clerk (Patricia Chaychuk): Yeas 33, Nays 19.

Madam Deputy Speaker: I declare the report of the committee is received.

Introduction of Guests

Madam Deputy Speaker: I would like to draw the attention of all honourable members to the public gallery where we have with us today Bob Vandewater, Honorary Colonel of the Queen's Own Cameron Highlanders of Canada; Lieutenant-Colonel Brett Takeuchi; PIP Major Ian Ferguson; and Commanding Officer, Captain Andrew Flook. These people are the honourable guests of the honourable Minister of Conservation (Mr. Blaikie).

I would also like to draw the attention of all honourable members to the public gallery where we have seated in the gallery today from Greenland School 20 grade 6 and 7 students under the direction of Mr. Jason Goossen. And these members are—these individuals are the—here with the honourable Minister of Local Government (Mr. Lemieux).

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

*(14:30)

ORAL QUESTIONS

**Manitoba Hydro
Wind Energy Contract Costs**

Mr. Hugh McFadyen (Leader of the Official Opposition): Madam Deputy Speaker, Manitoba's total debt today is at an all-time high at \$23 billion and rising. Within that, Manitoba Hydro's debt has also reached record levels and the projection is that its debt-to-equity position is going to deteriorate over the next 14 years.

Because of rising debt, Madam Deputy Speaker, people in Manitoba today are seeing their hydro bills rise each and every month as Hydro comes back time and again for permission to raise rates on Manitobans.

Against this backdrop, Madam Deputy Speaker, the government directed Hydro to borrow and lend another \$260 million to a San Francisco company in connection with its wind farm bailout.

I want to ask the Premier: What due diligence was done prior to this \$260-million bailout? What assurances did he take to ensure that we don't have a repeat of Crocus, that we don't have a repeat of his disastrous bipole decision, that we don't have a repeat of other disastrous examples of financial mismanagement under his watch?

Hon. Greg Selinger (Premier): Madam Deputy Speaker, as has been stated before in this House, the cost of servicing the debt, 6 cents on the dollar under this government, 13 and a half cents on the dollar when the members opposite were in government.

Hydro made its own decision on providing a financing vehicle for the wind-power project so they could get one of the lowest power purchase agreement rates in North America at a time when finance is very difficult. It's, in the view of Hydro, fully secured, as they can have it covered by the power purchase agreement. And they actually believe they'll make a small profit on providing this form of financing to allow this wind project to go forward, which will provide revenues to farmers in southern Manitoba, revenues to municipalities and revenues to school division, and brings several hundred million dollars of investment into Manitoba at a time when the economy needs that kind of private investment and public support to ensure the economy grows by over 230 person-years of employment.

Mr. McFadyen: It's notable that this very same member for St. Boniface was saying similar things about Crocus, even as he was writing memos to Cabinet saying that Crocus was headed to a liquidity crisis.

Madam Deputy Speaker, we're not alone in having concerns about this bailout, this \$260-million deal. The Public Utilities Board had the same concerns as us and asked Hydro and the government for information about the due diligence that was done, financial estimates that were generated prior to entering into this agreement. They're doing so out of

concern for seniors, for families and others who are being asked to pay more and more of their monthly hydro bills.

Madam Deputy Speaker, I want to ask the Premier if he can indicate: What are the revenue estimates for this project, estimates that would be fundamental to any due diligence, any responsible stewardship of ratepayers' money? What are those financial estimates? Will he share them today with Manitobans?

Mr. Selinger: Madam Deputy Speaker, the financing arrangement adds less than 1 percent to the debt load of Manitoba Hydro, which is ahead of target on their debt-to-equity ratio, three years ahead of target, far lower than when members opposite were in office when it was 86-14; it's now down to 75-25. There's over \$2 billion of retained earnings. Hydro, by the admission of the CEO and president itself, is in the best financial shape it has ever been in the history of Hydro over the last 30 years. Manitoba Hydro is investing and diversifying its clean sources of energy, bringing new investment to rural Manitoba.

We know the members opposite are—have always opposed to moving Manitoba forward when it comes to clean energy. They object and block every single project that goes on, and, Madam Deputy Speaker, we will move Manitoba Hydro forward with their co-operation and support to build a clean energy economy in Manitoba, one that keeps the lowest rates for hydro in North America.

Mr. McFadyen: Madam Deputy Speaker, what Manitobans are concerned about and what the PUB is concerned about is that we're going to have more of the same reckless mismanagement at Hydro as what we had at Crocus under the watch of this Finance Minister.

With hydro bills going up each and every month for seniors and for Manitoba families, they have a right to know how money is being spent at Hydro, what direction this Premier and minister are providing to Manitoba Hydro as they go and loan more than \$200 million to an American company based in San Francisco in connection with this project.

Madam Deputy Speaker, I'm not surprised that he's refusing today to provide that information because, in response to the request by the Public Utilities Board, Manitoba Hydro replied in PUB/MH11-8 response to the question from the

PUB. The answer was a very short one from Manitoba Hydro. They said, and I quote: Manitoba Hydro has no experience with owning or operating a wind farm, and cannot confirm these estimates.

Madam Deputy Speaker, with the stonewalling going on by Manitoba Hydro and by this government, how can ratepayers have any assurance whatsoever that this Premier is in this corner protecting their interests when the rates are going up every month?

Mr. Selinger: Manitoba Hydro has made it very clear that the loan facility they are providing will be a—generate a small marginal profit for them. They believe they have got one of the lowest power purchase agreement arrangements in North America. They are putting forward an alternative that will generate substantial economic benefits for rural Manitobans. Farmers will see 40–14,000 for every tower that sits on their land annually. They get an upfront payment of in the order of over \$30,000. There is additional taxes that will go to the local school divisions out there. There are additional taxes that will go to the municipalities and it will generate 230 person-years of employment and provide an alternative source of clean energy for Manitoba Hydro, which does, from time to time, have a shortage of water. They will now have their own internal source of alternative energy.

These things help the utility diversify. They help the utility market its power throughout North America, and they keep Manitoba rates among the lowest—

Madam Deputy Speaker: Order.

Manitoba Hydro Public Utilities Board Information Request

Mr. Rick Borotsik (Brandon West): The Public Utilities Board recently asked Manitoba Hydro a very legitimate question related to its \$260-million investment into Pattern Energy wind farms. They wanted to know what revenue requirement was per kilowatt hour and what did it cover: finance, depreciation, operating and maintenance costs. Pretty reasonable question, but Manitoba Hydro's response was, we haven't got a clue.

Madam Deputy Speaker, Manitoba has put \$260 million of our dollars at risk, and they don't even know when or if it could be paid back. Will the Premier tell us today why he forced—forced—Manitoba Hydro to invest 260 million into a project that they don't even know is financially viable?

Hon. Greg Selinger (Premier): Manitoba Hydro did its due diligence on this project. They are getting what they consider to be one of the best power purchase agreements in North America. They are getting it fully covered. They purchase the power. They have an assurance that if there's any issues, that they can collect that off the money that they pay for the power purchase. They are fully covered on this.

The CEO, himself, said that this is a very good deal for Manitoba Hydro. It's one of the lowest power purchase agreements in North America. The financing has been arranged to ensure Hydro gets a low power purchase agreement. There's over \$95 million of new equity private investment coming in right upfront to make this project go.

This will generate very substantial benefits for rural Manitoba and southern Manitoba. It will increase the ability of Manitoba Hydro to market its product with additional clean energy attributes when it markets it. All of these things strengthen our ability to be a clean energy provider, to move Manitoba Hydro forward—

Madam Deputy Speaker: Order.

Mr. Borotsik: Well, Madam Deputy Speaker, if Manitoba Hydro knows all these numbers, if they've done their due diligence like the Premier said, then why won't they share that information with the Public Utilities Board? The Public Utilities Board is there to protect the consumer from monopolies like Manitoba Hydro, yet they're being treated with disdain. We are led to believe that Manitoba Hydro doesn't even know what it will take to pay back \$260 million. We don't know if they can pay the farmers. We don't know if they're going to be able to generate enough revenue to operate the wind farm.

Will the Premier tell Manitoba Hydro to come clean and provide their St. Joseph wind farm business plan to the Public Utilities Board like they've asked?

Mr. Selinger: This is what the president and CEO of Manitoba Hydro has put on the record March 22nd, 2010: The loan must be fully repaid with interest and will have no impact on local ratepayers as the interest paid to Hydro will be higher than of cost of providing the loan.

* (14:40)

Manitoba Hydro has a great deal of confidence in the ability of this project to be successful. They did their due diligence. They hired third parties to

evaluate it. They made sure that the project will be one that is beneficial to Manitoba Hydro over the life of the project.

It will also be extremely beneficial, as I've said before, to rural Manitoba in terms of local taxes for schools, local taxes for municipalities, payments to farmers, additional sales tax to come into the province of Manitoba. It brings private investment into the province.

This is exactly the kind of thing you do in the middle of a recession to stimulate the economy and provide long-term clean energy, not only to Manitobans but to our export customers, who are willing to pay—

Madam Deputy Speaker: Order.

Mr. Borotsik: Well, Madam Deputy Speaker, if I were the Premier, I would chastise the CEO of Manitoba Hydro for a total contradiction. He's saying that he's got information from the CEO that says they can repay the loan, that says that it can be a profitable operation, but in Manitoba Hydro's own words, it says Manitoba Hydro has no experience with owning or operating a wind farm and cannot confirm the estimates that's needed to pay the operating cost, to pay the interest back on the loan that Manitoba Hydro has given.

Madam Deputy Speaker, there is a real fear—a real fear—that the ratepayers are going to be on the hook for this project, just like they were on the hook for the Crocus Fund.

Shouldn't Hydro have had an understanding of this deal before they put \$250 million of our money on the line, and they can't even tell us whether the loan is going to be paid back?

Mr. Selinger: I actually think the members are jealous; they couldn't craft a deal like this in their best days. And just a few weeks ago—it was just last week, Madam Deputy Speaker—

Some Honourable Members: Oh, oh.

Madam Deputy Speaker: Order. Thank you very much.

Mr. Selinger: Madam Deputy Speaker, just last week we announced a \$3-billion power purchase to Xcel Energy that the Leader of the Opposition (Mr. McFadyen), the member of Fort Whyte, said was scratched out on the back of a napkin. That deal has come to fruition for \$3 billion of revenues that will come in to Manitoba to keep our rates low. Part of

that power will be provided by this wind power project, which is a \$345-million investment in Manitoba. It will generate \$38 million of landholder payments. It will generate \$117 million of provincial and local taxes.

This is the kind of thing that grows the economy in the middle of a recession. This is the kind of project that moves Manitoba forward. This is the kind of project that allows us to realize \$3 billion in export revenues. The members—

Madam Deputy Speaker: Order.

Health-Care Services Hip Surgery Wait Times

Mrs. Myrna Driedger (Charleswood): Madam Deputy Speaker, the government Web site says that the wait time for hip surgery is only 13 weeks, but I'm hearing from a number of patients recently whose wait is far, far beyond 13 weeks. According to one angry e-mailer, he waited six months just to see a specialist and he has no idea when his surgery is going to be. Many others he knows are waiting to see a specialist for more than a year and another one waited two years for surgery.

So his question to the Minister of Health is: Why is the NDP pulling the wool over the eyes of the public with false information about orthopedic wait times?

Hon. Theresa Oswald (Minister of Health): I can inform the member, as I always would, if she has some particulars about an individual who's experiencing challenges with wait times, I'm very happy to receive them and to investigate the particular case.

I can tell you, last year, Canada's Wait Time Alliance, in their annual report card, gave Manitoba four As and a B and notes that Manitoba is a strong performer on improving wait times.

We know that the median wait time for hip and knee is 18 weeks. That's down almost 60 percent from 44 weeks when we announced our plan to decrease wait times in 2005. Madam Deputy Speaker, we're going to continue to bring those wait times—

Madam Deputy Speaker: Order.

Mrs. Driedger: The minister does have an e-mail from a Renée Falco who says that her husband Brian's wait time for hip surgery is 70 weeks, not even close to the 13 weeks stated on the

government's Web site. The nurse told Renée's husband Brian that there are many, many patients waiting even longer than that.

So Renée Falco is asking this Minister of Health: Why is she misleading the public with information about hip surgery wait times in Manitoba?

Ms. Oswald: Again, I'll inform the member that wait-time data is collected very carefully and is posted every month concerning what the median wait time is for patients. Doctors, of course, prioritize urgent and emergent cases.

We're going to continue to work to bring that wait time down. We've brought it down almost 60 percent since 2005. We're going to continue to work on that. The Wait Time Alliance grades us A for hip and knee wait-time progress.

It's curious strange, Madam Deputy Speaker, that this is coming from someone that belongs to a party that didn't publish a wait time in their entire time in office.

Mrs. Driedger: Renée Falco believes that this NDP government is misleading the public about hip surgery wait times in Manitoba and she says she is sick of it.

We know that the Minister of Health is so obsessed with spin that it is not a stretch to think that they are fudging the numbers; they've done it before.

This woman would like to ask the Minister of Health to tell her: Is the full wait time counted or are the numbers being fudged to make the waiting lists look better than they really are in this province?

Ms. Oswald: As is clearly stated on the wait-time Web site, the times for hip and knee are median wait times. That means that some will be longer and some will be shorter. But, certainly, the numbers that the member opposite are citing today are very unusual, and I do commit to her and to the individual to investigate further.

But again, Madam Deputy Speaker, I can tell you that outside evaluators, independent evaluators on wait-time performance across the nation, have rated Manitoba with four A's and a B. We, of course, maintain our A status on radiation therapy wait times, long improved since they were dangerously long under the member opposite.

Madam Deputy Speaker: Order.

Rural Waste-Water Management Services Ejector Systems Regulations

Mr. Larry Maguire (Arthur-Virden): The Minister of Conservation recently unveiled his latest changes to the Onsite Wastewater Management Systems Regulations. After being forced by Manitobans to change their plan, his new rules allow a property owner to retain an ejector system if it meets certain criteria, such as being on certain soil classes and not located in a sensitive area. But where's the common sense, Madam Deputy Speaker? Can the minister expand his thinking on this issue just a little bit?

If a new construction site meets the minister's new rules for retaining an existing ejector system, why is it not possible to install a new ejector system on a site that meets the minister's own new rules?

Hon. Bill Blaikie (Minister of Conservation): Well, Madam Deputy Speaker, it's a classic case of what's wrong with opposition politics over there.

We—they asked that we bring forward the kind of amendments to the regulations that were announced in the fall. They presented petition after petition asking for this. The New Democrats, at their convention, asked us to change the regulations that had been announced in the fall. The Association of Manitoba Municipalities—everyone who was concerned about this, welcomed the amendments that we made to those regulations, and still the honourable member wants to find fault. I understand that that's his job, but the fact is, is we met the concerns that people raised, and we're pleased that we have. And the regulations as they are will continue and stand.

* (14:50)

Mr. Maguire: Well, Madam Deputy Speaker, that's how far the minister has his head in the sand.

Speakers all along—Madam Deputy Speaker, all along we've asked for a science-based approach to managing ejector systems. However, this government still has not tabled the science behind these regulatory changes, which are going to have a costly impact on many, many Manitobans.

For example, one of my constituents, Mr. Harrison, the—from the R.M. of Sifton, had to pay \$900; this is just one cost for a soil analysis, in order to keep his ejector system, which has been working with no problems for decades, Madam Deputy Speaker.

Is dumping thousands of dollars in extra cost on Manitobans what the Minister of Conservation wanted when he decided to do away with ejector systems?

Mr. Blaikie: Madam Deputy Speaker, I announced for comment the changes to the regulations on April the 16th of this year. This is the first time, aside from reading petitions that were prepared a long time ago, that the honourable member has raised any concerns about those amendments.

He had an opportunity to comment and put observations on the record and he passed it up and now weeks later he's got something to say on the matter.

Some Honourable Members: Oh, oh.

Madam Deputy Speaker: Order. Thank you very much.

Mr. Maguire: Well, Madam Deputy Speaker, I'm tabling copies of the contract Mr. Harrison had to sign to have his site inspected, and the soil analysis undertaken to keep his ejector system. Mr. Harrison had to pay \$900 for this service. He said his—this amount didn't even include the normal fee, the \$600 that the Winnipeg company would normally charge for mileage to come out to his farm.

Unfortunately, Madam Deputy Speaker, unfortunately, the analysis found Mr. Harrison's site to be suitable to keeping his ejector system. This report, along with Mr. Harrison's application, must pass through the Conservation Department before he can get approval to retain his ejector. So citizens know that they don't have to spend tens of thousands of dollars on new systems to meet a government edict that's not science-based.

Will the minister today assure Manitobans, like Mr. Harrison, that he will honour these science-based reports and authorize them in a timely—

Madam Deputy Speaker: Order.

Mr. Blaikie: Well, Madam Deputy Speaker, if the honourable member has raised the case of that particular individual with me before, and we can discuss it again, but the fact of the matter is if the official opposition wants to make the case for new sewage ejectors—for more sewage ejectors rather than phasing them out in the way that we have suggested and in the way that we have amended our suggestion

in order to meet some of the concerns that they raised, including the Association of Manitoba Municipalities, New Democrats, and others, then I'm sorry if that's what the Conservative position is, that there should be a proliferation of sewage ejectors. That's not our position.

Bethesda Hospital Emergency Room Project Status

Mr. Kelvin Goertzen (Steinbach): Madam Deputy Speaker, in 2007 former Premier Gary Doer made a commitment to doctors, nurses and staff of the residents of southeastern Manitoba that a new emergency room would be built at the Bethesda Hospital in Steinbach.

The Minister of Health three years ago said that the project would be completed this year and yet not a shovel has gone into the ground as of today. We were told last week by the RHA that not only would the project not be completed this year, the construction won't even begin this year.

Why has this Minister of Health and this government broken the promise that they made to doctors, nurses and staff and the residents of southeastern Manitoba about expanding the ER at Bethesda Hospital?

Hon. Theresa Oswald (Minister of Health): Madam Deputy Speaker, and yes we are continuing to move forward on our commitments to—*[interjection]* Well, I seem to have struck a nerve with members opposite. Perhaps you should provide a little bit of context.

Well, we have made a commitment, Madam Deputy Speaker, to—

Some Honourable Members: Oh, oh.

Madam Deputy Speaker: Order.

Ms. Oswald: Yes, thank you. While we've made a commitment to move forward with our capital construction, while we did not issue a press release like the Tories did to say we'd freeze health capital, you know what else we didn't do? We didn't do what the Tories did in the 1990s and cut the Steinbach hospital by 20 percent—

Some Honourable Members: Oh, oh.

Madam Deputy Speaker: Order. I just want to remind all honourable members, we are in front of the viewing public and I am having a little bit of difficulty hearing people's answers.

The honourable minister, if you wish to finish your answer.

Ms. Oswald: Well, certainly, it's worth repeating, Madam Deputy Speaker, that again I would say that we are moving forward. In the '90s the members opposite chose to cut the hospital's funding \$1.4 million. That's a 20 percent cut; those are the decisions that they made.

Madam Deputy Speaker: Order.

Mr. Goertzen: Madam Deputy Speaker, this project has been frozen for the last three years. The minister, just a couple of months ago, said there would be no more delays, and last week the RHA said it's delayed again. And in responding to a question about why the project has been in a delay, the vice-president of the regional health authority indicated that there's been a slowdown on capital funding since the change-over in NDP leadership and Cabinet portfolios.

Well, you know, Madam Deputy Speaker, I under—I can understand that the Premier (Mr. Selinger) has been redecorating his office and maybe polishing his new car, but I want to know, on behalf of the residents of southeastern Manitoba, why this project has been slowed down under his watch when his predecessor, Mr. Doer, said that they would get it done.

Ms. Oswald: So much material, so little time.

I can inform the member that the planning and design work is under way to build an expanded ER for Bethesda Hospital. We have worked on upgrades to the hospital with the regional health authority. We have said that we are going to move forward with targeted capital projects.

Some Honourable Members: Oh, oh.

Madam Deputy Speaker: Order. I just want to remind all honourable members that we are in front of the viewing public. The honourable Minister for Health has the floor.

Ms. Oswald: Thank you very much. I wouldn't want the viewing public to hear their record on capital construction, either.

I can say to the member we're continuing to move forward with the commitments that we've made. We're going to do that. I was the minister then when I said we would do that, and I'm the minister now saying that we're going to continue.

Mr. Goertzen: Madam Deputy Speaker, the minister came out and she said that this project would be done

this year. There's not a blade of grass that has lost its life yet as a result of construction. There hasn't been a shovel in the ground. And when asked last week about it, the RHA said, well, the problem is that the new Premier (Mr. Selinger) slowed capital down when he came into office and made a Cabinet shuffle.

You know, I know that the Premier likes to have photo ops. I know he likes to get that shovel out. Well, can he get out to Steinbach? Can he put a shovel in the ground, and then can he tell the residents that they're finally going to get 'er done? Will he finally go out there and say we're going to get 'er done?

Ms. Oswald: Madam Deputy Speaker, moments ago the members opposite theatrically walked out of the House because they didn't approve of us making investments in health care and in education and in justice.

We have continued to make our commitment for health capital. In tough economic times, they cut the spaces in medical school, they froze capital budgets, and they did things like cutting health services from Brandon, 6 million; Minnedosa, 1.5 cut; Flin Flon Hospital, 27 percent cut; Gimli hospital, 25 percent cut; Pine Falls Health centre, 25 percent cut; Steinbach hospital—here's a winner—\$1.4-million cut, 20 percent to the Steinbach hospital.

We're building a new ER, we're supporting new obstetrics there, and we're increasing funding to the RHA.

Trucking Industry Harmonization of Transportation Regulations

Mr. Ralph Eichler (Lakeside): British Columbia, Alberta and Saskatchewan have entered into a New West Partnership. Along with their stated goals is improving the competitiveness and productivity of the west. This includes improving internal trade, having regulatory environment that doesn't create barriers, and harmonizing the trucking regulation is one way to do this. The three provinces recently announced the harmonization of B-train weight carriers, but once again Manitoba is not at the table.

Madam Deputy Speaker, can the Minister of Infrastructure and Transportation explain why Manitoba's weight limits are not being harmonized with our western neighbours? Why are businesses being left at a competitive disadvantage?

Hon. Steve Ashton (Minister of Infrastructure and Transportation): I think perhaps the member should have been looking at what was discussed at the joint Cabinet meeting—by the way, the first joint Cabinet meeting in the history of Manitoba and Saskatchewan—because we identified trucking regulations, the need to harmonize them. And, in fact, we're meeting in Brandon in three—within the next two weeks with the Minister of Agriculture (Mr. Struthers) and, in fact, we are going to be harmonizing those regulations, something the Tories never did when they were in government, something the NDP will do working in partnership with Saskatchewan.

* (15:00)

Mr. Eichler: If the member would have been at the meeting with the western—new western agreement, he wouldn't have to be doing these extra meetings; he'd be working with the provinces the way they are right now.

Madam Deputy Speaker, in order for Manitoba to be competitive, we need a level playing field with our key economic partners. This is particularly important when it comes to areas such as trucking and transportation of goods. To move harmonization, B-train carrier weights has been hailed by the Saskatchewan industry. They believe it will increase productivity by 2.5 percent, provide carriers with more flexibility when carrying their loads.

Madam Deputy Speaker, I ask the Minister of Infrastructure and Transportation again: Why is Manitoba's viable trucking industry on the outside looking in when it comes to harmonizing transportation policies?

Mr. Ashton: Madam Deputy Speaker, I don't know what part of—we met with the Cabinet of Saskatchewan. We are meeting with the Minister of Transportation for Saskatchewan. In fact, we are bringing together the stakeholders from both provinces.

We will get it done, Madam Deputy Speaker, and I want also to indicate when it comes to transportation we also work very closely with every province, including Ontario, because a lot of our trucking is with Ontario as well.

So we're not on the outside looking in, Madam Deputy Speaker. We're on the inside and we're going to harmonize our trucking regulations. I don't know what part of that the member doesn't understand.

Mr. Eichler: Madam Deputy Speaker, if the minister would've been at the table with the other ministers he wouldn't be having these extra meetings outside the province. Saskatchewan's taken pity on this minister, allowed him to get even. It's about time. The minister knows full well the level playing field is not going to be there.

Last October, governments of Alberta and Saskatchewan signed an MOU aimed at cutting red tape for commercial trucking industries. They're looking at matters like special permits, weight limits, distribution and enforcement activities. Manitoba is home base to Manitoba trucking and transportation sector who are important to the success of CentrePort.

Madam Deputy Speaker, I ask the minister again: Why is Manitoba not keeping up with the harmonization of the transportation regulations with his key trading partners in the west?

Mr. Ashton: Madam Deputy Speaker, I'll try a third time. We are meeting. We're ahead of this process.

I'll try and explain it. I know the member's consistent. He's read the same three questions, even though he got an answer the first time around. I admire his stubbornness, but the reality is we are meeting this month, June 24th, right here in Manitoba with stakeholders, with the Province of Saskatchewan.

We are going to get the job done, Madam Deputy Speaker. We're out ahead of any other province. We're working with Saskatchewan and—

Some Honourable Members: Oh, oh.

Madam Deputy Speaker: Order. I just want to remind all honourable members that we do have loges. There's not—not necessary to yell across at each other. If you wish to have a conversation, please take them to the loges.

Child and Family Services Agencies Document Information Request

Hon. Jon Gerrard (River Heights): Madam Deputy Speaker, Child and Family Services in Manitoba is in terrible shape. Per capita we have almost four times as many children in care as in British Columbia. My office is contacted almost daily with mishandled cases, and when I travelled on the east side of Lake Winnipeg this spring, I was in communities where there was large numbers of children in care.

For weeks the government has known about these major problems but kept silent or covered them up.

Will the Premier agree with the Liberals that at a minimum the first two pages of the April 27th submission by the Children's Advocate to the Legislature should be made public?

Madam Deputy Speaker: Order. Just prior to having—that has been ruled out of order in this House, and so I would ask the honourable member to withdraw that question and to—or to reword it, rephrase your question.

Point of Order

Mr. Gerrard: On a point of order, Madam Deputy Speaker, I ask—there may be a problem in dealing with the content of a submission by the Children's Advocate, but surely we are not at a stage where we are so intent to cover things up that we can't even talk about the existence of this presentation.

Madam Deputy Speaker: On the same point of order, the honourable House leader.

Hon. Bill Blaikie (Government House Leader): Yes, well, Madam Deputy Speaker, just speaking to the same point of order, the fact of the matter is that Mr. Speaker ruled on this last week, that the document that the member is referring to is a confidential document submitted to the LAMC and that it's not a document that is—was designed for release. It was between the offices of the Children's Advocate and the Legislative Assembly Management Committee.

That was a ruling made by the Speaker at the time and was not challenged at the time, and I would suggest to the honourable member and to all honourable members that should be respected.

Mr. Gerald Hawranik (Official Opposition House Leader): On the same point of order, Madam Deputy Speaker.

And I think it was quite clear last week when the Speaker ruled on it that he was ruling on whether or not the report, in fact, could be tabled in the House, and not necessarily with respect to asking a question about that particular report of the minister, for which he has personal knowledge—when he could answer the question. It's not about tabling the document, and I think that was pretty clear when it came time to the Speaker's ruling last week. And this question has nothing to do about—with respect to tabling that document.

Mr. Kevin Lamoureux (Inkster): On the same point of order, Madam Deputy Speaker.

My concern is that the government is choosing to manipulate the Chair of this Chamber in terms of preventing appropriate dialogue taking place, questions and answers, inside the Chamber. Madam Deputy Speaker, I do believe that the Leader of the Liberal Party's question is, in fact, in order and the government would be best advised to stop trying to hide behind the Speaker's Chair in order to avoid answering the questions at hand.

Hon. Dave Chomiak (Deputy Government House Leader): On the same point of order that was raised, additional information should be provided and was indicated, I think, by the Speaker.

Two things: First of all, the Leader of the Opposition asked that pages of this document be released. That's what he asked for in his question—pardon me, the Leader of the Liberal Party—for whatever reason.

But, Madam Deputy Speaker, the most significant thing is that document, as the Speaker indicated in his ruling, deals with personnel matters, matters of personal—of a personal nature of individuals, things like human records, and we rarely, if ever, release that kind of information, not only for privacy purposes but to protect individuals who have human resource matters, et cetera, so it would be inappropriate. That is why the Speaker ruled that that document should not be made public.

And I think that you ought to indicate to the member from Inkster that he ought not to taint the Chair by suggesting that rulings of the Chair that deal with matters of a personal nature be dealt with on the floor of the House. The information is of a personal nature, dealing with individuals and their own personal matters that never come to the public.

And, in fact, Madam Deputy Speaker, in LAMC, there are matters of a personal nature that are dealt with and are dealt with by LAMC that we are obliged not to make public. It's not a question of hiding anything; it's respecting the rights of individuals who have matters of a personal nature brought before a committee in camera.

Mr. Hugh McFadyen (Leader of the Official Opposition): Just in response to the new information brought forward by the member for Kildonan, and to be clear, that he indicated that it was the Leader of the Opposition that had asked for the release of the document that had gone to LAMC. In fact, that

wasn't the case. It was the member for River Heights (Mr. Gerrard).

Secondly, Madam Deputy Speaker, I think it's important that it's not the question itself that's out of order. The government is perfectly entitled, and we believe it would be appropriate for them, to respond to the question in the way that the members have just argued on the point of order. That doesn't make the question itself out of order. It does make the tabling of the document out of order. They have a perfectly good answer to the question. He should be permitted to ask the question. They should be permitted to respond to the question. It ought not be a matter of order.

Madam Deputy Speaker: I thank all members for their advice to the Chair. And I would like to remind all members that the Speaker ruled last week that the report is not to be discussed in the House. The honourable member for River Heights can ask questions about providing resources to the Children's Advocate office without referring to the document in question.

* (15:10)

MATTER OF PRIVILEGE

Hon. Jon Gerrard (River Heights): Madam Deputy Speaker, let me—I rise on a matter of privilege.

Madam Deputy Speaker: The honourable member for River Heights, on a matter of privilege.

Mr. Gerrard: The reason that I rise on a matter of privilege is, first, it has to be documented that it is at the earliest possible time, and I—this is pretty clear because this is a matter which has just come up. And second, the concern is that there is a limitation on the ability of me, as an MLA, as Leader of the Liberal Party, to do my work adequately as a member of this Chamber.

Madam Deputy Speaker, I am trying to get to the heart of the issue that there is a huge problem in Child and Family Services. I am trying to get to the heart of the problem that there is a huge problem also that this government is covering up the facts and that the evidence and the basic discussion, which the Children's Advocate has been trying to be engaged in, is not being allowed to happen because this government is trying to keep things quiet.

It is not a question of keeping personnel matters quiet. It is not a matter of keeping issues of who is going to be hired or what position is going to be

hired. It is a matter of what the state of Child and Family Services is right now.

And we are seeing a most extraordinary attempt at cover-up when the Children's Advocate brings information to the Chamber, to the Legislature, which indicates there are huge problems in the child welfare system in this province, that information which says that there is huge problems in child welfare system should be allowable to be made public and allow me, as an MLA, to do my job and allow other MLAs to do their job.

This is not about releasing personnel issues. It is not, as has been implied, a matter of trying to, you know, impede the discussion of what's being submitted or asked for in terms of dollars or amounts or anything like that by the—

Madam Deputy Speaker: Order.

I just want to remind all honourable members that when raising a matter of privilege, the comments should be dealing with whether the matter has been raised at the earliest opportunity and whether a prima facie case of privilege has been demonstrated, rather than getting into the debate of the issue.

Mr. Gerrard: Madam Deputy Speaker, that's precisely what I'm trying to do, which is to make sure that there is a very clear understanding that this government is covering matters up which are of vital importance to the people of Manitoba, which are of vital importance to me and other members of this Legislature in order to do our job.

I think this matter is so important, Madam Deputy Speaker, that I'm going to move, seconded by the member for Inkster (Mr. Lamoureux), that the matter be referred to a standing committee of this Legislature.

Madam Deputy Speaker: It has been moved by—*[interjection]* Are there—is the House leaders from either of the opposition or the government going to speak to this?

Hon. Bill Blaikie (Government House Leader): Well, thank you, Madam Deputy Speaker, for the opportunity to speak to the point of privilege that the honourable member raised before moving the motion.

It seems to me, Madam Deputy Speaker, that, in the guise of a point of privilege, the honourable

member was actually challenging the ruler—ruling of the Speaker last week.

But, having said that, Madam Deputy Speaker, the honourable member—you know, a point of privilege has to do with whether or not one's ability to do one's job as an MLA is being impeded, and the fact of the matter is that the honourable member is quite free to debate in this Chamber the state of Child and Family Services. He's quite free to talk about the information that's available in the public domain and he's quite free to seek from the Children's Advocate, who's an independent commentator on Child and Family Services and this—any opinion that she wants to offer.

So it's not as if the Children's Advocate is being muzzled in any way. It's just what we are—what the Speaker was trying to do is, if I understand it, Madam Deputy Speaker, was to preserve the integrity of the process that all parties participate in on the Legislative Assembly Management Committee. The fact is that people who come before a committee to make submissions with respect to their budgets should have the confidence of knowing that whatever remarks they make in that context are to be protected according to the act, not according to the government or the opposition or a convention or anything else, but according to the act. These submissions are confidential, and that was the basis on which, I understood, Mr. Speaker made his ruling last week.

The fact of the matter is that if the member wants to seek comment from the Children's Advocate as to what she had to say to the committee or what she feels is the state of Child and Family Services, he's free to ask and she's free to comment; that's the nature of the relationship between that advocate and the process.

But there's no reason, Madam Deputy Speaker, for the member to weaken a system of confidentiality that's very, very important to the functioning of the LAMC in order to make the political point that he wants to make. He can make that political point in a number of other ways, and the Children's Advocate can comment. She's had opportunity. This has been in the public domain for some time now. If she wants to get up and say that the honourable member, you know, has a point that she'd like to reinforce by making her own comment on the system, she can do that. But there's no reason why we should, collectively, undermine the process of the LAMC in

order to feed a particular political debate or a political agenda of a particular member.

Madam Deputy Speaker: The honourable Official Opposition House Leader, on the same point of privilege.

Mr. Gerald Hawranik (Official Opposition House Leader): On the same matter of privilege, Madam Deputy Speaker. A matter of privilege, of course, is a very serious matter and anyone making a submission, I think, to a matter of privilege should be held—should be heard in silence, and I've been hearing a lot of noise in the Chamber while this matter, a very serious matter, in my view, has been raised here during question period.

Two issues: Is it raised at the earliest opportunity? And, of course, it has, Madam Deputy Speaker, because it was raised immediately after asking the question and after it was ruled with respect to a point of order. But a matter of privilege and a point of order are two totally separate matters. If it isn't a point of order, it still can be a matter of privilege. It doesn't exclude the argument of being whether it is or whether it is not a matter of privilege.

Now the second issue, of course, with respect to a matter of privilege, is that it has to meet the *prima facie* case of breach of privileges as legislators in this House. And, clearly, one of the very important privileges that we have in this House, Madam Deputy Speaker, is to ask a wide range of questions in question period. Clearly, that's the case and, clearly, that's what privileges are all about.

We—under *Beauchesne*, citation 24: Privilege is the sum of rights enjoyed by the House collectively and individually for which they cannot discharge their functions. Now, if we control question period to the point where we control the kinds of questions posed by members in this House, obviously, it does make a very difficult case for members of this House to discharge their functions properly.

Secondly, Marleau and Montpetit in the House of Commons practice and procedure, in chapter 3, they list the individual privileges of this House as freedom of speech, freedom from obstruction, interference, intimidation and molestation. All of those kinds of rights deal with issues in question period and our very right to ask questions in question period on a very wide range of issues to hold the government to account.

* (15:20)

So this, in my view, is a matter of privilege, Madam Deputy Speaker. The issue is whether or not the member from River Heights asked to table a document versus his right to ask questions with respect to subject matter that the government is assuming—is assuming—that is in that document. And, clearly, questions with respect to Child and Family Services are posed on sometimes a daily basis in this Chamber and for—if you ruled on this matter of privilege that it was not a matter of privilege the government could simply stand up on almost every Child and Family Services question in this House and complain that it has to deal with the document that Mr. Speaker ruled against last week.

It's a very serious matter to try to limit the kinds of questions posed by the opposition in this House because it obviously affects our ability as legislators to be able to hold that government to account. So, for those very reasons, I would suggest, Madam Deputy Speaker, that you rule in favour of this matter of privilege.

Madam Deputy Speaker: The honourable member for Inkster, on the same matter of privilege.

Mr. Kevin Lamoureux (Inkster): Madam Deputy Speaker, I have had the privilege to be around for a number of years inside this Manitoba Legislature and many of those years were, in fact, on LAMC. The government tries to give the impression that whatever is discussed within LAMC has to and must be kept within the walls of LAMC.

Madam Deputy Speaker, you'll recall even the issue of party subsidies in terms of parties being subsidized. It's a budget item that, in fact, was talked about within LAMC, yet, the government of the day and other members had no problems in terms of raising that particular issue inside this Legislature.

Madam Deputy Speaker, I suspect, and I would suggest to you that there are a number of issues that have been talked about in LAMC in which has been debated inside here, some of that related to budgets, past budgets. What's happening here is the government is being very selective because they know this report is damaging and they don't want this report—the two pages that has nothing to do with individuals—they don't want that to be known to the public. And that's the reason why they've taken the stand that they have at a great cost.

The member from River Heights has a valid matter of privilege, Madam Deputy Speaker, and I think as Deputy Speaker of this Chamber you have a

responsibility to ensure that members of this Chamber are afforded the opportunity to ask those important questions, as the Official Opposition House Leader talks in representing his opinion on this matter of privilege.

Are we not allowed now to ask any questions regarding foster parents because foster parents was included, Madam Deputy Speaker? If we stand up and we try to raise that issue will we be prevented because that was, or possibly, something that was in that report? I think we're walking a very fine line and the government is using the Speaker's chair in order to avoid dealing with the—a subject matter that is affecting thousands of children in the province of Manitoba.

I say, Madam Deputy Speaker, allow the questions to be asked, allow the member from River Heights to have the privilege of being able to pose those questions and it'll be up to the Premier (Mr. Selinger) whether or not he decides to duck the questions or however he chooses to respond, but let's not use the Speaker's chair in order to prevent the questions from being asked. Allow the questions to be asked is what I would suggest.

Madam Deputy Speaker: Thank you very much for everybody's advice on this matter of privilege.

A matter of privilege is a serious concern. I'm going to take this matter under advisement to consult the authorities and will return to the House with a ruling.

ORAL QUESTIONS (Continued)

Child and Family Services Agencies Document Information Request

Hon. Jon Gerrard (River Heights): I ask the government why they have let things deteriorate to such an extent in Child and Family Services.

Hon. Gord Mackintosh (Minister of Family Services and Consumer Affairs): Madam Deputy Speaker, the member references his visits to the east side of Lake Winnipeg and, I think, when we see the numbers of children in care in Manitoba—now over 8,500—it certainly signifies that for too many families, in fact, there may well be chaos in those families and the extent of family breakdown is a cause of concern for everyone.

And when it comes to the east side of Lake Winnipeg, for example, we have engaged with the grand chiefs and the federal government—a new level

of dialogue so that we can invest in prevention resources in families before matters escalate. So that is one aspect that we've been taking very seriously and we're now heartened by the response by the federal government to those early interventions in families.

Client Fatalities Statistics

Hon. Jon Gerrard (River Heights): As the government knows, we have had a problem in Manitoba in the last 11 years with quite a number of children who died in care, and most recently, Kyle Earl was in care and was shot.

I would ask the minister: Can he tell us how many children have died in the last year and a half and how many of those children who died have been fully investigated and can he table the recommendations for change?

Hon. Gord Mackintosh (Minister of Family Services and Consumer Affairs): Well, I remember this member going around with election campaign buttons with the number of foster children who died and I thought that was so out of scale to the pain and suffering that those families suffered, Madam Deputy Speaker.

When it comes to deaths of children, whether they're in foster care or not, it's a most serious matter. Look for ways to reduce the incidence of—whether it's SIDS or whether it's highway traffic accidents, whether it's suicides or homicides. Those are all tragedies that should not befall the children of Manitoba. But to suggest that the deaths of foster children only began 11 years ago is—that's not acceptable partisanship on a very serious societal challenge that child welfare is getting stronger and stronger to deal with, Madam Deputy Speaker.

Legislative Assembly Management Commission Notification to Premier of Urgent Concerns

Mr. Kevin Lamoureux (Inkster): Yes, Madam Deputy Speaker, but I would hope and believe that the Minister of Family Services would recognize that he has done nothing as minister but compound the problem and has done nothing in terms of being able to facilitate the need of the children in the province.

My question, Madam Deputy Speaker, is to the Premier: When issues of great urgency come before the Legislative Assembly Management Commission and if something is of so great importance, does the Premier have any mechanism in place to ensure that he is notified of something that might be of a serious

consequence to the province or does the Premier care to know if, in fact, something of that nature takes place?

Hon. Greg Selinger (Premier): Madam Deputy Speaker, the member himself is a member of the Legislative Assembly Management Committee. If he thinks something is of such urgent importance that I should know about it, he can approach me and mention it to me any time he wants.

International Trails Day Events

Mr. Matt Wiebe (Concordia): This past Saturday, I joined with many of my colleagues from this House at events all across the province celebrating International Trails Day and the leadership that this government continues to demonstrate in the promotion of healthy living, active transportation and support for recreation and trails.

Can the Minister of Healthy Living, Youth and Seniors update the House on our government's exciting investments to mark International Trails Day?

Hon. Jim Rondeau (Minister of Healthy Living, Youth and Seniors): Madam Deputy Speaker, I'm pleased to be joined by the member from Concordia, the member from Southdale, the member from Kirkfield Park and myself, who actually went to Caddy Lake and hiked and opened a number of trails this weekend, and I'm pleased by our government's long-term commitment to healthy living and active transportation.

We now have about a thousand kilometres of trails here in Manitoba. We have made an investment through Infrastructure and Transportation of \$6.8 million under the federal infrastructure program. Under Local Government, we've got a \$6-million funding agreement for active transportation, and we also keep on funding the Manitoba Recreational Trails Association for their good work in promoting and using and developing these trails. This is active transportation—

Madam Deputy Speaker: Order.

Provincial Road 481 Upgrade Requirements

Mr. Stuart Briese (Ste. Rose): Madam Deputy Speaker, on many occasions, I've raised questions about the condition of PR 481, the Crane River road

that serves both Crane River Community and Crane River First Nation.

I ask again: When is the Minister for Infrastructure and Transportation going to do something, anything, to improve the condition of PR 481?

Hon. Steve Ashton (Minister of Infrastructure and Transportation): We take our responsibilities in terms of our highway system very seriously. That's why, again, Madam Deputy Speaker, we, for the second year in a row, have a record expenditure in terms of capital expenditures on highways, \$366 million. We have a 10-year plan, and I do know, in terms of 481, we have committed \$3 million to that highway over the last number of years. We will continue to work in terms of that, and I think the real question to the member opposite is why he keeps voting against our budget, because year after year, those members opposite have voted against increasing funding for highways.

* (15:30)

Mr. Briese: Madam Deputy Speaker, I vote against the budget because all the implementation of that budget has failed, and it's failed on this road. As recently as Saturday and again yesterday, I had calls from school bus drivers up in that area that are afraid to take the school buses down PR 481. They can't even get the kids to the school.

I've raised this issue many times in this House. When are you going to do something substantive to fix PR 481?

Mr. Ashton: Madam Deputy Speaker, let me put this in perspective. When the members opposite were in government in 1999, their last capital budget was \$92 million. This year it's \$366 million. We've increased it. Now, you might have thought that if the member was really concerned about highways, he might have just once voted for the NDP government's budget in terms of highways capital. He hasn't.

So he can get up and he can lobby all he wants in terms of that highway. We listen to all Manitobans. But you know what? The members opposite have zero credibility, because they keep voting against more money for highways.

Mr. Briese: You know, if we did such a terrible job when we were in power on that road, why did you support our budget? The money went out of our budget into that road at that time. I continue to get

calls from that area. It goes on and on and on, and there's never any improvement.

The Crane River First Nation has a grader they're willing to put on that road, but the highways department won't hire them to do the work. Once again I ask: When are you going to do meaningful work to that road, make it passable for the residents of the area and for the school buses?

Mr. Ashton: Well, Madam Deputy Speaker, you know, since we came in to government, we've invested \$245 million on Highway 1. They voted again that. Highway 6, which the member for Lakeside (Mr. Eichler) knows, we've invested \$114 million; Highway 10, \$137 million; Highway 60, \$59 million.

Now, I could run through road after road after road in members opposites' constituencies. They keep voting against it. They're the party of no; we're the part of yes to Manitoba highways.

Madam Deputy Speaker: Time for oral questions has expired.

MEMBERS' STATEMENTS

Queen's Own Cameron Highlanders of Canada

Hon. Bill Blaikie (Minister of Conservation): Madam Deputy Speaker, on the day after the 66th anniversary of D-Day, I rise to congratulate one of Canada's oldest and most well-known regiments, the Queen's Own Cameron Highlanders of Canada on 100 years of service.

The Queen's Own Cameron Highlanders of Canada were organized in Winnipeg in 1910 through the efforts of the local Scottish community. Baptized in the mud, blood and fire of France in Flanders, the battle honours of the Camerons include Ypres, the Somme, Vimy, Passchendaele, to name only a few.

In the Second World War, the regiment participated in the Dieppe raid on August the 19th, 1942. Many Camerons were among the 900 Canadians killed on that day and the 1,874 who were taken prisoner. As someone who was a member of the regiment at one time, it was my privilege to know men who had been there that fateful day, including Pipe Major Alex Graham who played his pipes on the top of a landing craft as they approached the beach and was later taken prisoner. The Camerons returned to Dieppe in 1944, after D-Day, on their journey with the Canadian army to victory in Europe, collecting many more battle honours along

the way. In 1950, the Camerons were integral to the fight against the rising waters of the Red.

Today, as an infantry regiment within the army reserve, the Camerons form part of the combat arms capability of the 38th Canadian Brigade Group. The Camerons fulfil both military and ceremonial functions at home and abroad. As an infantry regiment, the unit's main focus is providing trained infantry soldiers to meet the operation requirements of the Canadian Forces, augmenting regular force units on overseas operations such as Bosnia or Afghanistan.

Madam Deputy Speaker, the Camerons of today are proud of their battle honours and their highland traditions. Long may they continue to remind us of the past, the present and the future importance of highland regiments in the Canadian military. I hope colleagues would join me in expressing our appreciation to the regiment and to their Honorary Colonel Bob Vandewater, who's with us in the gallery today, along with the Commanding Officer Lieutenant Colonel Brett Takeuchi and Pipe Major Ian Ferguson.

Pembina Valley Humane Society Shelter

Mr. Peter Dyck (Pembina): It's a pleasure to rise in the House today to announce the grand opening of the Pembina Valley Humane Society's new shelter. I was pleased to attend the grand opening of the shelter, as it will play an important role in the housing of stray and unwanted dogs and cats in our communities. The Humane Society had been without a shelter since they vacated their previous site in February of 2009.

Since the closure of the site, the Humane Society was forced to rely on volunteers to take animals into their homes. Dedicated volunteers were what kept the society alive during the time when there was nowhere for animals to go, and now that the shelter is complete, the Humane Society will continue to rely on the—[interjection] Pardon me—on its volunteers to ensure that the animals stay safe and fed.

Not only does the shelter provide refuge for animals in the town of Morden, but it also—[interjection] Madam Deputy Speaker, would I be able to submit this and—

Some Honourable Members: Oh, oh.

Madam Deputy Speaker: Does the honourable member for Pembina have leave to submit his member's statement and—

Some Honourable Members: Leave.

Madam Deputy Speaker: Leave has been granted.

So, prior to recognizing the next honourable member, the member's statement for Pembina will appear in *Hansard*. Agreed? [*Agreed*]

The member's statement for Pembina will appear in *Hansard*.

Not only does the shelter provide refuge for animals in the town of Morden, but it also serves a much wider region of approximately 29 communities in southern Manitoba. The Humane Society is committed to providing animals that have been surrendered, abandoned or rescued with food, shelter and care. It is also responsible for finding caring and dependable homes willing to adopt the animals and educating the new owners and the public on cruelty prevention, animal welfare, responsible pet ownership and awareness.

Madam Deputy Speaker, it took a full community involvement to pay for the shelter which was built at a cost of approximately \$300,000. The City of Winkler, Town of Morden and R.M. of Stanley have invested a combined total of \$50,000 towards the shelter, and other local area municipalities have also contributed funds towards the cause. The Humane Society has worked extremely hard to gather private funds toward the facility and in the end have been successful in this endeavour.

I would like to thank all of the volunteers who have contributed their time towards the Pembina Valley Humane Society and all those who opened up their homes to animals while the shelter was under development. The Humane Society is a valued part of the Pembina Valley region, and I wish them well in the future operations of their new facility.

Manitoba Military Tattoo

Ms. Bonnie Korzeniowski (St. James): Madam Deputy Speaker, my colleagues in the House will want to join me in welcoming the news that Variety the Children's Charity and the Manitoba Military Tattoo will be collaborating to stage an All-Star Variety Show this November 8th in the Manitoba Centennial Concert Hall.

The two organizations are close to my heart. Variety Manitoba's headquarters are in my

constituency of St. James. The organization is best known for its celebrated Camp Brereton in the Whiteshell, which enables children of all abilities to enjoy the great outdoors and the camaraderie of a summer camp. With the support of many individual donors and corporate sponsors, it also funds a range of good work such as happy music—music therapy programs for kids—a pediatric play centre at CancerCare and a therapeutic clown program at St. Boniface.

The Manitoba Military Tattoo has been impressing Manitoba crowds again and again each year since 1996 with its precision marching displays, singers, pipers, buglers and bands. For the participating cadets and Armed Forces personnel, these traditional performances are a way of raising the public's appreciation for those who have chosen to protect our country against harm and to serve humanitarian causes around the world. It also remembers and honours their sacrifices in doing so.

I would like to acknowledge the work of the many volunteers who are giving impetus to this Variety show and mention, in particular, the work of Variety's Wayne Rogers and the Tattoo's Howard Mar.

The organizers hope to engage Loreena McKennitt, the singer, composer and instrumentalist from Modern, to headline the Variety show along with George Canyon, the country singer, who also serves as an honorary colonel at 14 Wing Greenwood. Other artists who have been invited include Fred Penner, Winnipeg's renowned children's entertainer, and Al Simmons, the Manitoba-based singer, guitar, magician and comedian. The concert will include a remembrance segment performed by the military and cadet organizations.

The theme for this year's production is, fittingly, "Hand in Hand". I would encourage Manitobans to join in this splendid fundraiser. Thank you, Madam Deputy Speaker.

Patrick Guilbert

Mr. Stuart Briese (St. Rose): Madam Deputy Speaker, I'm pleased to share the accomplishments of one of my constituents, Patrick Guilbert, who has been named Young Retailer of the Year by the North American Retail Hardware Association.

The nominees for the Young Retailer of the Year Award are for 35 years or younger, and it is judged

based on career advancement, professional accomplishment, goals for the future, education and community involvement.

Patrick was chosen from among retailers across Canada and the United States for his transformation of the Neepawa Home Hardware and his commitment to the community around him.

Patrick bought the Neepawa Home Hardware in 2008 after the previous owner retired. This was his first adventure as an entrepreneur, but with his degree in Business Administration and Human Resources as well as advanced management training, it has been a great success.

* (15:40)

After purchasing the store, Mr. Guilbert spent time observing and talking to employees to learn how the store was run. He consulted a number of employees when designing the blueprint for renovations and continues to take advice from staff on monthly staff meetings. Patrick's hard work and management skills have paid off, and his first year of ownership saw sales increase by 20 percent.

Patrick has also been recognized for his commitment to the community in Neepawa. Home Hardware donated items and money to help refurbish rooms in the hospital. They also sponsored the Neepawa Natives junior hockey team. Furthermore, Mr. Guilbert supports local business. When the company began selling kitchen cabinets, he chose a local contractor to do the installations.

While carpentry started out as a hobby for Patrick, it's turned his interest into a successful and innovative business. Neepawa Home Hardware has a reputation for providing excellent customer service. The store is continually evolving to meet the needs of the community. Patrick Guilbert has used his skills and created a successful and dynamic store, and I want to congratulate him on being named the North American Retail Hardware Association's Young Retailer of the Year. Thank you.

Cuthbert Grant Day

Ms. Sharon Blady (Kirkfield Park): Madam Deputy Speaker, each year the Manitoba Métis community comes together in celebration of the significant contributions Cuthbert Grant made to Métis history. This year marks the 35th annual Cuthbert Grant Day held at Grant's Old Mill on

Sturgeon Creek and hosted by the St. James pioneer association.

Born in 1793, as a young man, Grant was recognized as a leader of the Métis people within the North West Company, organizing them during a bitter struggle against the Hudson's Bay Company for control over the fur trade in the west.

The capture and destruction of the North West Company's Fort Gibraltar in 1816 caused further conflict between the Hudson's Bay Company and the Nor'Westers and local Métis, leading to the Battle of Seven Oaks, a bloody confrontation that marked a defining moment for the Métis community at Red River and throughout the northwest.

Grant's leadership within his community was such that when the two companies merged in 1821, he was recruited to head a Métis settlement designated as Grantown, later renamed St. Francois Xavier.

Grant is also known as the first person to construct a water mill for wheat production in Manitoba, completed on Sturgeon Creek in 1829. He also filled the role of sheriff and magistrate in the District of Assiniboia later in life and served as the warden of the plains for local government. With his increasing role in central government, Grant also retained leadership in his own community as he was consistently re-elected as captain of the hunt by the Métis for many years, leading a large groups of Métis families and hunters on the bison hunts of the Great Plains.

His many accomplishments led to his considerable influence at the time when the Métis nation was forming and many regard him as the first leader of Métis nation.

This year, Cuthbert Grant Day will be a day-long event that will bring Métis history to life and celebrate the future of Manitoba's Métis people. An elder will be present to speak about Métis life, then and now, and teepees, trappers' tents and a bannock-making station will set the mood for visitors. Entertainment will be provided by Métisfest, a talented group of fiddlers and jiggers, a 12-piece pipe band and musician J.J. Lavalee, and guests from Manitoba, Saskatchewan and national Métis federations and the Living History Society of Manitoba will also be present.

Madam Deputy Speaker, I would like to thank the pioneer association for the work they do

year-round to preserve and promote the life and legacy of Cuthbert Grant and for their dedication to another successful Cuthbert Grant Day at the mill.

I look forward to the festivities and invite all members to join us there on July 10th. Thank you, Madam Deputy Speaker.

Madam Deputy Speaker: Orders of the day. The honourable government—oh, I'm sorry. Excuse me. Grievances. Orders of the day.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Hon. Bill Blaikie (Government House Leader): Obviously, one's plans for orders of the day have changes with the circumstances, but—so, at this point, Madam Deputy Speaker, I would simply call Bill 17.

Madam Deputy Speaker: The honourable Government House Leader has called Bill 17. The honourable minister for—on Bill 17, The Biofuels Amendment Act, and second reading of Bill 17, The Biofuels Amendment Act.

SECOND READINGS

Bill 17—The Biofuels Amendment Act

Hon. Dave Chomiak (Minister of Innovation, Energy and Mines): Madam Deputy Speaker, I move, seconded by the Minister of Justice (Mr. Swan), that Bill 17, The Biofuels Amendment Act; Loi modifiant la Loi sur les biocarburants, be now read a second time and be referred to a committee of this House.

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

Motion presented.

Madam Deputy Speaker: His Honour the Lieutenant-Governor has been advised of the bill, and the message has been tabled.

Mr. Chomiak: Madam Deputy Speaker, I have the honour of speaking to Bill 17 today, which will amend The Biofuels Act.

As members of this House knows—know, Madam Deputy Speaker, Manitoba is a leader in biofuel use in Canada. Since January 1st, 2008, fuel suppliers have been required to blend ethanol into gasoline sold in the province. At 8.5 percent, Manitoba's ethanol mandate stands as the highest mandate requirement in Canada and has put millions of litres of ethanol into Manitoba's gasoline market.

The ethanol mandate has reduced greenhouse gas emissions and increased economic development. Manitoba-made ethanol fuels the mandate and provides an important market for Manitoba feedstock.

You know, Madam Deputy Speaker, when one talks about the Minnedosa operation that expanded, that's \$200,000—\$200 million of private capital in the province, 350,000 tonnes of food stuck—food stock—plus 125,000 tonnes of distillers grain, all economic add-ons, all economic developments in rural Manitoba.

On November 1st, Manitoba became the first Canadian jurisdiction to implement the biodiesel sales mandate. The mandate requires fuel suppliers to have at least 2 percent biodiesel content in the overall volume of diesel fuel sold in the province. As the biodiesel mandate becomes fully operational this spring, it, too, will decrease greenhouse emissions and provide jobs for Manitobans and alternatives in extra added value for all of those people, Madam Deputy Speaker, who live and work in Manitoba. In moving forward with the biofuel mandates, the government sought to have in place the appropriate legislative framework, an incentive structure to make Manitoba produce biofuels as competitive with biofuels produced in other jurisdictions.

Prior to implementing the ethanol mandate, The Biofuels Act was amended in 2007 to establish a grant incentive program for Manitoba-made ethanol. The then-existing tax preference for Manitoba ethanol was changed to a production grant. This change aligned Manitoba's incentive with other jurisdictions and helped to make Manitoba's ethanol competitive with ethanol produced elsewhere.

The ethanol initiative, as I already indicated, was instrumental in Husky's decision to invest \$200 million to build an ethanol plant in Minnedosa, just another example of the many benefits that accrued in rural Manitoba from this government, Madam Deputy Speaker. Wind, ethanol, biofuels, all the value-added that's going on outside of this—of the Perimeter, it's truly amazing how much resources have been pumped into rural Manitoba to help diversify and to help deal with greenhouse gases.

The amendments in the current bill implement the 2007 legislative changes and build upon the experience gained with the use of biofuels in the province. The bill focussed on two main issues: establishing a legislative framework for a new grant program to support biodiesel production in Manitoba

and measures to facilitate compliance with the biofuels mandate.

Madam Deputy Speaker, in 2006 the Manitoba government established a five-year, 11.5 cents per litre fuel tax exemption under The Motive Fuel Tax Act for biodiesel made and sold in Manitoba. Until recently, there had been no uptake of this incentive because there was no Manitoba-made biodiesel to qualify for the tax exemption. Since the incentive was established, a number of key jurisdictions have moved away from providing tax incentives for biofuels production to grant-based support programs. The bill moves in the same direction by replacing the fuel tax exemption for Manitoba biodiesel with a production grant payable directly to the Manitoba biodiesel producers. Notice of this proposal change was included in the budget papers and would be implemented on April 1st, 2010. The new incentive will be paid from a biodiesel fund to be set up within the consolidated fund and funded from a-motive fuel tax revenues.

The biodiesel production grant program will offer a grant of 14 cents per litre to Manitoba biodiesel producers over a five-year period beginning April 2010. The grant will be capped at 20,000 litres per year, which represents roughly the amount of biodiesel required to meet Manitoba's biodiesel sales mandate. Should the biodiesel mandate increase over the life of the grant program, the legislation would allow the grant cap to be increased. The new biodiesel incentive will enable Manitoba biodiesel producers such as Speedway International, Bifrost Bio-Blends and Eastman Biofuels to be competitive with biodiesel producers in other jurisdictions.

* (15:50)

Madam Deputy Speaker, denatured ethanol sales mandate has been in operation for just over two years, and our biodiesel mandate has been in place since late 2009. Experience gained with the operation of the ethanol mandate and ongoing consultation with fuel suppliers and biodiesel producers and, in respect of both mandates, have identified a need for additional legislative authority. The new authority would facilitate compliance with the biofuels mandate and take into account unique fuel distribution patterns in northern Manitoba. It would also provide flexibility to deal with emergencies such as shortage of biofuels or petroleum-based fuels. The proposed amendments would allow regulations to be made to exempt from

the calculations for compliance with the biodiesel and ethanol mandates fuels sold in certain parts of the province and to exempt fuel suppliers from paying the penalty in relation to ethanol and biodiesel mandates.

Madam Deputy Speaker, the exemption read into fuel sales in certain parts of the province is aimed at sales in northern Manitoba where the distribution and storage of fuel in remote communities pose challenges. These regulations could be made retroactive at the start of mandates. The ability to exempt fuel suppliers from paying a penalty for non-compliance for the mandate is aimed at dealing with emergency fuel shortages. Importantly, the amendments would permit restrictions or conditions to be attached to any exemptions. This would allow the exemption to be implemented for a limited period of time or subject to certain conditions.

Throughout the process of implementing the biofuel mandates, the Province has consulted with biofuels producers and fuel suppliers to facilitate seamless transition to biofuels use and to identify and respond to issues of concern. The goals have been to provide a solid framework for the sustainable use of biodiesel and ethanol in Manitoba to reduce greenhouse gas emissions and to promote green economic development.

The amendments for The Biofuels Act before this House today will continue on Manitoba's path towards achieving these goals. Thank you, Madam Deputy Speaker.

Mr. Rick Borotsik (Brandon West): I am very pleased to be able to stand and put some comments on the record with respect to Bill 17, The Biofuels Amendment Act.

As was mentioned by the minister responsible for this particular act, it is, in fact, an extension of the requirements that the government had put into place recently—or previously—with respect to the mandate for biodiesels. Now, we're not necessarily going to debate the benefits, whether positive or negative, with biodiesel. The government has made that decision that they are going to continue with biodiesel. But, if you look at their previous commitments that they made with respect to alternative fuels, the ethanol initially started out at a 10 percent blend that they were going to put into place and have all of the gasoline that was used in our automobiles go to a 10 percent blend, and that's—it's been reduced because they could not comply with their own requirements for a 10 percent ethanol.

As a matter of fact, at some point in time, I recall this government looking at an 85 percent blend of ethanol and gasoline, and that was—they were going to be the gurus of the green, and we in Manitoba ultimately were going to go to 85 percent ethanol and a 15 percent gasoline blend, and they were—as they have always, Madam Deputy Speaker, made so many promises, so many commitments to their green movement and they failed miserably on pretty much everything that they've put forward. So one has to take this piece of legislation perhaps with a bit of a grain of salt because, quite frankly, if they had any credibility at all with their biodiesel and with their ethanol then perhaps we could believe what it is that they wanted to put forward in this piece of legislation.

But there are some very serious concerns. Well, there's good and bad in everything and, certainly, in this particular piece of legislation, they are changing their concept from a subsidy to a grant, and that in itself is not bad; it's somewhat laudable. But then, again, we go back to the 2 percent requirement that's in the legislation for biodiesels, and all of the diesel that's used in Manitoba over this next year, 2 percent has to be a blend of a biodiesel, and diesel, first of all, whether they can comply with that is—as I said, their credibility's been shot in so many different areas, it's highly unlikely that they're going to be able to maintain that 2 percent blend. But what it used to be was that there would be a subsidy with the 2 percent and that was going to, in fact, allow some refiners here in Manitoba to be able to capitalize and put into place a process by which they can deliver biodiesel, but that never materialized.

We do have, in fact, one biodiesel refinery right now, Speedway, and up until this point we're not able to provide the 20 million litres that was necessary to fulfil the government's wishes and desires, and most of the biodiesel we had coming in from out of province. So a subsidy for out of province, I guess, that sort of speaks to this government's fiscal policy where they will, in fact, bring in—or give to out-of-province companies subsidies or grants, not unlike what they did with Pattern Energy, that we just talked about recently.

I mean, like, to give Pattern Energy \$260 million—an American company—for their green program, for their wind farms—they decided to then invest \$260 million of our money in a—an American company that really was sort of the offshoot of a bankrupt company, Babcock & Brown. So here we are going to take \$260 million of Manitoba's money,

give to an American company who—as it seems today—hasn't even proven due diligence as to whether they can generate enough revenue off of the 138 kilowatts—megawatts so that they can pay back the loan, and not only pay back the loan but operate.

And that part of the operations, Madam Deputy Speaker, was, in fact, the paying of the farmers that they talk about where we're going to pay the farmers to site the towers. But it may or may not be paid. We haven't done due diligence. We don't know what revenues they have to generate from the 138 megawatts in order to not only pay back the \$260 million of our money that's gone into an American company, but also to, in fact, pay the farmers and operate.

The wind farm doesn't just happen. Once it's up you do need people to operate. You do have to, in fact, produce the power and then distribute that power back into the Manitoba Hydro grid. They haven't proven that. There is no due diligence. Therefore, they don't know if they can do that. But now they're asking us—and they're asking producers of biodiesel to trust them, that there will be, in fact, a grant of 20 million litres required. There's going to be a grant. They're going to pay for the grant on a quarterly basis to processors, and you have to basically trust them that you, in fact, are going to get that grant, and it's going to be on a long-term basis.

I have some concerns—two concerns, three concerns. One is whether there can actually be a 2 percent capacity of biodiesel, whether in fact there—whether there is, in fact, the capacity that can be achieved of 2 percent biodiesel and 20 million litres, whether we can process that here in Manitoba or we're going to have to continue to import that from other jurisdictions as we have done in the wind power itself. So now we're going to have to import the biodiesel and use it into our own system.

But there's another concern, and that's the exemption. That's an exemption that the minister is going to be able to be allowed to make. And there's a need for exemptions because, as I understand, biodiesel—if you're going to do a 2 percent blend from north to south, there are some concerns about the ability to burn biodiesel in certain temperatures in the north.

They're so—therefore, what they're saying is some companies—some major oil companies who have to use this blend of 2 percent in their own diesel can now have exemptions for areas in the north during winter periods. So that's going to be an

exemption that's now going to be allowed by the minister—who I don't have a lot of faith in in the first place, Madam Deputy Speaker, to make those calls through his department.

* (16:00)

So now they're going to be—have an exemption for northern use through some of the major providers of diesel, and we're going to depend on those major providers of diesel—usually the major oil companies—to say that they're going to have that blend in the south.

So you may have zero in the north and a 4 percent blend for a lot of their volumes in the south. They're going to have to come up with what those blends are and what those volumes are, and there's some concern as to whether, in fact, those major oil companies are going to be able to comply to the 2 percent blend with some of those exemptions.

The biggest concern is not so much in the legislation. It does speak to a grant process. They want to develop 20,000-litre—million-litre capacity—

An Honourable Member: Twenty million.

Mr. Borotsik: —20 million, I did correct it—thank you very much—a 20-million-litre capacity. They do want to have that production here in Manitoba, although they've now spent money on an American company for wind production. We don't really know whether they're going to give some of these grants to American companies or not, but the really big, big concern about this is not so much what's written in the legislation. It's there in black and white, and we can look at it. It's the fact that there are regulations that go with this legislation, and those regulations are yet to be developed.

And when we asked at the bill briefing, well, can you show us the regulations with respect to the grant process? The answer was, well, we haven't got the regulations quite defined yet and developed just yet, so just trust us; trust us that the regulations are going to be acceptable.

But, unfortunately, the regulations are administered by the minister, and the minister was not quite forthcoming as to what those regulations were going to say.

And we have some concerns with the processors themselves, who want to make application for the grant. And it's sort of a backward process because now you've got a processor who's going to make a

commitment for some millions of dollars in order to produce biodiesel. It's not a cheap process. It's not something that you can just simply, in your back yard, open up a biodiesel refinery. It's very capital intensive, so you're going to have to make some commitments for the capital going forward, and then you do your business plan, which is really an interesting concept in itself. You would think that the government would have asked for a business plan from Pattern Energy. We got today that that's not the case. Manitoba Hydro and the government doesn't even know what the business plan is for Pattern Energy, but now they want to have a business plan for a refinery that's going to really do only 20 million litres of biodiesel, but it's very important that that business plan put—be put together so that the government can then say yea or nay on a granting process.

And that's why we have some concerns, because those regulations should be attached and part of this legislation so that not only prospective processors of biodiesel can have a look at what it is that is required of them, but also that the opposition can have a look at it and see whether, in fact, the government is putting the proper rules and regulations in place to make that grant application. Now, I know that that's not acceptable to the government because they seem to know just about everything about everything, although everything they touch really isn't terribly successful. However, we would like to be able to see the regulations. We would like to see the regulations to make sure that Manitoba's—Manitobans are being treated properly, Madam Deputy Speaker.

As I said, the NDP have a history of making promises on the environment constantly, that they never deliver on, and I think the best one, obviously, is the—well, they've made the promise with ethanol. We've talked about that. They're now making the promise with biodiesel. Because these are buzzwords—these are nice things that they can latch onto and say, ah, aren't we wonderful; we're the green party of the province and we're going to save the environment. In fact, we're going to take out 400—or we're going to take out more boreal forest on the west side so we can save less boreal forest on an east sides, but we are—we're the green gurus. We're going to go 450 kilometres longer and we're going to waste more energy by going on a wayside, but we're the green gurus and aren't we wonderful. We're going to spend only \$1.75 billion more on a west side line, but we are really wonderful because we're doing it for the environment.

Quite frankly, their justifications and their explanations fall flat on everything that they talk about with respect to the west side, east side. But they've made promises to somebody. Maybe it's a biodiesel refinery someplace. Maybe they've got that tied into the east-side, west-side line. We don't know really because, quite frankly, they are—

An Honourable Member: They don't buy Canadian; they buy American.

Mr. Borotsik: Well, probably buy American, my good friend from Emerson has indicated. Certainly, it would have to be, probably, Pattern Energy. Who knows? Maybe they've made some sort of an agreement that they have to go down the west side as opposed to an east side.

But, getting back to the promises that they make and the promises that they break, they've broken promises—certainly, the Kyoto promise that they made that they were going to reduce the amount of greenhouse gas by 2012. They were going to reduce it by, I believe, from emissions—17 megatonnes from approximately 20 megatonnes. To get there, the first goal is to reduce greenhouse gases below the 2000 levels by 2010. And the reason I mention this is because they make the promises and, as well, they made the promises in this piece of legislation and with respect to biodiesel and the grants, perhaps, to biodiesel refiners. But they made the same—or they made an additional promise with respect to the reduction of greenhouse gases to 2000 levels by 2010.

Now, I don't know, but I think this is 2010. And, if memory serves me correctly, the last statistics that they received is that the greenhouse gas emissions in Manitoba has actually increased from those levels. But a promise made by the NDP government is not necessarily a promise kept.

I'm sure that there were some photo ops that went along with the Kyoto promises, and surely those photo ops could be continued through; but, when you have the photo op, you should actually deliver some of those promises and, unfortunately, those promises certainly aren't deliverable at this point in time.

So, Madam Deputy Speaker, the legislation is laudable as biodiesel goes, but there's still some individuals and some corporations that would question whether biodiesel and the expense that goes along with it is really a good investment. But the legislation is, in fact, laudable at a 2 percent

biodiesel mix with diesel. It would be nice to get it here in Manitoba. We haven't been able to do that. It would be nice that everyone has the opportunity to apply for the grant. And I know that the legislation is saying—and the minister was saying that rather than just simply the subsidy and every-one corporation getting all of the subsidy for 20 million litres, it would be nice to be able to develop the industry here in Manitoba with smaller refiners and be able to have grants to those individuals.

But the minister's going to have the final say as to who receives those grants. The minister's going to have the final say as to how much of the grant's going to go to any one particular application, and there has to be some sort of an appeal process, in our opinion, Madam Deputy Speaker, that if, in fact, the government, on a whim—and they've done that before. They've made decisions on a whim. They've made a decision to build a \$115-million stadium on a whim. They decided to not go to tender on that stadium and give it to one corporation on a whim.

And they've decided to give Pattern Energy \$260 million, even though there were others that wanted to do that particular development, but they gave it to Pattern on a whim. And they, and—it wasn't even part—that's the frustrating part—wasn't even a part of the original proposal when they went out for RFPs. The requests for proposals, when they went out for that, nowhere did it say for the Pattern Energy that they were going to have \$260 million of taxpayers' money there as capital.

And they said they were going to do 300 megawatts of power and that, then, was reduced to 138 megawatts of power. So they make promises. They make promises that they can't keep. And, Madam Deputy Speaker, I am concerned that there's province—promises made in here through regulations that they can't keep.

So we would like to see—we would certainly like to see an appeal process so that the minister can't just simply, on a whim, decide who's going to get the \$20-million—or 20-million-litre grant—the value of the \$20-million-litre grant. And we're really concerned that the minister really does—can give, perhaps, those grants to organizations and corporations that perhaps don't even have the necessary credentials and requirements, similar to what they did with the St. Joseph wind farm.

So, Madam Deputy Speaker, I'm so pleased to have been able to talk at some length to Bill 17. We're going to have the opportunity again,

obviously, to bring it forward. And I would simply like to say that the minister should take to heart some of the concerns that are going to be shown on debate—on second reading debate of this particular legislation. Thank you.

* (16:10)

Hon. Jon Gerrard (River Heights): Madam Deputy Speaker, I want to talk briefly on this bill, which deals with biofuels, biodiesel and has as its main goal to switch from an approach to biodiesel that will shift from what has been a tax exemption to a process, which is a grant process, for supporting the production of biofuels in Manitoba, and particularly of biodiesel.

Mr. Rob Altemeyer, Acting Speaker, in the Chair

The—one can argue in terms of which is best, a tax exemption or a grant process, but, certainly, if you're going to move to a grant process—and there has been a lot of experience with grant processes—then you have to be very careful about how you set up the grant process to make sure that it is fair and equitable and achieves the objectives that you want to achieve.

We are not provided with any statement or indication of precisely how the government is going to set up the grant rules and to distribute the grants, and there is always a concern that the minister who is responsible might decide to do this purely on a political whim rather than on the basis of substantive reasons and fair and equitable reasons and treatment of business, which is really fundamental. We don't want to see a—this biodiesel fund be a slush fund to be used by the government at its whim to support its own political supporters and not to support people fairly who are producing biodiesel. And, certainly, that is one of the things that we would have really liked to see was much more detail in terms of how the grant process will be set up, how it will be ensured that it is fair and effective, how it will be reviewed to make sure that the objectives are being met.

We know that Manitoba has been slower than many other jurisdictions in terms of producing and using biodiesel. I note that in Europe, already there are widely available biodiesel, which has 5 percent, or diesel, which has 5 percent content of biodiesel, and that here in Manitoba, we haven't reached the same level, and, indeed, the government's interim goal seems to be lower than that.

So we would have preferred—or much preferred to have a clear statement of how the grant process would be set up, what the objectives are—it should have been in the act—what the time lines were, what's the goal for this year, next year, and the years after? To be substantive, they should have been included here as part of the overall bill, but the bill doesn't deal with that, doesn't provide the kind of assurance that one would have expected in this sort of a case.

Now, that being said, we certainly support the concept of producing more biodiesel in Manitoba and of using more biodiesel in Manitoba. We think that there are aspects of the production of biodiesel which may be very well suited for local production in Manitoba, in various communities in Manitoba from various plant materials. And, indeed, I think it is interesting that there has been people talking about this, doing some work on production of biodiesel in various parts of the province. But we're not at the level where one would really expect it if this government had really been on top of this file and worked very well to accelerate the action on this file.

One of the potential sources of biodiesel is algae, and, indeed, interestingly enough, you know, the typical yield from algae, at about 3,000 litres per hectare, is a pretty good yield compared to other—most other crops. Of the list I have here, only palm oil has a higher litre-per-hectare yield. And I know that when I was down at—have been down a number of times at Killarney Lake, there's been some discussion there, for example, about, you know, making biodiesel from the algae is one way of trying to use up or get rid of the algae and produce water and a lake which is clearer and much easier for people to swim in.

I think that there's still some work to do in terms of making this commercially viable, but, certainly, from what I understand from Rick Korman and others, that they've already done some work to show that it's feasible to produce the biodiesel. The question is only in the cost. Should, for instance, on a lake like Killarney Lake, it be subsidized at and supported at a higher level because of the need to make sure that the lake is clean? And those are issues which, certainly, we don't have, you know, addressed in here in terms of how the various feed stock would be treated and in terms of what might be done in terms of approaching the various sources or potential sources of biodiesel.

Certainly, the crops that can and could be used to produce biodiesel are a number—and we would

hope that there is a increased production in Manitoba done in appropriate way. I think one has to be a little bit cautious in trying to suggest that whether it's biodiesel or ethanol, which is another biofuel, that this is going to solve the problem of greenhouse gases or have a dramatic difference in terms of the energy balance. But, certainly, over the long run, it makes sense to diversify the sources of fuels away from fossil fuels which, in the long run, are going to be limited, and we need to make sure that we, in fact, have alternatives. And so the development and increased use of whether it's biofuels or ethanol certainly makes some sense.

And from our agricultural base, it makes a lot of sense to be looking at options here, to be testing and working with and developing options here. We note that in spite of lots and lots of talk that the government has been generally slower and behinder than it might have been—but, nevertheless, it is important that there be some progress made in this area.

So we would hope that the grant process—there would have been a lot more details, and perhaps the government would see fit to bring in some amendments, looking at more details in terms of how decisions will be made around the grants so that they are fair and they achieve the objectives, and that we've got the objectives laid out. I think the hope, in terms of being able to make changes which are going to benefit not only the environment but benefit the economy, is significant. But we have a long way to go to achieve that sort of goal.

* (16:20)

One of the concerns, Mr. Acting Speaker, over the last number of years has been the fact that, perhaps partly because of the conversion of a lot of agricultural produce to ethanol in the United States and elsewhere, that it has resulted in the cost of food and corn and other grains going up, and this has created a big problem for people in developing countries to have the cost of food going up at a time when people in developing countries—and a number of developing countries are short of food, and that there is a lot of poverty around the world.

And, as the speaker himself, I think, has been concerned about what's happening globally, that this is something which we want to be sure of, and that is that we don't so switch over that we drive the price of corn so high that it shifts the balance, as it were.

Certainly, it would be good for our agricultural producers, but we want to make sure that the balance is there and that the—what happens in terms of grains and ethanols, in fact, is going to make a lot of common sense as well as produce the results that we want to produce in terms of, you know, improving the environment as well as being able to change from a fossil fuel-based economy more to an economy which uses biofuels, which are renewal.

There is, I believe, in Manitoba a lot of land which could be used for corn production, land which is sandier, land which in Ontario and in Iowa and elsewhere has had—is the type of land which has had a lot of tile drainage so that it can benefit from improved water management and, as a result, at the same time, increase the production of corn on the land.

I know, for example, that the increased yields on tall grain land in Manitoba have been significant. And when we're talking about increasing the amount of production of agricultural products like corn or other agricultural products and we've got approaches which will decrease risk and increase yield, that we should be looking at those approaches seriously.

That being said, when we are looking at this, you know, particular bill and the way the government has been approaching it, that we want to have some improved assurances that we're going to get results. The history and the track record in the past have not been of the sort that we would have a lot of confidence in this government, that's for sure. And we would have expected that the minister, on introducing this at second reading, would have provided a lot more details in terms of his own plan and expectations in how biodiesel production would roll out in Manitoba as a result of this particular measure and change.

We have description in this act of how the credits will be built up in the biodiesel fund and that the—provided that there is, in fact, increased biodiesel use in Manitoba, those credits will increase and that fund will then be available to make grants.

It's not clear how quickly the grants are going to come through, which, of course, is an issue. It's been an issue with a number of other programs even where there's, you know, research tax credits or film tax credits, that there's sometimes a delay. But, nevertheless, one would hope that the speed with which the grants are going to be paid is going to

match the needs of the companies who are getting involved in producing biofuels.

I want to talk a little bit more about the potential, not only in corn and crops like that, but there are some grasses where people are looking at in terms of potential—[*interjection*]-switchgrass—production for ethanol. It may also be usable for biodiesel. But, certainly, there is the potential to be growing in certain land, I would think that quality of the land which might not be as good for food agricultural products, that could be suitable for producing switchgrass and could be producing biofuels. And apparently the yields, when successful, can be quite substantial and that this can be a positive shift which goes in the right direction because it's not switching from food over to biofuels. It's actually shifting or using a grass, which is not a food product, in order to produce the biofuels. In that sense, it's a little similar to the production of biofuels from algae.

Algae, at this point, we're certainly not using significantly in terms of food. And with the toxins that are associated with some algae, we probably would not be using for fuels—for foods. But algae is certainly a problem in quite a number of lakes. Not just Killarney Lake but Lake Winnipeg, Lake Irwin, lakes north of Brandon, many lakes in Manitoba have significant algae production. If it were found to have an efficient way of being able to harvest the algae and use it for biodiesel, then that could be a real big plus, provide a new income where we're producing algae, and provide the source of a base for production of a lot of biodiesel, biofuels.

So, Mr. Acting Speaker, there is a lot of potential here. We will support this, but we certainly have some reservations in the way that the grant process is going to work. And we would have liked much better assurances from this government in the way that the grants are going to be allocated and that these are going to be given out in a way that's fair as well as effective.

Before I close in just a moment or two, I will go on to talk for a little bit about the algae problems. It is quite conceivable that we may be able to use this as an approach which harvests—harness the biodiesel, but at the same time that we can harvest the phosphorus and recycle the phosphorus. Because in the long run, one of the critical nutrients that we're concerned about and don't want to run out of, is phosphorus. And as phosphorus gets more limiting in its availability, the source, in terms of rock phosphorus, that we want to make sure that we are

able to either recycle the phosphorus that we're putting on the land and into plants in some fashion, or being able to make sure that we have enough phosphorus to be able to grow and harvest the crops that we're going to need for agricultural producers.

So, Mr. Acting Speaker, with those comments on the biodiesel, we will, as I said, support this initiative with some reservations. And I will let my colleague, the MLA for Inkster, say a few words now.

* (16:30)

Mr. Kevin Lamoureux (Inkster): I have a number of thoughts that I would like to be able to share with the Chamber this afternoon on Bill 17, The Biofuels Amendment Act.

It's an interesting bill. I'll give the government that much, Mr. Acting Speaker, and what I'd like to be able to do is kind of point out a couple of things that came to my mind in terms of when I found out today that we're actually going to be debating Bill 17 this afternoon.

You know, it was just a little bit earlier today, Mr. Acting Speaker, the member from Transcona actually reported back from the committee in regards to the BITSA legislation, and a part of the BITSA legislation was one of those unique situations where it was actually a recorded vote earlier today in regards to whether or not that particular report should be received. And that's kind of a unique situation, doesn't really happen that often.

And the reason why I say that is that when I look at, you know, the balanced budget legislation versus Bill 17, and just the way in which government is treating the two pieces of legislation—you see, some would argue that the balanced budget legislation, for example, should not be of incorporated into the BITSA legislation, and then you take a look at Bill 17, and you would see in regards to Bill 17 that there are some changes within that act that could have been very easily accommodated within the BITSA legislation. And I thought that was kind of an interesting thing just to look at. And it's not to suggest, and I wouldn't want to make this suggestion at all that this particular legislation could have been incorporated into Bill 31 or the BITSA legislation. In fact, I would suggest to you that it is the opposite, that the government has actually done the right thing here by bringing forward a separate piece of legislation in order to deal with the biofuels.

It is indeed a very important issue. Equally, when the government attempted to bring in that balanced budget legislation through BITSAs, I would have argued that that particular issue in itself should have been brought through—forward in its own legislation, Mr. Acting Speaker. And that is why, when I saw Bill 17 and understood that the government was going to bring it forward today, that was just interesting just to be able to point out that particular aspect. That, in fact, it's nice to see in this situation that the government did do the right thing.

Well, Mr. Acting Speaker, as you know, the environment is one of those issues in which there's a great deal of interest from the public. The public are very much—more today than they ever have been in terms of interested in what's taking place within the environment and what the government is actually doing today. Do we have an environmentally friendly government that's taking progressive steps at improving our environment, or do we have a government that is more interested in just having the issue of perception as if they are doing things as being the more important way of dealing with the environment?

And, I think, Mr. Acting Speaker, if we take a look at what we've been witnessing on the news over the last number of days and the impact of the oil spill in the Gulf—and, you know, if you talk to many Manitobans, that whole, you know, oil industry as a whole has had significant impact, and people are very much in tune and following what's being done. And they see the oil industry in a very negative way and a very poor, slow response coming from a government, let alone the private industry.

And what I believe that ultimately it does is that heightens the importance, the public's attention to issues such as this. That what they're looking for is a government that is, in fact, prepared to do something that shows that we care about the environment, and this particular bill and the intent of the bill is to be able to demonstrate to the public as a whole that there is government opportunities to take action that will, in fact, have a relatively positive difference.

A number of issues come out of the legislation and what it is the government is ultimately proposing to do by changing, you know, the way in which there was an exemption and creating a special fund. It is quite significantly different. It is a change that will, in fact, have a pretty significant impact. Now, whether or not that impact will be as positive as we hope or as positive as the government is trying to

portray it to be, is yet to be determined, Mr. Acting Speaker.

You see there are many that would look at the government in terms of establishing a fund and would call into question as to how it is that that fund is going to ultimately be distributed, and there's all sorts of red flags that go up on the pole, Mr. Acting Speaker, in regards to that. And I would have thought that the minister, in introducing the bill, maybe would have provided a little bit more detail on that particular issue. I think that he would have done a better service in reporting on the bill to talk about that fund, maybe even to give an example or two.

You know, it wasn't that long ago where we passed a community incentive fund that ultimately saw the football stadium being given top priority. Yet it seemed a year ago, or when they brought in the creation of that potential pool of capital, they were saying that this isn't something that would be done. So, Mr. Acting Speaker, I think that members of the opposition have a good reason to be concerned when now we see a piece of legislation that's before us that ultimately is going to create yet another fund.

And the Minister of Justice (Mr. Swan) or the minister responsible for the legislation, the member from Kildonan, I believe, should have commented more on that particular issue. To tell the Legislature in terms of how it is that he envisions this fund to be utilized, maybe even to share with us a couple very specific thoughts as to the types of ideas and how, through time, those would come into being, Mr. Acting Speaker.

It's one thing to introduce the legislation, it's another thing to kind of share more of a vision, to talk about some of that, how it would, in fact, be administered. You know, the Leader of the Liberal Party used the word "slush fund." And you can't blame the Leader of the Liberal Party for making reference to slush fund because, in part, we have seen the way in which government has created funds only to be able to distribute that money, those tax dollars, I must say, Mr. Acting Speaker, in order to be able to, maybe inappropriately gain some sort of favour or give the impression that they're very pro on a particular issue, more specifically, with the regards to—with regards to the environment. And I think those are all legitimate concerns and why it is that I think it would have been better for the minister to be able to expand on how it is that this fund will ultimately be administered and to provide assurances

to the Chamber that, in fact, it wasn't just yet another attempt by government in order to create a slush fund.

I suspect that there are many different ideas that are out there that Manitobans would love to be able to share in terms of how they would like to be able to have access to a fund of this nature. You know, I'm not too sure in terms of, if short-term or long-term projections, in terms of the types of money that's going to be generated or handed out or the size in—and I suspect, Mr. Acting Speaker, we'll hear more of some of the details during—once the regulations, quite possibly, come out.

* (16:40)

But, again, it would have been good to have heard direct from the minister in providing it. You know, it's interesting when I take a look at the long, at the bill's status reports as to when the bill actually was introduced, Mr. Acting Speaker, into—first reading was back on April 8th which is—I think today's June 7 or possibly June 8. You know, that's virtually two months ago when the bill was actually brought forward. I would think that if this is something in which the government was excited about—because there's good reason that if you have, you know, a good idea that makes a lot of sense, if I was the minister responsible, I would have been chomping at the bit saying, let's bring this bill in. You know, let's get this bill debated for the second time so that, ultimately, I could ensure that the fund is possibly created a little bit sooner.

You know, we don't know in terms of how many bills will pass over the next week or two. Will this be one of those bills that will be put off possibly to the fall time? We don't know that. And I suspect that had we had, as we've had in the past, a mixture of Estimates and bills being done simultaneously, yes, that means we'd probably still be in some of the Estimates debates right now, but the good news is that this bill would, in fact, have likely have been dealt with. There's a very good chance that it would have gone to committee at this stage and many of the questions that I have put forward might have been answered and government could have banked on the fact that this bill in fact would be receiving royal assent. And, Mr. Acting Speaker, I would suggest to you that that would have been a more appropriate way of dealing with Bill 17.

And I don't make that lightly. I don't make that suggestion lightly at all, Mr. Acting Speaker, because if you take a look at the agenda and the

government's, you know, with the majority, it's fair to say that there is an expectation that they will in fact be able to pass the legislation that they feel is a priority and, you know, I would welcome the government to come forward and share with this Chamber what their legislative priorities are, but we really haven't seen that to date, you know.

Is Bill 17 one of those priority bills? And if it is one of those priority bills, why are we not getting the type of explanation that maybe we should have gotten when the minister introduced Bill 17 for second reason—for second reading. Why is it that we had to wait two months, Mr. Acting Speaker, in order to even have Bill 17 come before us?

You know, we know that the government does know how to recognize priorities. We saw how the government responded to the BITSA legislation. They said that this is a priority piece of legislation and they called it day after day after day and everyone in opposition spoke to that, Mr. Acting Speaker. I suspect Bill 17, in the eyes of many Manitobans is likely more important than the BITSA legislation—and I realize, you know, BITSA is, in fact, is supposed to anyway, be more dealing with some of the technicalities and the budget adjustments to ensure that the whole process of passing the budget is done appropriately. I realize that and I can understand why it would have been a high priority, but there was some controversial items within that BITSA legislation, and that's ultimately what I would suggest to you, put the emphasis on that legislation as opposed to other pieces of legislation that are very important.

Ms. Marilyn Brick, Deputy Speaker, in the Chair

You know, and Bill 17 is one of those bills that ultimately, many would argue, should have received a clear indication from the government as being one of those priority bills, and I'm a little bit, I must say, disappointed that that did not occur. And it's not to say that the bill is perfect. I would probably suggest to you, Madam Deputy Speaker, that there is probably good reason to believe that the bill could be amended and even made a better bill.

And there is mixed opinions in the whole area of biofuels. And, you know, on the surface it sure sounds good. You know, it sounds great as opposed to using, you know, your typical diesel or gasoline that you—when you go to the pump, that this tends to be a little bit more environmental friendly. And there's arguments to be made in terms of the potential jobs that could be created. But I think that we have to

be responsible, Madam Deputy Speaker, and look at the many different arguments that are out there. And it's not necessarily to say that one argument is far better than the other argument. I think that there is a reasonable way of approaching different issues.

When I think of the biofuels, one of the first things to my mind is the issue of ethanol. Ethanol has been around for a number of years now, unlike the, let's say, the biodiesel. And I must say on the issue of biodiesel, unlike ethanol, you know, in the issue of ethanol, it might be safe to say that we as a province, we're not last of the pack in terms of trying to deal with the whole issue of ethanol. In fact, it's been around now for quite a while, and government has gone a long way in terms of ensuring that ethanol will continue well into the future.

On the biodiesel area, you know, this is something that has been growing fairly rapidly in Canada. You know, it's perceived as a new supply of sustainable, clean energy, and it's something in which many provinces have, in fact, been talking about for a long time now, Madam Deputy Speaker. And, you know, it's encouraging when you see other jurisdictions take actions that ultimately are better for the environment. It does pose the question as to why it is that maybe we're not getting on board a little bit sooner. Quite often public will get a little suspicious as to why it is it took us as a Province so long to be able to recognize the value of biodiesel. And I recognize that there are other ways in which we've attempted to deal with this issue, in particular, through the tax exemption. And that is something that's been around now for a bit, and, ultimately, the conversing—converting that into a fund will dramatically change the way in which this issue grows over the next few years.

And, you know, Madam Deputy Speaker, I would suggest to you that the government, in looking at this as an issue, even though maybe it hasn't been as fast as many other jurisdictions, at least we have it before us today, and, unlike the ethanol—the ethanol, I think there's been a great deal more progress on. But, you know, I've had discussions with constituents and other non-profit groups and many of those discussions involve, you know, yes, ethanol is good, but there is a cost to ethanol. You know, when think—when people think of the, you know, this new supply potential of cleaner energy, what many don't necessarily realize is that, in order to achieve that new supply, that what you're really tapping into is other resources in the province of Manitoba. And we saw that in terms of ethanol.

* (16:50)

Ethanol is something in which, as I say, it creates jobs. But what it does also—and when you take a look at just the impact and, you know, the percentage of ethanol being sold today compared to 20 years ago, you're talking about significant volumes. Now, I'm not a mathematician by profession or anything of that nature. If I was to guesstimate, I would suggest to you that the amount of food product or potential food product, either directly or indirectly—and when I say indirectly, some of that food that might have been produced might have been used for feed, for example, but that feed goes right into our food chain to feed animals in which ultimately are directly in our food chain.

But, if you were to take a look over the last 20 years, the amount of ethanol that is, in fact, produced, there is a cost to that and the cost is related in good part, to the world food bank, if I can put it that way, Madam Deputy Speaker. There's only so much food that is produced within the world and we take a look at many of the hardships that are out there, many of the hardships around the world where we have children that are starving to death because there is no access to food. Yet there are many nations around the world that literally burn up the food.

You know, it always amazed me that—and it's not to say that we can't do that. I think there needs to be a balance. You know, I remember hearing stories of potatoes, you know, tons of potatoes, being buried, buried because of oversupply while children in another part of the world are starving to death. And the issue of using food in order to provide a cleaner energy, I think that we need to be aware of the potential impact of long-term, worldwide government policy on that particular issue, Madam Deputy Speaker.

And that's why, you see, when I think of clean energy, I really believe that if issues such as electric cars—electric cars is, in my opinion, one of the things of the future. That's the way. You know, I'll give credit to Toyota, and I realize that there's been some issues with the Prius as a vehicle—I don't drive a Prius myself, but I can tell you, the taxi industry in the city of Winnipeg has demonstrated, in my opinion, one of the best examples of private sector involvement in improving our economy—I'm sorry, not economy in our environment—because they've recognized the value of the hybrid and this type of hybrid that's being encouraged and adopted within the taxi industry is healthy for our environment,

Madam Deputy Speaker. And the cost, in terms of other fuels and so forth, I believe that there's probably a much higher net benefit to society because it's an electric type of hybrid. And I believe that ultimately, that's the direction that we should be really encouraging.

You know, I believe it was the—it might have been the member from Carman that posed a question to the government in regards to electric cars. I understand that there's an electric car that's being manufactured, I believe it was in Carman, and, you know, what is the government doing to try to encourage and facilitate, you know, that sort of job creation and getting those type of markets better established in not only our province but, I would suggest to you, outside of our province, Madam Deputy Speaker. Those are the types of initiatives that could really make a difference.

And it's not to take away from biofuels. Biofuels do have a role to play and I think that when we talk about the biofuels, that we've got to be careful. You know, if we go out and we say, well, look, we now have got this biofuels slush fund or, I shouldn't call it—you know, let's say if we give the government the benefit of the doubt, we have a biofuel fund that is created and we watch in terms of what it is the government is—and how they're spending that fund, and hopefully it won't be used as a slush fund.

But when they come up with a large promotion, and we need to realize this, Madam Deputy Speaker, imagine you're the average consumer sitting in your house at a 6 o'clock news and government has this flash here, we have this wonderful fund and now go out and buy biofuels. Well, I would suggest to you, as a society, we'd probably be better off in terms of having, as I say, individuals buying the electric hybrids than we would in terms of the biofuels. Now, they can go hand in hand, but you got to be very concerned in terms of trying to give misinformation—I shouldn't even say misinformation—by trying to provide information that will bias the public in such a way to believe, for example, that the best way to go is strictly by using biofuels.

Madam Deputy Speaker, I believe that you need to be able to take into consideration all of the different possibilities that are out there that will provide us the opportunity to ensure that there is a better usage of the types of fuels. And when I say fuels, I'm talking more than just, you know, the gasoline; I'm talking also about electric—electrical

vehicles. I think that we need to encourage that wherever we can. And when, as a consumer, the better we educate the consumer, at the end of the day, I believe, the better our environment will be.

And that's why, you know, when I see legislation of this nature, I think that it's important that members not only talk about the benefits of biofuels, but recognize that there is other things that need to be taken into consideration. And, Madam Deputy Speaker, I trust and I hope that the government is listening very careful—carefully on what it is that I'm suggesting that they do. Because, you know, I can appreciate the timing of the bill might have more to do with the fact that we're getting closer and closer to yet another provincial election, and I suspect that there is a will on the government to try to show that they want to be sensitive to the environment. And I believe that they recognize that if they're unable to demonstrate that, that the government will regret it after the election.

So, you know, I'm a little suspicious in terms of, somewhat, the timing. But, at the end of the day, if this is something that's going to work well and be better for our environment, potentially create some opportunities for Manitobans, it could be a very successful bill.

And that's why I would have liked to have heard the minister talk more about why it is that this piece of legislation should, in fact, be passed and to talk about that subsidy, Madam Deputy Speaker, or that grant, because it's the grant and the manner in which that grant is issued that does raise a lot of concern. And I would have rather have seen the minister, in standing up, to take his time and explain that. You know, I believe, at the end of the day, if you have a sound program, you should be able to provide more details, because there are individual private sector businesses and communities, a lot of individuals in Manitoba—and I don't think we give them enough credit—that would be able to look at this and say, well, you know, if I were to do this, would I, in fact, be able to qualify for the type of thing that is being proposed here today inside the Legislature?

And, Madam Deputy Speaker, I believe, ultimately, if the minister responsible would have provided those type of details, then he would have done a better service to this, to the Chamber. And I would encourage him, and once the bill does go to committee, because we know that, ultimately, it will

go to committee, and when it does, hopefully, the minister will be able to address a few of those points.

There is a number of stakeholders that need to be contacted and need to be told about the bill and its impact. And we all hope that the environment will win, the consumer will win and those private businesses will also have a better understanding and be able to create more opportunities for the province of Manitoba.

And, with those words, I thank you for allowing me to make my comments.

* (17:00)

Madam Deputy Speaker: The honourable member's time has expired. When this bill is once again before the House, debate will remain open.

The House is now adjourned and stands adjourned until 10 a.m. tomorrow morning.

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, June 7, 2010

CONTENTS

ROUTINE PROCEEDINGS			
Petitions		International Trails Day	
Multiple Myeloma Treatments		Wiebe; Rondeau	2758
Driedger	2743	Provincial Road 481	
Lamoureux	2744	Briese; Ashton	2758
Bipole III		Matter of Privilege	
Briese	2743	Gerrard	2754
		Blaikie	2755
		Hawranik	2756
		Lamoureux	2756
Committee Reports		Members' Statements	
Standing Committee on Social and Economic Development		Queen's Own Cameron Highlanders of Canada	
First Report		Blaikie	2759
Reid	2744		
Oral Questions		Pembina Valley Humane Society Shelter	
Manitoba Hydro		Dyck	2759
McFadyen; Selinger	2746	Manitoba Military Tattoo	
Borotsik; Selinger	2747	Korzeniowski	2760
Health-Care Services		Patrick Guilbert	
Driedger; Oswald	2749	Briese	2760
Rural Waste-Water Management Services		Cuthbert Grant Day	
Maguire; Blaikie	2750	Blady	2761
Bethesda Hospital			
Goertzen; Oswald	2751		
Trucking Industry			
Eichler; Ashton	2752		
Child and Family Services Agencies			
Gerrard; Mackintosh	2753, 2757		
Legislative Assembly Management Commission			
Lamoureux; Selinger	2757		

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