



Second Session - Thirty-Seventh Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Seventh Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, June 19, 2001

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Kenaston Underpass

Mr. John Loewen (Fort Whyte): Mr. Speaker, I would like to present the petition of Bob Brunton, Rob Lay, S. Anadranistakis and others, praying that the Premier of Manitoba (Mr. Doer) consider reversing his decision to not support construction of an underpass at Kenaston and Wilkes.

Manitoba Hydro Lines Routes

Mr. Ron Schuler (Springfield): Mr. Speaker, I beg to present the petition of Richard Standing, Louise Chernetz, George Chernetz and others, praying that the Legislative Assembly of Manitoba request that the Minister responsible for Manitoba Hydro (Mr. Selinger) consider alternative routes for the additional 230kV and 500kV lines proposed for the R.M. of East St. Paul.

Kenaston Underpass

Mr. Schuler: I ask leave to present the petition of the honourable Member for Tuxedo (Mrs. Stefanson).

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

Mr. Schuler: Mr. Speaker, I beg to present the petition of Wilf Taillieu, Mavis Taillieu, R. Hall and others, praying that the Premier of Manitoba consider reversing his decision to not support construction of an underpass at Kenaston and Wilkes.

READING AND RECEIVING PETITIONS

Kenaston Underpass

Mr. Speaker: The honourable Member for Fort Whyte (Mr. Loewen), I have reviewed the

petition, and it complies with the rules and practices of the House. Is it the will of the House to have the petition read? *[Agreed]*

The Clerk please read.

Madam Clerk (Patricia Chaychuk): The petition of the undersigned citizens of the province of Manitoba humbly sheweth:

THAT the intersection at Wilkes and Kenaston has grown to become the largest unseparated crossing in Canada; and

THAT the volume of traffic for this railroad crossing is twelve times the acceptable limit as set out by Transport Canada; and

THAT vehicles which have to wait for trains at this intersection burn up approximately \$1.4 million in fuel, pollute the environment with over 8 tons of emissions and cause approximately \$7.3 million in motorist delays every year.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Premier of Manitoba consider reversing his decision to not support construction of an underpass at Kenaston and Wilkes.

Manitoba Hydro Lines Routes

Mr. Speaker: The honourable Member for Springfield (Mr. Schuler), I have reviewed the petition, and it complies with the rules and practices of the House. Is it the will of the House to have the petition read? *[Agreed]*

The Clerk please read.

* (13:35)

Madam Clerk: The petition of the undersigned citizens of the province of Manitoba humbly sheweth:

THAT the R.M. of East St. Paul has the highest concentration of high voltage power lines in a residential area in Manitoba; and

THAT the R.M. of East St. Paul is the only jurisdiction in Manitoba that has both a 500kV and a 230kV line directly behind residences; and

THAT numerous studies have linked cancer, in particular childhood leukemia, to the proximity of power lines.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Legislative Assembly of Manitoba request that the Minister responsible for Manitoba Hydro consider alternative routes for the additional 230kV and 500kV lines proposed for the R.M. of East St. Paul.

Kenaston Underpass

Mr. Ron Schuler (Springfield): Mr. Speaker, I ask for leave to present the petition for the honourable Member for Tuxedo (Mrs. Stefanson).

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

I have reviewed the petition and it complies with the rules and practices of the House. Is it the will of the House to have the petition read? *[Agreed]*

Clerk, please read.

Madam Clerk: The petition of the undersigned citizens of the province of Manitoba humbly sheweth:

THAT the intersection at Wilkes and Kenaston has grown to become the largest unseparated crossing in Canada; and

THAT the volume of traffic for this railroad crossing is twelve times the acceptable limit as set out by Transport Canada; and

THAT vehicles which have to wait for trains at this intersection burn up approximately \$1.4 million in fuel, pollute the environment with over 8 tons of emissions and cause approximately \$7.3 million in motorist delays every year.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Premier of

Manitoba consider reversing his decision to not support construction of an underpass at Kenaston and Wilkes.

PTH 9 Upgrade

Mr. Speaker: The honourable Member for Gimli (Mr. Helwer), I have reviewed the petition and it complies with the rules and practices of the House. Is it the will of the House to have the petition read? *[Agreed]*

Clerk, please read.

Madam Clerk: To the Legislative Assembly of Manitoba:

These are the reasons for this petition:

1. The Provincial Trunk Highway No. 9 and the Selkirk Corridor are widely used thoroughfares in the constituency of Gimli and the province of Manitoba.
2. These thoroughfares have consistently recorded traffic counts in excess of 10 000 vehicles (both automobiles and trucks) daily, according to statistics provided by the University of Manitoba/Manitoba Highways and Transportation.
3. These thoroughfares are in dire need of improvement and upgrade.
4. Adequate safety considerations and conditions must be maintained on these thoroughfares at all times and in all places.

We petition the Legislative Assembly of Manitoba as follows:

We request the Minister of Transportation and Government Services (Mr. Ashton) to consider upgrading Provincial Trunk Highway No. 9 and the Selkirk Corridor thoroughfares immediately.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Standing Committee on Law Amendments Third Report

Mr. Doug Martindale (Chairperson): Mr. Speaker, I beg to present the Third Report of the Committee on Law Amendments.

Madam Clerk (Patricia Chaychuk): Your Standing Committee on Law Amendments presents the following—

Some Honourable Members: Dispense.

Mr. Speaker: Dispense.

Your Standing Committee on Law Amendments presents the following as its Third Report.

Meetings:

Your committee met on:

*Thursday, June 14, 2001, at 6:30 p.m. in Room 255 of the Legislative Building
Monday, June 18, 2001, at 10 a.m. in Room 254 of the Legislative Building*

to consider bills referred.

Matters Under Consideration:

Bill 24—The Liquor Control Amendment and Consequential Amendments Act/Loi modifiant la Loi sur la réglementation des alcools et modifications corrélatives

Membership Resignations/Elections:

Thursday, June 14, 2001, meeting:

Substitutions received prior to commencement of meeting:

*Hon. Ms. Mihychuk for Mr. Maloway;
Ms. Allan for Mr. Rondeau;
Hon. Ms. Wowchuk for Hon. Mr. Sale;
Mrs. Mitchelson for Mr. Cummings;
Mr. Maguire for Mr. Penner (Steinbach);
Mr. Laurendeau for Mr. Pitura;
Mrs. Smith (Fort Garry) for Mr. Reimer;
Hon. Mr. Sale for Hon. Ms. Mihychuk.*

Monday, June 18, 2001, meeting:

Substitutions received prior to commencement of meeting:

*Mr. Faurshou for Mr. Maguire;
Mr. Santos for Mr. Dewar;
Mr. Aglugub for Hon. Ms. Wowchuk.*

Public Presentations:

The following persons made presentations on Bill 24—The Liquor Control Amendment and Consequential Amendments Act/Loi modifiant la Loi sur la réglementation des alcools et modifications corrélatives:

*Dorothy Makinson, Private Citizen
Doug Clark, Downtown Winnipeg BIZ
Gary Kowalski, Private Citizen
Jim Baker, President and CEO, Manitoba Hotel Association
Leon Ledohowski, President and CEO, Canad Corp.*

Written Submissions:

Joe Masi, Association of Manitoba Municipalities

Bills Considered and Reported:

Bill 24—The Liquor Control Amendment and Consequential Amendments Act/Loi modifiant la Loi sur la réglementation des alcools et modifications corrélatives

Your committee agreed to report this bill, without amendment, by a counted vote of 6 Yeas, 3 Nays.

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

Motion agreed to.

STATEMENT

Mr. Harry Enns - 35th Anniversary

Mr. Stuart Murray (Leader of the Official Opposition): I wonder if I could ask leave to make a statement?

Mr. Speaker: Does the honourable member have leave to make a statement? [*Agreed*]

* (13:40)

Mr. Murray: Mr. Speaker, I would like to just briefly make comments that June 23 of the year

2001 is indeed going to be a special day, I believe, in Manitoba. It will mark the 35th anniversary of the one great Harry Enns.

I want to just let the House know that Harry Enns is one of those very, very unique individuals. I have spent a short time on the elected side but some time on the volunteer side. When you join a party, I think you look up to those people who represent you, and you go out and you volunteer your time and you work hard for them. A person like Harry Enns is exactly the reason I believe people get involved in all parts of political life, whether it be on the volunteer side or whether it be on the elected side as we are in this House.

It comes as no surprise the first thing that Harry Enns' biography would say is that he is a rancher from the Woodlands area, but more importantly he is a lifelong Progressive Conservative. As you know, his brother Sig was also a PC member for Portage-Neepawa, so it runs in the family. Although Sig would say that he is better looking than Harry, I know Harry better. So, Harry, I will always agree with you, as you know.

We know that during his tenure of 35 years representing the people of Manitoba, particularly the people of Rockwood-Iberville, which was later changed to Lakeside, as we know, Harry Enns was an absolute stalwart. He was represented. He did a wonderful job working with the likes of four premiers, starting off with Duff Roblin. As a matter of fact, when Harry was elected, one of the pieces of history was the opening of the floodway. Harry Enns was there in more than spirit. He was there obviously in a very supportive way. We know that, in addition to Roblin, he served under Walter Weir, under the great Sterling Lyon and, of course, Gary Filmon.

I believe that we on this side of the House, Mr. Speaker, are blessed to have a person of Harry Enns' ability to sit around the caucus table, to sit around the evenings of night when we are debating pieces of legislation in this House, because it is people like Harry Enns that bring history to the debate, which is important. One thing about Harry, he never gets a statement wrong. He remembers those facts. Everybody

else is looking at Hansard and going through things, Harry sits calmly and says, well, I remember that debate. I remember how many Liberals, New Democrats and Progressive Conservatives there were in the House, and he is always right. That is a testament to somebody who believes in this whole process.

As I look back on a few comments, I think it is very interesting to see that during his first Speech from the Throne, Mr. Speaker—one that I read before I made my first speech because I thought he was one of the people that would go on record and put a point forward that I believe all Manitobans would understand—one of the things he talked on, he called on the federal government to formulate a national agriculture strategy to ensure the future prosperity of the Manitoba agriculture community. Is it not interesting that that issue still today is one of the issues that we struggle with, but it took somebody like Harry Enns to understand the importance of it back in those days?

I think the other issue that Harry Enns takes great pride in, and there are three or four pages of wonderful things that he has done for Manitoba, but I think one of the things that stands out is the pride and credit that he took, rightly so, in developing Oak Hammock Marsh. I think it serves as his legacy in the sense of what he was able to do as a member of this Legislature, and it shows his ability to ensure that there is something left for the people of Manitoba. He is a conservationist. He is an agriculturist. He is a rancher, and he is a true Manitoban.

* (13:45)

I will just say this, Mr. Speaker, that one of the things that he loves to do is sing. He appeared in front of numerous editions of Rainbow Stage. As a matter of fact, I know that, although he will not say that he was the longest-serving member of any Rainbow Stage society that was singing, he certainly is the longest-serving provincial member in all of Canada, and he sits right here in the Legislature of Manitoba.

Mr. Speaker, in closing, I will say that one of the things we celebrated in caucus today was with a cake that said "To Harry, on 35 great

years." We have a great reception, for all of those who are interested, at the Hitch'n Post tomorrow at seven o'clock. It is \$35 for 35 years. All come. Come one, come all. It will be a tremendous time, but I can tell you that as Harry loves to sing, I believe that all of Manitobans on that particular day and those days ahead will be singing the praises of Harry Enns. To quote him, as he so eloquently is quoted: "After 34 years, boys, I'm only getting started." So welcome to it, Harry. Congratulations.

Hon. Gary Doer (Premier): I would like to join with the Leader of the Opposition and celebrate with cake and words and other means the 35 years of elected service to the people of Manitoba with one Harry Enns. Congratulations, Harry, and congratulations to the Member for Lakeside. Ten elections, by anybody's standard, with the kind of ebb and flow of political fortune, is a remarkable, remarkable career, a remarkable achievement, and it shows that people that are allowed to build trust with their constituents, the constituents, in turn, will return that trust, no matter what the political climate, to good people who do a job representing their interests every day in this Legislature.

I know that we share different views. We do not have many pictures of Margaret Thatcher in our offices, although we enjoyed her latest involvement in another election, but we always enjoy celebrating June 23. Then we enjoy celebrating June 25 a couple of days after that. It is a nice period of celebration, that famous week in June. We value the experience of the member opposite and the memory that he brings to this Legislature. I was looking at a flood forecast report a few weeks ago, and it said the Rafferty-Alameda dam had held back some waters through the Souris River and up through this part of the province in terms of the pressure on the Assiniboine, and I said: Harry Enns is going to pick that up and mention it as soon as we table it in the House, and of course he did and I was not disappointed. Of course, our position was we should just have an environmental assessment on the Rafferty-Alameda dam, but I knew that would not be part of Harry's intervention. He would come driving at us.

I am not sure which one of the Enns brothers is most handsome. I would not possibly

comment on that, but I certainly know that Sig was a wonderful director of Concordia Hospital. It seems fitting that he was born in the old Concordia Hospital and has carried on his career since.

I remember the great debates in the House that Harry was involved in that I have been part of, and I have only been here not even half of the period of time he has been here, and the original purchase of the gas company debate, the Centra Gas debate in this House and his independent voice and vote on that matter. I remember the day he swam the Red River in a wet suit, the original photo opportunity of this Legislature. It was a slow stroke, but he got there nonetheless. He made his point; he swallowed about two gallons of water and thought the water tasted fine, and he won his bet. I do not know whether he bet a package of cigarettes or what he bet with Peter Warren, but apparently he won that bet.

* (13:50)

I remember when he changed his style one time. I was very disappointed he has not stayed with that Jack Nicholson hairdo that he had for a while. "You can't handle the truth" used to be his terminology, and it was always a lot of fun, and of course the Meech Lake debate. One day we were moving the motion; the next day we were rescinding the motion in the House. I guess you have seen a lot of motions and debates over the 35 years, but I do not think anybody would be, to use Margaret Thatcher's terminology, that much of a U-turn in political decision making in this Chamber, over those 35 years.

I think it is fitting, Mr. Speaker, that agriculture was his first speech. I think these challenges remain today with the increased subsidies even as we speak in the United States. Apparently there is going to be a strategy to deal with international competition announced today in the shipbuilding industry, but yet we see no comparable national and provincial programs for the sustainability of agriculture, and I think that is a very important debate in his first speech and remains a very important debating point in this Legislature today.

I also want to say that Harry Enns is a great debater and a great orator. I always watch him

speak for the first time to new members of the House, his first speech to new members of the House. He tends to lead people on. He is open to the new member's point of view as he starts his speech, and he brings everybody in to listen to all the points he is going to make before he slams the door and goes back to his original Tory convictions and Tory views.

It is a wonderful art because I think he has had almost every rookie member in this House, including myself, fixated on every word until he immediately summarizes and concludes with conclusions that you would not always think he was going to make when he started his remarks. It is a wonderful skill he has, and I know that he carries that on on the stump and in the town halls and coffee shops and other venues that are so important in Manitoba politics.

So we on this side would like to congratulate you. We would like to celebrate June 23 with you, and we look forward to you celebrating June 25 with us. Thank you very, very much.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I ask for leave to speak on the statement.

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

Mr. Gerrard: Mr. Speaker, I want to talk for a few minutes, first, in congratulating the Member for Lakeside, on his long career in this Legislature, achievements over many years. Indeed, for a time I was a constituent of the Member for Lakeside and for a time I served as a member of Parliament in the area. We worked together on a number of initiatives, infrastructure I remember in particular, some water issues, a variety of other things, the Prairie Dog Central. They were times in which we had an opportunity to work together to help people in that part of rural Manitoba.

I remember also one occasion, right after the flood and in the middle of the wet weather of 1999, and Harry was down in Melita. His party had just delivered on the \$50 an acre. Harry was there, and he was saying: We want to make it 60 and 70 and 80 and 90 and 100. I do not know

what happened to all the other increments, but I certainly appreciated the enthusiasm.

I appreciate the attention that Harry has played and the political astuteness in which he has worked over the many years. I note that the seat the Member for Lakeside once held was at one point a Liberal seat, and I am looking forward to the day in the future when one time it may again be a Liberal seat, but for the moment, congratulations, Harry, and we wish you all the best on this anniversary occasion.

* (13:55)

Mr. Harry Enns (Lakeside): Mr. Speaker, with the indulgence of you, Sir, and honourable members, permit me just to respond to the graciousness of my Leader, the Premier, the Leader of the Liberal Party, and indeed to all of my colleagues in the Chamber.

I love this Chamber. This is where we do the important business of the people who have elected us. I always like to remind when we have guests, like we have today again, one of the nice traditions of the Manitoba Legislature when school children come and visit us. Sometimes when they catch us, as they will in a few moments when we get into Question Period, in a more raucous mood and we are going after each other not with hammer and tongs but with words, we sometimes are reminded by letters they send back to us: Gee, if we had behaved that way in school our teachers would give us detention or we would not get recess that day or something like that.

But I remind them and I remind myself, and I am deadly serious about this, how often do we go home and turn on our television sets and watch how in too many parts of the world arguments, disputes, policy differences are settled with guns, with tanks, with shootings and with bombings. So I am very cognizant, after 35 years, of the whole process of what we call the Legislature. Despite the fact that currently we politicians tend to rank somewhat below the rank of used car salesmen in public esteem, I do call it a noble profession and I am grateful to the people of Manitoba. I am grateful to the people in my constituency who have enabled me to be a part of this in these past 35 years.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the Speaker's Gallery, where we have with us today a delegation from the northwest province of South Africa. We have Dr. Manana Bakane-Tuoane, Mr. Tebogo Seokolo, Mr. Gulam Mayet and Mr. Kgotso Moeketsi.

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

We have seated in the public gallery, from Lord Roberts community school, 23 Grade 5 students under the direction of Mrs. Terry Welsh. This school is located in the constituency of the honourable Minister of Advanced Education (Ms. McGifford).

Also seated in the public gallery, from Athlone School, 75 Grade 5 students under the direction of Mr. Ed Hume, Mrs. Janine Girard, Mrs. Renée McGurry. This school is located in the constituency of the honourable Leader of the Official Opposition (Mr. Murray).

We have in the public gallery, from Springwell Elementary School, eight Grades 6 to 11 students under the direction of Mr. George Waldner. This school is located in the constituency of the honourable Member for Lac du Bonnet (Mr. Praznik).

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

* (14:00)

ORAL QUESTION PERIOD

Rural Manitoba Government Commitment

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, several months ago hundreds of farmers came to the Legislature and were out front for a single reason: because they wanted to raise concerns about the oilseed and agriculture industry. The minister turned her back on them at that point, and this Government

continues to turn their backs on Manitobans in rural Manitoba today.

More than a month ago, the Premier promised to make use of a so-called better relationship with the federal government. He said: All I have to do is pick up the phone and I can call the Prime Minister. Absolutely, all we have to do. We will have a better relationship. Elect me and we are going to have a better relationship.

The Premier, Mr. Speaker, has failed. Can the Premier explain why he has failed to address the needs of rural Manitobans and the agriculture community? Why are they not a priority for this Government? Why has he failed to keep another one of his promises?

Hon. Gary Doer (Premier): Mr. Speaker, the Leader of the Opposition should know that the comment made that "all I have to do is pick up the phone" was made by former Premier Filmon to former Prime Minister Mulroney. One would think with his experience with the former Prime Minister, who was the first Prime Minister in Canada to cut the Crow rate provisions which had a disproportionate amount of damage on farmers here in Manitoba, he would know that fact.

The member should get his facts right before he starts asking questions in this House, Mr. Speaker.

Mr. Murray: The facts are very clear, Mr. Speaker. This Premier said: Elect me, and there will be a better relationship with Ottawa. He has failed.

I am sure when it comes to election promises, and we hear it in here, a promise made is a promise kept. Why is it that a promise made is a promise that is not kept for rural Manitoba? This Premier is turning his back on rural Manitoba because he has failed to take action on the Rose report. He has absolutely failed to deal with the issues on roads and highways in rural Manitoba, and he has failed in terms of getting the tendering process going. I do not know why. Those are supposed to be priorities. That is what we were told during the election campaign. Elect

me, and we will have better relations with Ottawa.

Will the Premier explain to our farmers, will he explain to the tradespeople, will he explain to the businesspeople of rural Manitoba why he is breaking a promise and why he is ignoring their needs?

Mr. Doer: There is the Leader of the Opposition that last week was opposed, the mighty Conservative Party was opposed to Hydro rate equalization for farmers in rural Manitoba. What absolute hypocrisy, Mr. Speaker, absolute hypocrisy.

Mr. Speaker, I recall at the rally where the Minister of Agriculture (Ms. Wowchuk) was announcing she would join the federal-provincial program as a first step to getting \$92 million back to Manitoba farmers and she would approve a \$38-million contribution for Manitoba, the Leader of the Opposition did not have a position. Would you agree to go into the program or not? Oh, I do not have a position, I just want you to call the House back early so I can tell people I do not have a position. That was the position of the Leader of the Opposition.

We did promise in the election campaign that we would increase and improve the coverage for crop insurance. We said that the ad hoc nature of the program dealing with unseeded acreage of land due to high moisture levels which were in place in southwestern Manitoba that no longer should we have to have an ad hoc program. So we have now increased, improved the Crop Insurance program to cover unseeded acreage of land due to high moisture. We have expanded the crop insurance coverage to deal with some of the new specialty crops. We have lowered some of those rates by 20 percent.

We are bringing in Hydro rate equalization. One of the biggest issues in rural Manitoba is the cutbacks made by the previous government. We are starting to reverse that with another million dollars in drainage program on top of the existing drainage program.

One of the other recommendations in the Rose report was dealing with tuition fees. Kids

in Brandon University, rural kids in the universities here in Manitoba now have a 10% tuition fee cut as a result of this Government.

Mr. Murray: Well, Mr. Speaker, it is time for this Premier to start governing for all Manitobans, rather than the ones, the special interest groups that he seems to be more interested in. He has broken the majority of his election promises. He knows it, and Manitobans know it. They are growing increasingly concerned, particularly in rural parts of Manitoba, about their future.

Will the Premier today commit to start addressing the needs of rural Manitoba? All he has to do is two things, two things that he promised that he would do. One is use the better relationship that he so-called has with Ottawa, pick up the phone and talk to the Prime Minister, and pick up the Rose report, dust it off and show some leadership.

Mr. Doer: Mr. Speaker, we started working on the agricultural issue, from the day we were elected we started working on crop insurance. We started working on the day we were elected on an all-party task force that went to Ottawa and negotiated \$100 million income support in the 2000 crop year, \$40 million from Manitoba over and above the Budget that was already put in place by the former government and \$60 million from Ottawa.

We started the day we were elected to deal with the crop insurance changes. We started from the day we were elected to work on a strategy on rural electrical rates that would be equal from the city of Winnipeg to rural Manitoba, that kind of price relief, and we get a kind of: Oh, send it to a bunch of lawyers in Winnipeg from the Leader of the Opposition. No stand, no position, no principle on that issue.

The second year we negotiated the CPAC program of some \$92 million.

We released the Rose report. You withheld it from the public.

Finally, the Tories, when they were in office, increased the portioning that farmers were paying for purposes of taxes. We took the

increased portioning that was made by members opposite and lowered it. That is delivering for the farmers of Manitoba.

Flooding—Southwest Manitoba Drainage

Mr. Jack Penner (Emerson): Mr. Speaker, I want to remind the Premier that the announcement to increase the crop insurance and bring in a \$50-an-acre coverage level was made by the former Premier of the province at a meeting in Brandon with many of the municipal leaders there, farm organizations. There was a coalition on flood issues in western Manitoba. We met with them, and Premier Filmon announced at that meeting that this Government would initiate a crop insurance program that would provide coverage.

Since last fall, parts of southeastern Manitoba have received better than 20 inches of rain.

Mr. Speaker: Order.

* (14:10)

Point of Order

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, the member opposite had a lengthy preamble, I think a number of sentences, and of course, *Beauchesne's* Citation 409: A question must be brief, and a preamble need not exceed one carefully drawn sentence.

Would you please direct the member to put his question, Mr. Speaker?

Mr. Jack Penner: On the same point of order, I was just trying to put factual information on the record. I think it is important that the record be set straight. I think it is important to note that it was this minister, the former Minister of Agriculture, who announced the \$50-an-acre unseeded program even though there was no crop insurance for southwestern Manitoba farmers to ensure that they could support their families during the winter.

Mr. Speaker: Order. On the point of order raised by the honourable Government House Leader, I would like to remind all honourable

members at this time that according to *Beauchesne's* Citation 409(2): A preamble should not exceed one carefully drawn sentence.

* * *

Mr. Speaker: I would ask the honourable member to please put his question.

Mr. Jack Penner: Since last fall, parts of southeastern Manitoba have received over 24 inches of rain.

Mr. Speaker: Order.

Point of Order

Mr. Mackintosh: Mr. Speaker, I reluctantly got up on a point of order. You carefully drew the member's attention to *Beauchesne's*. Of course it is a long-standing practice in Question Period. He now is going exactly against what you had instructed and against *Beauchesne's*. He is now beginning his sentence—he has got a preamble. He has already blown that one. Mr. Speaker, would you please ask him to put the question.

Mr. Speaker: On the point of order raised by the honourable Government House Leader, he does have a point of order. *Beauchesne's* Citation 409(2): A preamble should not exceed one carefully drawn sentence.

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Mr. Speaker: I kindly ask the honourable Member for Emerson to please put his question.

Mr. Jack Penner: Would the Minister of Conservation (Mr. Lathlin) tell this House whether he knows of the flooding of the pasture land, of the flooding of the farmland, of the flooding of the hay lands in the southeast area? Can he tell us whether he is aware that his engineers are on strike and not allowing municipalities and farmers the latitude to provide drainage and put drainage in place to drain the pastures so that farmers can put their cows into pasture this summer?

Hon. Rosann Wowchuk (Minister of Agriculture and Food): The member raises an issue that is very important to farmers of the

area, and I want to tell the member that the staff of the Department of Agriculture is working very closely with those individuals who are having difficulty with pastures and with securing hay for their livestock.

The member talks about drainage. I want to remind him of comments that he made, I believe last fall, where he indicated that it was his government's cutbacks to conservation, his government cutbacks to the drainage program that resulted in the serious problem that is now facing the people in the southeast part of the province.

Mr. Jack Penner: Mr. Speaker, I do not mind being honest, and that is more than I can say for the opposition at times. I think the government ministers should at times be forthright and forthcoming. What decision can the minister—

Mr. Speaker: Order.

Point of Order

Mr. Mackintosh: Mr. Speaker, the member opposite has had a number of days to put a question together. Would you please ask him if he has got a question this afternoon?

Mr. Speaker: On the point of order raised by the Government House Leader, he does have a point of order. *Beauchesne's* Citation 409(2) advises: A supplementary question should not require a preamble.

* * *

Mr. Speaker: I would ask the honourable member to please put his question.

Mr. Jack Penner: Would the Minister of Conservation be able to tell this House whether he has given direction to his staff that will allow the municipalities and farmers to deal with the drainage matters in their respective municipalities to ensure that water is able to run off the lands, that people are able to deal with lands and pasture their cattle?

Hon. Oscar Lathlin (Minister of Conservation): I can indicate to the member that because of the problems that are being

experienced with respect to the engineers we do not anticipate any significant disruption as a result of the strike, and there do not appear to be any safety concerns at this time as a result of the strike. Contingency plans have been made, that is, emphasis will be shifted from the design and planning aspects of the work to that of supporting the ongoing construction projects during the construction phase of the season.

Mr. Jack Penner: Mr. Speaker, can the minister then tell this House what requirements he has put in place in legislation that will prevent municipalities from lowering culverts or even cleaning out municipal ditches without permit and whether it is no longer required, whether engineering assurances and permitting is no longer required in this province? Can he as a minister give the municipalities the right to make sure that water can run down our ditches without the requirement of a permit?

Mr. Lathlin: Mr. Speaker, I can indicate to the member that we are working as best as we can with the municipalities to make sure that services are not disrupted.

Lake Manitoba Water Levels

Mr. Glen Cummings (Ste. Rose): The Premier (Mr. Doer) seems to be saying that if it is not insured, there will be no assistance available. There is a situation around Lake Manitoba where the operations of the Portage floodway has put about five inches of water into the increasing levels of Lake Manitoba. My question is to the Minister of Conservation. Does he appreciate that this is a man-made artificial level?

Hon. Oscar Lathlin (Minister of Conservation): I thank the member for the question. Just a week ago, two weeks ago, I was in a meeting with representatives of the south basin, I guess, Lake Manitoba, cottagers and individual householders, where the subject of high water levels in Lake Manitoba was discussed. The subject of the Portage diversion came up. I indicated to them that the information that I have received from our professional staff would suggest to me that what happened, especially with the heavy rains, the heavy winds that came along during that time, that has

exacerbated the situation of overland flooding, et cetera.

So I am aware of the situation. Meetings are being held to try to correct the situation with the leaders of the municipalities.

Mr. Cummings: Well, the minister again is talking about shoreline damage. My problem and the problem of my constituents and the Member for Lakeside (Mr. Enns) is that there is artificial flooding that has gone in some cases a mile or two back inland, taking away pastures, taking away hayland, taking away their opportunity for a livelihood from an artificially raised lake. Would he—

Mr. Speaker: Order.

Point of Order

Hon. Gord Mackintosh (Government House Leader): Maybe the Opposition misunderstood our agreement to leave. It was only on the issue of the statement by the Leader of the Opposition not to get rid of the rules regarding Question Period.

Mr. Speaker, would you please remind the member opposite that a supplementary question should need no preamble.

* (14:20)

Mr. Marcel Laurendeau (Opposition House Leader): Mr. Speaker, if the minister had responded to the first question put, there would have been no need to explain the question. There was a misinterpretation between what the minister understood the question to be, and that is why the member attempted to repute the question.

Mr. Speaker: On the point of order raised by the honourable Government House Leader, I would like to take this opportunity once more to remind all honourable members that *Beauchesne's* Citation 409(2) advises that a supplementary question should not require a preamble.

* * *

Mr. Speaker: I would ask the honourable member to please put his question.

Mr. Cummings: My question to the Minister of Conservation, Mr. Speaker, is: Will he make representation to the Minister of Government Services (Mr. Ashton) for assistance on this artificially raised lake level which is causing damage?

Mr. Lathlin: I can indicate to the member that it is not only people downstream of the Portage diversion who were affected by the extremely heavy rainfalls and the spring run-off, but we actually had people downstream from the Portage diversion along the Assiniboine River who are also being affected by the high water level. In other words, everybody was affected, not just those people downstream from the Portage diversion.

So I want to make that clear because during Estimates the Member for Portage (Mr. Fauschou) and I were discussing this very subject.

Mr. Cummings: Mr. Speaker, the Minister of Conservation implies that I might not understand some of the damages it caused downstream.

I am representing my constituents. Will he and will this Government deal with the loss of pasture, the loss of feed supplies that is caused by an artificial raising of the lake, yes or no?

Mr. Lathlin: Mr. Speaker, again, as the member will be aware, having been in government for 11, 12 years, he will be aware of the procedures that are followed normally after this kind of a situation. We have encouraged the people that we have met to make representations to Government Services with a view to getting some assistance wherever they can qualify.

Highway Construction Program Tendering Process

Mr. Harold Gilleshammer (Minnedosa): Mr. Speaker, the heavy construction industry has referred to themselves as an industry in crisis and that construction activity has reached a 10-year low. They have brought this to the attention of the Premier (Mr. Doer) recently.

Through most of May and June, 75 percent of that industry has been unemployed, and they blame this on the minister responsible for fumbling the tendering process.

Will the minister address this issue so that construction workers in Manitoba can be put to work?

Hon. Steve Ashton (Minister of Transportation and Government Services): Mr. Speaker, I think the Opposition member should be very careful in checking his facts because this year we have \$103.9 million worth of construction. In fact, we have the first federal money on our road system in six years.

We are constructing a road into South Indian Lake, something I know that member opposes, but we are living up to a promise made by the Tories in 1992.

I can say overall, Mr. Speaker, this year is going to be a much better year for construction than most of the years that the Conservative Party were in office. I can remind them of 1996-1997, when there was considerably less money spent on the highways than we are spending this year in this province.

Mr. Gilleshammer: Mr. Speaker, what does the minister say to the construction industry? These are their words; these are the people who are unemployed: 75 percent of 7500 workers have been unemployed for the month of May and most of June because this minister has fumbled the tendering process.

Certainly, the work he talks about is on paper. These tenders have not been let.

Mr. Ashton: Mr. Speaker, I have done more than just read the information from the member opposite. I met with the Heavy Construction Association. I have met with many contractors, and I can tell you we have our tenders out. We put our spring program out before. There is approximately \$26 million out, and we have been tendering the work.

In fact, I go back to what I said to the first question. This year, in terms of highways, we will be spending more money, if you include our

construction budget and the road to South Indian Lake, than has been spent in this province for quite some time.

Mr. Gilleshammer: Mr. Speaker, would the minister confirm that he lapsed \$2 million in last year's construction budget? There is a lot of construction that needs to be done. Last year, he fumbled the tendering process and lapsed \$2 million, money that could have been used to build roads in this province.

Mr. Ashton: Mr. Speaker, well, I can tell you one thing that we have done. We have been very careful in terms of our budget. In fact, I am sure the member opposite would not want us to be overspending.

But I point out, Mr. Speaker, if he is talking about lapses, he might want to explain why in 1997-1998, there was a \$7.2-million lapse in the capital budget. There was only \$90.7 million spent on the highway system that year, which is \$10 million less than we spent in the past year.

Highway Construction Program Tendering Process

Mr. Leonard Derkach (Russell): Mr. Speaker, Manitoba provincial engineers who are responsible for the design, the construction and the maintenance of our highways, have now begun job action, all at the time when our highways are starting to fall apart before our eyes.

This Government has neglected the major highways of our province, and indeed the construction industry is giving this Government a very strong message about what they are doing with our highways.

I want to ask the minister who is responsible for highways why he is allowing the deterioration of our highways while our construction companies are moving to other provinces to do work.

Hon. Steve Ashton (Minister of Transportation and Government Services): Well, Mr. Speaker, I do not know what planet that member is from. He was in government for 11 years. The highway system we inherited as Government was something that they had 11

years to do something about. As I said before, in terms of what we have done this year, we put more money in. We have negotiated a Grain Roads Program with the federal government. We are also likely to see the first federal money on our national highway system this year since 1996. We are taking action to deal with the legacy of that government.

Mr. Derkach: Mr. Speaker, the minister can stand in this House and point fingers, but all he has to do is take a look at the condition of our highways in this province today.

I want to ask the minister why he is allowing the highways in this province to deteriorate to the state that they have, while the construction industry and jobs are moving to other jurisdictions, other provinces, because there is a lack of work right here in Manitoba.

Mr. Ashton: Mr. Speaker, I am glad to see the member opposite talk about highways, because all I have heard from Conservative members in this session is about the Kenaston underpass, not our provincial highway system.

I want to suggest to the member, what I said—in fact, I communicated this across rural Manitoba—we have had one of the worst springs on record this year, but we are taking action. We are repairing that. Our crews have been working around the clock and will continue to do that to bring our highway system back to normal.

Mr. Derkach: Mr. Speaker, I want to ask the minister why he is looking for a scapegoat constantly to make excuses for the condition of our highways, when, in fact, construction companies across this province have indicated that there is a lack of construction in this province. They are moving out of this province to other jurisdictions, while our highways continue to deteriorate.

Mr. Ashton: Well, Mr. Speaker, once again, we are taking action on the spring conditions. We have \$103.9 million this year, and in fact I want to re-emphasize the first federal money on our highway system since 1996. To the member opposite I can say we inherited a situation that is a challenge in terms of our highway system, but

we intend on dealing with it. That is what we are doing with this budget.

Same-Sex Relationships Adoption Rights

Hon. Jon Gerrard (River Heights): Mr. Speaker, my question to the Minister of Justice: It is quite clear from the presentations at committee last night that the NDP government has misjudged the need to revise the Manitoba statutes in response to *M. v. H.* making changes in only 10 statutes in Bill 41, while other provinces have made changes to many more.

I ask the Minister of Justice whether he will commit today to amend Bill 41 to include adoption rights for both same-sex partners and not just one, as in the present law today.

* (14:30)

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, I certainly appreciate the member's newfound interest in the rights of same-sex partners. Before the election campaign, he said he had no view. Before the election campaign, we said we did have a view. We are delivering on that view, and we will continue to move. Bill 41 does not represent solely this Government's approach to dealing with the need to move on the rights of same-sex couples.

Mr. Gerrard: My supplementary to the minister, I ask why the minister will not commit to amending Bill 41, when not doing so will inevitably cost the Province significantly in legal fees for court challenges and court time in what is apparent from other provinces would be a losing battle.

Mr. Mackintosh: We heard last night tale after tale of injustice. I think the words of the presenters were very powerful, and I think they are very helpful in providing a clear message, to not just MLAs in this House but to Manitobans, of the need to move ahead dealing with justice, as it pertains to same-sex, common-law relationships. Having said that, it was also clear last night that there were concerns that extend significantly beyond The Adoption Act. There are many outstanding issues that must be

addressed, and we are committed to dealing with issues beyond Bill 41. We are committed to dealing with the issues that remain outstanding.

Mr. Gerrard: Mr. Speaker, my supplementary to the Minister of Justice: If the Minister of Justice will not agree to amend Bill 41, will he not admit his mistakes in putting forward Bill 41 without first consulting, agree to withdraw the bill and bring in a new bill which responds fully to *M. v. H.*, rather than using the timid, tentative half measures introduced in Bill 41?

Mr. Mackintosh: Mr. Speaker, this is the member who yesterday stood up and said that we should look at the model of Ontario and how they responded to *M. v. H.* legislation which has been roundly criticized, particularly by the gay and lesbians of Ontario, as being discriminatory and prejudicial to their interests.

At the same time, it is our interest to move ahead with these issues. I am sorry to hear the member opposite suggest that we withdraw from this Assembly and withdraw from same-sex couples in this province an acknowledgement of their rights to pension benefits, death benefits and support payments. Mr. Speaker, *M. v. H.* is a good place to start. It is a start. This afternoon we will be announcing a panel comprised of Mr. Justice Alvin Hamilton and Jennifer Cooper, who will look at some of the difficult issues outstanding, including conflict of interest strategy, the division of property statutes and, as well, adoptions so that we can, in this next session, bring in comprehensive legislation.

Gambling Addictions Treatment Centres

Mr. Jack Reimer (Southdale): Mr. Speaker, a young female gambler known as Kristy recently attempted suicide. Fortunately, she was not successful, unlike the five other gamblers who took their lives since the NDP government came to office. Now Kristy, who owes an estimated \$200,000 because of problem gambling, has to leave this province for treatment. My question to the Minister responsible for the Status of Women and also the Minister responsible for Lotteries: How is she going to ensure treatment is available for Manitobans, such as Kristy who

is on a waiting list to get into a gambling treatment centre in Ontario when there is not one here?

Hon. Diane McGifford (Minister charged with the administration of The Manitoba Lotteries Corporation Act): Mr. Speaker, I do not like to deal with individuals in this Legislative Chamber. If the member would like to speak to me privately, we could discuss the particular individual who he cited. I do want to point out that the Manitoba Lotteries Corporation takes addiction very seriously. We fund the Addictions Foundation of Manitoba annually. We increased funding this year by \$100,000 to \$1.7 million. Part of our recent round of advertisements was to run a responsible gambling program called "Keep It a Game." I think I have said in this Chamber before that I have directed the Lotteries board to work on the first responsible-use policy in Canada. I have recently spoken to the acting CEO of Lotteries about the installation of clocks in the casinos. I think there is every evidence that this Government takes addiction extremely seriously, and I would certainly discuss the individual that the member cited outside the Chamber.

Mr. Reimer: Mr. Speaker, I applaud the minister for having the ability to try to make changes, but when this Government is spending over \$100,000 a month on advertising for restaurants and she is saying that \$100,000 has just gone into the addiction centre, I would ask her whether she could laud the Minister of Finance for more funding to go into the treatment centre to alleviate these problems. There is a problem there. I hope this Government can look after it.

Ms. McGifford: Mr. Speaker, I think the member misunderstood or misheard what I said. I said that the Manitoba Lotteries put \$1.7 million into Addictions this year. I believe the Department of Health puts a great deal more into addiction treatment in Manitoba. So I am not quite certain what the question is that the member wished to ask. I want to reiterate, once again, that we take addictions extremely seriously. Manitoba Lotteries board is establishing a responsible-use policy, we are working with AFM to review the efficacy of treatment programs, so I think the board and the staff at

Manitoba Lotteries is doing an admirable job. Any individual cases I will discuss with the member outside the House.

Mr. Reimer: I thank the minister for that answer. I would ask the minister then whether she would consider moving the money that she is spending through Lotteries on advertising and direct that money into a treatment centre or for additional help for people with gambling because Brian Cox has pointed out there is a problem there. I think they recognize there is a problem there. Let us look for a solution for it and not do the blame game here in this Chamber.

Ms. McGifford: Mr. Speaker, a good part of the money that is spent on advertising was spent on a responsible-use series of ads called "Keep It a Game," so I think the member is confused.

Winnipeg Casinos Advertising Campaign

Mr. Harold Gilleshammer (Minnedosa): We have listened to the Minister responsible for Advanced Education give her reasons why they have this aggressive advertising program, and they are spending millions of dollars on it. Will she admit that the real motivation is that the Minister of Finance (Mr. Selinger) put in his revenue estimates an additional \$20 million that had to be raised from gaming this year? That is the real motivation for trying to increase gaming in this province. The Minister of Finance has demanded \$20 million more out of gaming.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Hon. Diane McGifford (Minister charged with the administration of The Manitoba Lotteries Corporation Act): Mr. Speaker, I would be pleased to answer the questions if we could have a little bit of silence from members opposite.

Mr. Gilleshammer: I would ask the Premier, who has recently been converted to supporting balanced budget legislation, is the real motivation behind this aggressive advertising campaign to put \$20 million more in the coffers of this Government this year?

* (14:40)

Hon. Gary Doer (Premier): One of the biggest issues facing the Lotteries Minister and Minister of Finance in last year's budget, in particular, was the fact that there was a sum of \$70 million to \$80 million cost overrun in casinos that regrettably left downtown Winnipeg and expanded dramatically in the two suburban locations.

Secondly, Mr. Speaker, the whole capital amount, I think it is close to \$150 million, the original casinos plus the expanded casinos, had no budgeted item in the Crown corporation lottery commission.

They had no payback strategy in their budget, and it was an unfunded liability that was registered onto the books of the province of Manitoba, one of the many reasons why the Auditor said that the books the members opposite had were not telling the true picture of the finances of Manitoba.

Mr. Speaker, when it comes to a lottery revenue and lottery expenditure, on the expenditure side now there is a plan in place. There is a plan in place to pay back the capital expenditures for the casinos, both the original capital and the expanded capital. It was not contained within members opposite. Surely to goodness, they were not taking the money out of the Lotteries Corporation for the former Minister of Finance's Budget without any consideration of the capital commitments they had made.

Mr. Gilleshammer: The Premier is very slick in his response. He knows that this is \$20 million additional dollars going into general revenue. Will he admit that that additional money put in the Budget this year, he has succumbed to the addiction of revenue dollars by putting \$20 million more dollars and that is why they have this aggressive advertising scheme?

Hon. Greg Selinger (Minister of Finance): Once again the member opposite is reading very selectively in the Budget. The actual revenue in the third quarter forecast was \$234 million. This year's Budget is only \$6 million more than that, a modest 2.5% increase in revenues. Tell the truth to the Legislature.

Winnipeg Casinos Advertising Campaign

Mr. Jim Penner (Steinbach): The Minister of Advanced Education denies targeting minors with her multimillion-dollar advertising blitz. She claims that her ads show off the amenities of the casinos and nothing about gaming. It makes one wonder if she has taken the time to watch her own fill-up NDP coffers ad campaign.

Can the minister confirm that one of the billboards used to lure new patrons to her casinos is located just inside the Perimeter, on the east side of Winnipeg, across from Tinkertown Amusements, Fun Mountain Water-slide and the KOA family campground?

Hon. Diane McGifford (Minister charged with the administration of The Manitoba Lotteries Corporation Act): As I have told this House repeatedly, the design of this Government is not to lure people into the casino. In fact, unlike other jurisdictions, we neither picture children in our advertisements nor do we allow children into our casinos. The three reasons for advertising casinos is because we believe it is essential and responsible to conduct a responsible-use run of advertisings, first of all. Secondly, we are in a highly competitive environment, and we believe it is a prudent business decision to advertise amenities, restaurants and entertainment. Thirdly, as the Premier (Mr. Doer) has already indicated, because of the huge and staggering cost overruns stemming from expansion and inherited from the previous government. Those are the three reasons.

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

MEMBERS' STATEMENTS

Mr. David Friesen

Mr. Jack Penner (Emerson): Mr. Speaker, it is a pleasure to rise today and to place a few words on the record about David Friesen, CEO of Friesens Corporation of Altona, being named the Prairie Entrepreneur of the Year for Manufacturing. The award, now in its seventh year, was created by Ernst and Young and was bestowed on Mr. Friesen last October.

Also nominated were three other fine Manitoba businesspeople, including Mark Dufresne of Dufresne Furniture & Appliances, Tom Rice of Rice Capital Management Plus Inc. and Gord Peters of CANDO Contracting of Brandon.

It should come as no surprise that David Friesen was named the recipient of this award. The Friesen family has a long history in the community as a business that was established in 1907. The company is now Altona's largest employer, providing hundreds of jobs in its four manufacturing plants. Throughout the years, Friesens has printed everything from newspapers to postcards, magazines, year books and coffee table books. Though they could have relocated elsewhere as the business took off, they chose to remain in Altona, where they have good access to the North American market. Complemented by a stable and dedicated workforce, they are a fine example of made-in-Manitoba business success stories.

I would like to thank the Friesen family for the considerable dedication to the community of Altona, to the province of Manitoba and indeed to the country of Canada. They are true Canadian citizens and entrepreneurs.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. May I ask the co-operation of all honourable members, if they want to carry on a conversation, to please do it in the loge or in the hallway. It is very, very difficult to hear.

* (14:50)

Standard Aero

Ms. Bonnie Korzeniowski (St. James): Mr. Speaker, I was pleased to have had the opportunity recently to have attended the opening of the new Marine and Industrial Engine Service Centre opened by Standard Aero.

I, like many Manitobans, have watched the growth of Standard Aero and the aerospace industry as a whole over the last number of years. It is wonderful to have such a dynamic and innovative company operating in my constituency of St. James.

This is a time of significant change for the aerospace industry in Winnipeg with the retirement of Jim Sawyer, head of Boeing Canada Technology and head of the Manitoba Aerospace Association. I feel honoured to have known Jim Sawyer, and I would like to reflect on the contribution he has made to the aerospace industry in Manitoba. During the four years that Jim Sawyer spent leading the Manitoba Aerospace Association, the industry has experienced tremendous growth, becoming the fifth largest industry in Manitoba and the third largest aerospace sector in Canada. Jim's is an amazing story of a man who went from the shop floor to the boardroom over his career with Boeing, raising company sales and building a workforce which now stands at 1400 employees. As Jim embarks on his new life and challenges, I would like to wish him and his family all the best.

His shoes as president of the Manitoba Aerospace Association will be filled by Paul Soubry of Standard Aero. I would like to give my sincerest support to Paul in his efforts to maintain the growth of the industry and work with our Government to bring jobs and development to Winnipeg and to Manitoba.

The aerospace industry has tremendous potential here in this province, and I know that Paul Soubry shares this feeling about the opportunities available. I know and have utmost confidence in his abilities, and I wish him the best of success. Thank you, Mr. Speaker.

Winnipeg Casinos—Advertising Campaign

Mr. Denis Rocan (Carman): Mr. Speaker, while in opposition, members of this NDP socialistic government expressed their concerns and strong distaste for casino advertising. In fact, one of their members has stated: "It is deplorable when governments encourage gambling." How disenchanted this member and others must be now that their Government is spending millions of dollars to lure Manitoba families to McPhillips Street Station and Club Regent.

This minister can attempt to ease her conscience with the belief that her ads are not aimed at families or minors, but the concerned parents who have contacted their MLAs about these very ads know the truth. Within one hour of prime time, family-oriented Sunday night

television, this minister's ads appeared three times.

How can this minister pretend that her ads are not aimed at families and children when they are shown almost every 15 minutes during family-oriented television shows? How can this minister, the Member for Lord Roberts (Ms. McGifford), pretend that she is not luring families into her casinos when her lottery billboards are located just across from Tinkertown, Fun Mountain, Grand Prix Amusements and a family campground?

This minister also attempts to justify her ads by claiming that she is only promoting the casinos' amenities, the restaurants and entertainment. Has this minister, the Member for Lord Roberts, seen her own ads? Video lottery terminals and other gaming machines are shown twice during each commercial. This is not advertisements of the restaurant. This is not advertisement of the entertainment. This is advertisement of the casino and its gambling facilities.

Manitobans know what this minister, the Member for Lord Roberts, is up to, and it is time that she comes clean with her intentions. Even if she could keep a straight poker face, actions speak louder than words. Thank you, Sir.

Flin Flon Constituency Events

Mr. Gerard Jennissen (Flin Flon): Mr. Speaker, last Friday I was fortunate to be able to participate in two important events in the Flin Flon region.

The first event in Flin Flon was the official grand opening of the Northern Lights Manor, a beautifully renovated personal care home. The project was co-funded by Manitoba Health. The Northern Lights Manor features 36 single rooms and provides all levels of care for seniors. All rooms are located on one level for easy access. The building contains all modern amenities, including a private washroom in every room. There are also provisions for couples with adjoining rooms.

I thank the honourable Minister of Health (Mr. Chomiak) for cutting the ribbon at the grand opening. I also want to thank Drew Lockhart, CEO of the Norman Regional Health

Authority, Linda Lautamas and the regional health authority board members past and present, staff, construction project workers and volunteers for their efforts in making this project a reality. The residents of Northern Lights Manor will be able to enjoy facilities that rank among the best in this province.

Friday evening, I was also privileged to participate in the official opening of Flin Flon's 51st Annual Trout Festival at Bakers Narrows. Although the weather did not fully co-operate, there was a good turnout and the usually impressive community involvement. All of us present enjoyed the local talent which included hoop dancing, Tae-Kwon-Do demonstrations and musical entertainment. I thank all organizers for a job well done and wish good luck to all Queen Mermaid contestants. Thank you, Mr. Speaker.

Student Stock Market Challenge

Mr. Jim Penner (Steinbach): Mr. Speaker, I am pleased to rise today to note a unique honour recently achieved by a young resident from my constituency. Many members of this House will know, some very personally, the ups and downs being experienced within today's financial markets. Today's stock market is not for the faint of heart.

Yet, despite the sometimes choppy waters of the financial market, Marvin Sawatzky, a Grade 9 student from New Bothwell School has shown that they can be successfully navigated. Marvin was recently honoured as the best student stockbroker in the province, beating out more than 3000 other student competitors.

The student stock market challenge, put on by the *Winnipeg Free Press*, challenged students to simulate investing \$100,000 in stock market holdings and then track those selections for two and a half months. The winner of the game is the individual whose simulated portfolio achieved the greatest increase. At the end of the two-and-a-half-month challenge, Marvin's portfolio, which consisted of stock in Magellan Aerospace, Rogers Wireless, Nortel Networks, Biovail Corporation, CanWest Global, Clarica, and Sears Canada, had risen by more than \$30,000, edging out his nearest competitor by just \$15.32.

Mr. Speaker, I would also like to congratulate Marvin's teacher, Mr. Patrick Martens, who took the time to explain the contest and the financial market to many students. This type of hands-on education is very beneficial in helping students develop an understanding of the operation of the financial markets, and Mr. Martens is to be commended for his dedication and work on this project.

On behalf of all the members of this Assembly, I would like to extend congratulations to both Marvin Sawatzky and his teacher, Patrick Martens, for their achievement.

Thank you.

ORDERS OF THE DAY

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you please call debate on second readings, Bills 16 and 20.

DEBATE ON SECOND READINGS

Bill 16—The Farm Practices Protection Amendment Act

Mr. Speaker: To resume debate on second readings, Bill 16, The Farm Practices Protection Amendment Act (Loi modifiant la Loi sur la protection des pratiques agricoles), standing in the name of the honourable Member for Lakeside (Mr. Enns).

An Honourable Member: Stand.

Mr. Speaker: Is it the will of the House to leave the bill standing in the name of the honourable Member for Lakeside? *[Agreed]*

Mr. Jack Penner (Emerson): Mr. Speaker, Bill 16, which extends the jurisdiction of the Farm Practices Protection Board by giving it the authority to review its own orders and to change, revoke or replace an order if it is considered that action be appropriate—this authority is subject to certain limits. Also, the bill removes the time limits on board members, terms of appointment and amends provisions to the board.

I think it is important that this Legislature notes that when the board was established, it was an action to ensure that farmers would, in fact,

be protected; that farmers' actions, as deemed by regulation and legislation, were in fact being followed; and that those who not always lived or made their living in the rural areas—when they complained about odour, noise and dust against the agricultural operations—that they would, in fact, have a proper place to have their concerns heard and that this board, then, would be given the authority to make recommendations, and, in fact, to cause actions that would be beneficial hopefully to both sides in the argument.

* (15:00)

I think this bill goes beyond the realm of true co-operation. I think this bill allows for the concentration of efforts by individuals to raise food in this province, and to do it in such a manner that is in fact environmentally sound, will in fact be beneficial to society, will contribute to the economy and will in fact be done in such a manner as not to cause harm or damage to their neighbours. That, of course, is the whole intention of the agricultural community.

When I sit down with the agricultural community, they would do almost anything to ensure that their neighbours were not damaged or that their neighbours were not disadvantaged. But, if and when those kinds of action do take place, whether by accident or otherwise, and when complaints come, the Farm Practices Protection Board was put in place to make rulings and to allow decisions to be made.

I think the minister's action here to allow the board to make changes to rulings that have been put in place at some previous time is, in fact, the right kind of changes in the Legislature. I applaud that. I think the fast-changing world that we live in and the fast-changing world that the agricultural community is forced into dealing in is an indication, and the minister needs to be congratulated in ensuring that there is a process put in place that will be different tomorrow than it was 10 years ago when this board was first put in place, and that from time to time we need to make quick decisions and, even when orders change, that the board be allowed to make those kinds of quick decisions. However, there is also a danger in this. If and when a minister chooses to appoint boards that are not always in sync

with the agricultural community, sometimes might even have their own agendas, then these kinds of powers become questionable.

Mr. Conrad Santos, Deputy Speaker, in the Chair

I think there needs to always be an insurance in legislation that both the complainants and the actionists are protected, and that I do not see in this bill. I would have suggested to the minister that she might have considered writing into this bill further application for appeal if and when necessary, and that is not here, because there will be times when there will not always be agreement with the decision made, and therefore I think there needs to be a time of provision for third-party intervention. That, in this case, would only be allowed if it were done through the court, and I think that is unfortunate.

But, having said that, I think that The Farm Practices Protection Act in general, when first initiated, was done so to ensure that farmers would be able to operate in rural communities without undue intervention by those that have no interest in agriculture. Today, sometimes, one has to wonder how far we have gone in allowing those outside interests to control, to cause regulatory action, to cause even legislative action to occur without giving due consideration to how farmers must, in today's environment, meet the competition.

Therein lies a huge, huge dilemma for the agricultural community. Our agricultural community in this province today is not facing in many instances true competitive factors it has to face in the grain and oilseeds sector. The Member for Interlake (Mr. Nevakshonoff) certainly would know this because most of his beef cattle and not too much of his pork and much of his grain are exported to our United States neighbour. So his neighbours, his constituents, face a dilemma that our forefathers never dreamed of facing. They are facing the competitive forces of the United States government and the deep, deep pockets that Uncle Sam has. They are facing the pockets of the European Union's treasury in its agricultural support. They are indeed facing the competitiveness of the different regulatory

environmental laws that other countries might be much more lax in enforcing than ours.

Above all that, they are facing a situation whereby our own actions, our own government's actions, sometimes put our producers into an almost incomprehensible kind of a situation. It was always my view there were many proponents when this legislation was first contemplated and was first suggested, and the legislation at that time the farm organizations were suggesting should be put in place was the farm protection act. They wanted a true farm protection act giving the right of the producer to farm unimpeded in areas which would be deemed agricultural land.

If another person moved into that agricultural area without having any real interest in operations in that area, that they would make their living somewhere else, but they liked to live out in the country, that this legislation, this farm protection legislation, the right-to-farm legislation as they called it, would be put in place to ensure that farmers, in fact, could do business as they must in order to raise either crops or livestock or whatever else farmers chose to do. Yet the then-minister in his wisdom chose to put The Farm Practices Protection Act in place, giving the right of the board to make decisions.

However, there was no mention of the fact in that legislation, that when circumstances would change, either environmental laws would change, distances of parameters for the protection of a yard site from either spreading fertilizer or natural or otherwise, from sprays, chemical sprays that were needed to control bugs or worms or any of those kinds of things, weeds, were used, that there must be certain distances maintained. When those distances either increase or decrease, there was no provision under this act to allow for those changes to be made. This I congratulate the minister for, because she now gives the board the authority to make those changes if and when necessary. I congratulate her for that.

I think this bill will not do anything to impede the agricultural community. I think it will enhance the ability for the board to operate more freely than it did previously. I would,

however, encourage the minister that if and when the time comes, that the agricultural community will come to her and say that there are certain things that we must do in order for us to be able to make a livelihood. Whether it is in competition with our American neighbours or our European neighbours, or whoever else, and whether it is dealing with environmental laws or operational laws or indeed whether it is dealing with financial matters, she should strongly consider as a first priority in this country and, indeed, this province to ensure that the right of security of food supply be first and foremost on the minister's agenda. The Minister of Agriculture has now been given the right to also deal in foods, because she is now the Minister of Agriculture and Foods. That has broadened her mandate dramatically, very dramatically, sometimes to the point where the primary producer in agriculture, in fact, wonders whether he or she has been relegated to second or third priority, because the food processors and food producers are not always the same. So one must judge very carefully, and be careful how you initiate these things.

* (15:10)

But The Farm Practice Protection Act and the board and how it is initiated will be, in my view, very important in the future, and maybe at times needs to be given even more authority to ensure that the ability of farmers to do their business, as they must from time to time, be secured.

I want to finish by mentioning one other thing. When we look at the situation in southeast Manitoba today, as it sits, and in the Red River Valley, and when we look at what happened in southwest Manitoba back in 1998-99, and the actions taken by the then-government to ensure that farmers who were not able to seed their crop would, in fact, have a livelihood that could be maintained—putting in place \$50 an acre for areas that were not seeded without having to pay a premium on it, without having to be enrolled in an insurance scheme, it spoke very loudly and very clearly about the heart that the Conservative government of the day had for its agrarian friends.

I think probably in the very near future, Mr. Deputy Speaker, we are going to have to face a

similar decision, and the question is: How are you going to support those and keep those on the land who either did not have the ability to buy insurance or could not buy insurance and were not able to seed?

There are many farmers in the southeast area today who have no crop in the ground. They have cattle and they have livestock that depend on a crop being grown so they have feed for the winter. It is too early yet to tell what the net result will be, but I think we will have to keep a very close eye on that situation. There might, in fact, be a time when the minister might have to intervene, maybe financially or otherwise, to ensure feed security, for the supply of feed for the animals out in that southeast area, whether it is for the cattle industry or the sheep herds out there or the elk herds out there or the bison herds out there. If they cannot make hay, if there is too much water in the fields to make hay, then, of course, there is no feed supply.

So I say to you, Mr. Deputy Speaker, that we will support Bill 16, and we will encourage the minister, ask her to ensure that the livelihood of the agricultural community comes first, and those who move into the agricultural areas who have no vested interest in the agricultural community become a secondary consideration when we make decisions on livestock operations, when we make decisions on drainage matters.

The licensing of drainages is what is really at question in the southeast area today, because municipalities are telling many of their residents they cannot even go in with a backhoe and make a drain because they cannot get a licence because the engineers are on strike.

I say to you, Mr. Deputy Speaker, and to all members of this Legislature, that they should immediately resolve the dispute they have with their engineers to get them back on the job and allow for the due process to take place. If that is not possible, then I would strongly encourage this minister as Minister of Agriculture and Food (Ms. Wowchuk) that she approach her Premier (Mr. Doer) and her Cabinet and make a decision to give the latitude to the municipalities to make the decision where the actions need to be taken

until such time that she and her Government can come to terms with their own people.

In closing I want to say to the minister that we will support this legislation and we will look forward to some other legislation that she might be bringing forward in debate as it comes to this Chamber.

Mr. Harry Enns (Lakeside): Mr. Speaker, by leave, I do want to add a few comments to the bill. I had stood this bill for my colleague the Member for Emerson, who has pretty well put what needs to be put on the record from the Official Opposition's position. I just want to underline and remind the minister with my few comments what the member just alluded to a little while ago.

This really is and needs to be, and it is more important perhaps now than when it was first introduced, a kind of farmers' right-to-farm bill. I am pleased that the Member for Emerson put that on the record. It is a changing world that we live in, particularly in Manitoba, where we, by virtue of our geography and by virtue of what we can best do in the new environment in this post-Crow era, will become increasingly more dependent on livestock, poultry. I envisage more dairy farming, more poultry farming, more livestock of all kinds of description, not just the beef and the pork that are the principal players, of course, in livestock.

But all of these have with them some very specific problems that need not be viewed as problems, should not be viewed as problems, should be accepted as normal agricultural practice and are in the main. But with a mobile population, people wishing to live in the countryside, and they are welcome if they want to come and live in the countryside, but not in a trivial way to seriously hinder agriculture. That is one aspect of the bill that I hope the minister appreciates and understands and impresses upon the board as she appoints them with these additional powers we are giving them.

The other factor is, and no legitimate farmer shies away from it, there are responsibilities to farming, to running agricultural businesses, and they are increasing over the years. But this board again is meant to be an advocate for the farmer,

for agriculture. There should be no confusion about it. This is not a neutral board that comes to make a judgment on a quarrel that is taking place between two neighbours or something like that. If in doubt, this board sides with the farmer. This board decides what is a reasonable and an acceptable agricultural practice. I think those words are used in the language of the bill. That is the kind of attitude the board needs to take in dealing with issues.

Mr. Deputy Speaker, with those few comments, I too want to indicate, as the critic for Agriculture already has, that the minister will receive support for this bill. We look forward to it moving into committee. If there are any specific questions of detailed structure of the committee, structure of the bill itself, we will be able to ascertain them with the minister and staff. Thank you.

Some Honourable Members: Pass.

Mr. Deputy Speaker: Is the House ready for the question?

* (15:20)

Some Honourable Members: Question.

Mr. Deputy Speaker: The question before the House is second reading of Bill 16, The Farm Practices Protection Amendment Act; Loi modifiant la Loi sur la protection des pratiques agricoles. Is it the pleasure of the House to adopt the motion?

Some Honourable Members: Agreed.

Mr. Deputy Speaker: Agreed and so ordered.

Bill 20—The Farm Products Marketing and Consequential Amendments Act

Mr. Deputy Speaker: On the proposed motion of the honourable Minister of Agriculture, Bill 20, The Farm Products Marketing and Consequential Amendments Act, standing in the name of the Member for Emerson.

Mr. Jack Penner (Emerson): Mr. Deputy Speaker, Bill 20, The Farm Products Marketing and Consequential Amendments Act, is a bill, I think, that reaches far into all Manitobans' lives. It deals with the establishment and the rules and regulations under which our supply-managed sector operates in this province, and, indeed, is not only limited to this province. It is indeed because of the council, and the council's responsibility has far-reaching implications. It has to deal with members of commodity groups and supply-managed commodity groups all across Canada.

First of all, I want to congratulate all those boards and members of boards and commissions that have served in the capacity of the marketing boards and the marketing commission over the years. I think they have done a wonderful job in ensuring that the supply management system in fact functions, gives good value to the consumer and provides an honest return for labours of the farm community that is involved in the supply management sector.

If one wants to look at the broader global picture, I think one must question sometimes the federal government's commitment, true commitment to western Canada. I hope, Mr. Deputy Speaker, you give me some allowances to diverge a bit from the main theme of supply management, because I think it is important that some of these things be put on the record.

When the debate first started on whether the Crow rate should be maintained as we had known it, not only as we had known it but as it had been written into perpetuity, the Crow rate was established initially not to protect the farmers. It was written and put into place to ensure that the railway companies would be able to make a profit. That agreement was signed in order for them to build a railway line from coast to coast in Canada.

Once they reached the Rockies, the railway company decided that they must have an agreement from the federal government to give them some assurance, and it became a matter of land allocations, and it became a matter of a number of other initiatives that were negotiated.

But one of the key ones was that they were given an assurance that they would be paid a certain amount of money per tonne for the hauling of grain, and, in doing so, they assured the railway companies a profit for hauling this grain. Now, if history is proved right, the Government of Canada made a mistake or the agricultural community made a mistake. I am not sure which, but history will eventually show which one was right.

When we reached the point where the agreed-upon price that had been initially negotiated was exceeded by cost by the railways, the railways came back to the Government of Canada and said, look, the amount of money that we are receiving is not enough and therefore we are asking that you supplement the amount of money that we are receiving for freight, for the hauling of this grain.

There were many farmers at that time who were saying, well, the railways were slowing down grain movement to put pressure on governments to up the ante, and up the ante they did. It was always couched in a subsidy to the farmers. It was always said that we are paying farmers a subsidy to get their grain hauled. Well, Mr. Deputy Speaker, that was the farthest thing from the truth. The farmer really did not get involved in the debate as to whether he or she should receive more money to get their grain hauled to either Vancouver or Thunder Bay, or wherever on the Prairies. That was not the key; that was not the issue. It was the railways lobbying the federal government for more money to haul those commodities.

So, eventually, at the agreed-upon and set rates, it came to the point where we hit \$700 million in freight costs to the Treasury over and above what the original Crow agreement was, over and above. Eventually, we hit the number of around \$750 million that the federal Treasury paid to the railways in order for them to be compensated properly for the hauling of grain. Yet writers and reporters and people negotiating and debating were talking about the huge subsidy paid to farmers to haul their grain, and it was not the farmers at all who received the money.

When the federal government, a few years ago, decided that this must come to an end—and

the Premier (Mr. Doer) today was right. It was under the Brian Mulroney administration in Ottawa that the initial discussions and the first reduction took place on the Crow, yet there was an agreement drawn then that there would be compensation paid. I do not know whether the Minister of Transportation (Mr. Ashton) knows the exact amount, but I believe that the Mulroney administration offered western farmers some \$8 billion and some even said \$9 billion as a set-aside package that would be used as the offset to the elimination of the Crow.

What did the farm community say? The farm community said no, and in the ensuing election, Mr. Mulroney and company were royally and soundly defeated at the polls. Yet the Crow issue did not go away. One of the first actions that the Liberal administration in Ottawa took under Jean Chrétien and company was to eliminate the Crow, bang, gone, and what actions were taken? I think there was \$1.8 billion as a one-time pay-down, roughly about that, was set aside to compensate farmers for changes that they would have to make.

Well, consequently, Mr. Deputy Speaker, our freight rates on grain off of my farm have increased from that time at about 27 cents a bushel to around \$1.20 a bushel, round numbers, because it varies a bit from commodity to commodity, but around \$1.20 a bushel from 27 cents a bushel in a period of about five or six years.

* (15:30)

That is a huge increase, Mr. Deputy Speaker, and you might say why am I talking about this. Well, the reason I am talking about this is it has a huge impact on where it becomes most economical to raise livestock. Where does it become most economical to raise livestock in this country? Well, Mr. Deputy Speaker, the answer is, of course, at the ultimate it becomes the most economical to raise livestock at the highest cost of freight to export because the reduction of the amount of freight sort of sets the baseline for the commodity that you can sell locally, your feed grain, to a user. So you discount \$1.20 a bushel on any feed grains amount in Manitoba. Because we are the farthest from port on either east, west, except for south,

we can go south cheaper than some can. We are relegated almost to the cheapest feed grain in all of Canada in this province, and therefore it becomes economically viable to be competitive in the international and in the Canadian marketplace.

You say why am I saying this. Well, our supply-managed commodities consume large amounts of feed grains, large amounts of feed grains, whether it is dairy or whether it is poultry or any of the other supply-managed commodities. We have the potential from an economic competitive standpoint instead of a population-based quota system—and some argue that we do not have that, but we do, because Ontario and Québec will always maintain that they have the largest amount of population and, therefore, they need the largest quota supply to supply their own needs. I cannot argue that. I mean, that is a natural argument to make, but how long will the consumers in Ontario stand for paying more for chicken and eggs and all that sort of stuff than a Manitoba consumer does or can or may? How long? That is the issue.

So I have said to the minister on a number of occasions and I have said to most of the supply-management boards: Do not get me wrong. I support supply management. I think John Deere and Case IH and General Motors and Chrysler and Ford Motor Company are some of the best supply managers in the world. Huge corporations, they do not build more than they can sell if they can help it. Right, Mr. Deputy Speaker? Absolutely, that is correct.

So for those in the agricultural community, not producing more than they can sell only makes sense to me. That way you prevent the oversupply, right? That way the consumer gets good value for what they consume but are also assured on the other side to have enough supply. The grocery store will not be empty because we will be able to produce to the marketplace.

Now, why are we then in Manitoba not making the case that we should base the provincial quotas from the national perspective on a cost-competitive marketplace? If Manitoba can produce any commodities cheaper than Ontario and Québec or the United States or anybody else can, surely then we should be huge

suppliers of the raw product, right? It makes sense, does it not? Yes.

So should we then change how quota allocations are done on a national basis? I have always said the federal government could not help but make those changes once they made the Crow decision, and there are many others that will make the same argument.

Some people have been critical of my criticism of the economic situation in some parts of our province. They are correct. They are absolutely correct. I have been critical, but we have made tremendous strides. I need only look at my constituency. My constituency has more livestock in it per capita—I think I am correct—than any other constituency in this province. My constituency would be deemed the livestock capital of Manitoba because it takes in all of the municipality of La Broquerie, and it takes in all the municipality of Rhineland and Montcalm and indeed the southeast area of Stuartburn, Piney, Vita, Franklin, and that southeast area I would call cattle country. It is pure, plain and simple cattle country, and it is great cattle country. It has some of the best grassland in Manitoba. Cattle do well there.

The second and most important thing that we have over there is the people who know how to raise cattle. They are good at it. They are very good at it. And the third, which I would probably suggest might have been one of the most important issues out there, is that they have an ag rep over there that understands the soil, that understands the climate over there and that understands the actual economics of raising cattle. He understands the agronomics of raising cattle. This person by the name of Wally Happychuk has done much in that area to change the southeast of Manitoba.

Cattle are not supply managed. Do they compete well in the marketplace? Yes, they do, but they are relegated to the marketplace. They are relegated to the vagaries of the marketplace. Is the hog industry supply managed? Some would say today maybe it is, not so much from a supply-managed, commodity-based under the national agreements but from a vertically integrated sort of mode which many of our producers now are.

One would say that the industry is fast becoming managed from a supply-side situation, although I need to maybe correct that somewhat because much of our production heads south of the border. I understand we raise in exports probably in the neighbourhood of two million young hogs to the U.S. market. That, of course, takes us out of the realm of supply management because these producers in many ways are very independent producers and can make management decisions to either increase, expand their operation or decrease and quit with no side effects, no contractual arrangements for that matter.

However, we need to I think impress upon the federal government that they badly failed western Canada when they made the unilateral decision to do away with the Crow without showing due respect for all the other changes that they needed to have made that go with it. Yet we have not seen that. This is where I become a bit critical of our current administration in this province. I honestly do not think that we have a very strong approach to the federal government from the current NDP administration in this province. I know the current Premier (Mr. Doer) said that he would have a better relationship with Ottawa than the previous administration had, yet this Premier cannot even get a meeting with his Prime Minister. We passed a resolution in this House, Mr. Deputy Speaker, an all-party resolution—we all supported it—that said this Premier now must head a delegation of farm leaders, business leaders and indeed community leaders to Ottawa to impress upon the Prime Minister the urgency of the agricultural situation in Manitoba, yet we have heard or seen nothing.

* (15:40)

The Premier has sat on his hands and done nothing. He told farmers that he had asked for a meeting with the Prime Minister, when, in fact, on the day that the Prime Minister came to Manitoba, he was scheduled to be in some other province. I think that speaks very loudly about the integrity of our Premier's Office in response to the farmers of this province, and I think that is sad.

Mr. Deputy Speaker: Order, please. A point of order being raised. The honourable Minister of Agriculture.

Point of Order

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Deputy Speaker, when we speak in this House, we should put accuracies on the record. The member just indicated that the Premier (Mr. Doer) was not in the province and it was disgraceful that the Premier was not in the province when the Prime Minister was in Winnipeg.

I would ask the member to correct the record because the member knows full well that the Premier was at the Western Premiers' Conference where he, indeed, was raising agricultural issues. The date of the Western Premiers' Conference was set months before we knew that the Prime Minister was going to be in Manitoba.

Mr. Deputy Speaker: On the same point of order, the Member for Emerson.

Mr. Jack Penner: Yes, on the same point of order, Mr. Deputy Speaker, the Minister of Agriculture is a bit sensitive to this, but I know she knows that the Premier said he had written a letter and asked for the Prime Minister to meet with farmers in this province with him, when the Prime Minister came to Manitoba, yet he failed to tell those same farmers and he failed to tell this House that he, in fact, was scheduled to meet at a Western Premiers' Conference during that same time that the Prime Minister would be here.

I think, Mr. Deputy Speaker, that is misleading, and that, on a point of order, should not be allowed in this House.

Mr. Deputy Speaker: I have to rule on the point of order, disputes over the facts. Almost every member knows it is not a point of order. There is no point of order.

* * *

Mr. Jack Penner: I think the minister is probably a bit sensitive to the issue, because she knows full well that the Premier should have known or did know well in advance prior to the Prime Minister coming to Manitoba that he would not be able to meet with him because of

previous commitments that he, the Premier, had made, and he should have said so to the farmers of Manitoba. He should have said so: I am sorry, I cannot take you to the Prime Minister. I cannot head up a delegation to the Prime Minister when he comes to Manitoba, because I am scheduled to meet with the premiers in western Canada. The farmers would have respected that, Mr. Deputy Speaker. The farmers would have respected that.

However, today we again called for the Premier to head up a delegation to Ottawa to meet with the Prime Minister to deal with the agricultural crisis that we have in this province. I think the Premier (Mr. Doer) and the Minister of Agriculture and Food (Ms. Wowchuk) need to accept the fact that the crisis is serious.

We have many businesses that have closed in the last year in this province. We have one community with 13 businesses closed this year. We have another community within the last month and a half that has seen 4 business closures in its community. We have seen farmers, young farmers, who have thrown up their hands and said, we are out of here; we cannot compete. We cannot compete.

I think it is up to the Premier to take this delegation of business people, of farm leaders and indeed politicians, the minister and maybe the critic for agriculture to Ottawa to meet face to face with the Prime Minister. Maybe that meeting should include the Finance Minister (Mr. Selinger) and the Minister of Agriculture and the Minister of Transportation (Mr. Ashton), but to meet with them as the previous farm organizations did with the previous Conservative administration in Ottawa.

I remember when a group of us went to Ottawa and made the case for a \$2-billion special grains program, and it was granted, Sir, but it was the Prime Minister of this country at that time that met with the farm leaders, and it was his minister of agriculture and it was his minister of transportation that met and said: yes, we recognize the dilemma you are in, and we will accept that. They announced a \$2-billion special grains program.

This Premier and his Government have not done justice to the request and the resolution that was passed in this House. I think that needs to be raised under the auspices of debating supply management and how supply management quotas are set. There are a number of changes that are being made to the bill, to Bill 20, and I have some concerns in this regard.

I think the government of the day is making a mistake in relegating the powers to the minister instead of to Executive Council. Powers that were previously given only to Executive Council to make changes have now been given ministerial authority. I know why they have done it. Some will make the argument to expedite decisions, which is acceptable from that standpoint, but let members of Executive Council never be allowed themselves the latitude by not consulting with their colleagues.

I think it is important that ministers should, on decisions of importance, go to their Cabinet and make the case before Cabinet and let their Cabinet be their judge, let the Executive Council be the judge of whether a decision is correct or not. That is democracy. If you relegate the decision-making to one person, that is not democracy. That is not democracy. I think we must always guard for our democratic rights and the danger of the exclusion of the decision-making process from a broader base. I feel very strongly about that.

There are also areas in this bill that are changed. I think this bill indicates that every member of a board must be a producer of the farm product for which the plan is established, unless the plan as written by the board, and maybe the minister can correct me, but written by the board, and, in fact, directs otherwise. I think that is a welcome change. I think it is always important that the commodities we deal with are allowed to be directed by the producers that produce them. They are, after all, far more knowledgeable than many others are.

I think the co-operation with the extraprovincial-boards, producer board—the Manitoba Council may co-operate, or act in co-operation, with the extraprovincial board or a marketing commission or another producer board in the marketing of regulated products.

Under section 8(17), it states: With the new minister's permission, a board or commission may co-operate or act in co-operation with an extraprovincial board in the marketing of regulated products. That extends the mandate of the marketing boards beyond the current parameters that they now have. We should think about that, because currently it is exclusive. The marketing of the products is exclusive. If you allow the arm's-length negotiations and/or transitional marketing processes, you have to wonder sometimes how long your arm can be before you lose touch of your fingers at the end of the arm. Therein lie some dangers. We should be careful in the decisions that we make as government to make those allowances.

Then, in 15, it indicates Cabinet "may make regulations (a) providing for a proposed plan to be submitted to a vote under the Manitoba council's supervision and designating the class of producers of the farm product entitled to vote."

* (15:50)

The other areas that I think are important are the appeal process, the new act's section 19(1): "Any person affected by a regulation, order or decision made by a board or a commission may appeal to the Manitoba council, but only if the person has first asked the board or commission to review the matter, and the board or commission has refused to grant the relief questioned. I think that initiates some order in the process."

I concur with the minister that that is, in fact, what should be done. I think that as it currently stands, if there is a disagreement, the appeal goes directly to the appeal board. I think the producer should have the right to sit down with the board, and I think the board should be ordered by the act, as this will now, to ensure that the producer at least has that dialogue with the board prior to running off to some third party and making that submission.

Section 20(3) relates to the same thing. "The Manitoba council may decide not to hold a hearing if it thinks that (a) the subject matter of the appeal is trivial or that the appeal is not made in good faith or is frivolous." Again, I think those are good provisions under the act.

I think some of the major changes here are that the Lieutenant-Governor may appoint persons as inspectors but the minister also may appoint persons as inspectors. I am not sure who the appointing authority is here in the final analysis, whether it is under ministerial order that the inspectors can be designated or whether they must go to Executive Council first before the minister can designate them. I am not sure. There needs to be some clarification in that area, in my view.

The area that I have some concern about is that the inspector may enter any place or premises other than the dwelling to do the inspection. I think there should have been a provision that the inspector needs at all times a permission, a permissive action either from the minister or from the producer itself or from the producer board itself before entering a property, because I still believe in the sanctity of ownership and the sanctity of the owner's right. If there are questionable activities taking place, there should be a process of law that kicks in that ensures that there is a regulated time kind of process in the inspection of property. To maintain the individual's rights under the law is important, in my view.

Section 24(2) provides the criteria which must be satisfied for a judge to grant a warrant to enter a dwelling place. I think that is important. The sanctity of the home of a producer should be maintained. I think this, as in all other cases, provides for a warrant to be issued before a dwelling can be in fact an issue.

Section 34(5) has been changed. Under the old act, a person who obstructs an inspector and who knowingly gives an inspector false information was subjected to a fine not exceeding \$100. The new provision is substantially higher fines. I find it interesting the way that section is written, but we will certainly not oppose the imposition of higher fines. I think this is probably something that the boards can live with.

I think section 26(2), where an inspector who sees a perishable regulated product and/or other thing, and this is where I question what is "an other thing." What would you suggest might be "an other thing?" I do not know. I do not

know what that means. I hope the minister has made some corrections here. It says: The new act, section 26(2), "An inspector who seizes a perishable regulated product or other thing may dispose of it or destroy it."

Now, if my other thing is a brand new 9600 combine and the inspector seizes it and decides to destroy it, I have no protection over this. That is what section 26(2) says. It does not specify "thing." I think we need to define what "thing" is. It might be very small, the "thing" but it might be very large the "thing," and it might have a trigger on it. Who knows what the "thing" is? I do not know what the "thing" is, but I would suggest strongly to the minister that 26(2) may be amended to ensure that we know at the end of the day what things she is referring to.

Under section 10(5) of the old act, the Manitoba Council makes an order and the person to whom the order is directed fails, refuses or neglects to observe or comply with the order or any of its items or its conditions, the Manitoba Council may apply to a judge of the court for an order requiring a person to comply with the order.

The new act which says: The new act provides that a board or a commission may also seek a court order. It gives substantially more powers to the boards or to the commission to obtain, if they have obtained permission from the Manitoba Council, but the remedies to be granted are clearly set out and provided that the court may direct a person to comply with the act, regulation or order; direct a person to cease carrying out any of the action that does not comply; give any direction it considers necessary and some other things.

I would suggest, Mr. Deputy Speaker, that this act gives boards and supply management boards significantly more powers than they have of enforcement than they have had up till now. I would strongly recommend to the minister that, as I said to her the other day, she reconsiders this because this, as far as I am concerned, authority should either remain with the minister or with the Executive Council, and that the board should make the application to the minister, not to the courts but to the minister before she allows that act.

Mr. Speaker in the Chair

I would also suggest the regulations that she talks about, the new act, provides for a number of items. I guess I have been talking about too many other things, but I know there are a number of my colleagues that want to speak to this as well. I have some concerns about the regulatory powers or the power that is given to write regulations to the boards is something that the minister, I think, again, should review. I think the authority to write regulation should always be maintained by the minister and/or Executive Council. She could consult all she would want to with those boards and commissions. She told me the other day that she was going to come with some amendments. I thought it would be frivolous for me to propose amendments in this area if she was already going to make them. So if she could give us some indication, Mr. Speaker, as to whether that is an area that she intends to amend, then we will not move in that direction. But, if she is not, we might be tempted to make some.

* (16:00)

So, with that, Mr. Speaker, I want to thank you for the time that you have allotted me to make these comments. Certainly, in general perspective, we do not disagree with the direction that the minister wants to take this bill. There are some areas, as I told her the other day, that I have concerns about. I have asked the supply management boards whether they have concerns in those areas, and again I look forward to the presentations that the supply management boards will be making before committee. If we see that there are some actions needed, we certainly will keep that latitude.

Mr. Leonard Derkach (Russell): Mr. Speaker, I am pleased to rise this afternoon to put a few comments on the record with regard to the Minister of Agriculture's (Ms. Wowchuk) bill. Now the Minister of Agriculture, I think, is putting the amendments to this bill in place as her response to concerns that have been coming from the public with regard to farm practices and with regard to the regulations that surround the farm activities within this province. Indeed, as ministers of the Crown, it is our responsibility to

respond to the views and to respond to the wishes of the public and to ensure that we in fact reflect the needs and the wants of people in our province with regard to certain issues.

The reality is that, over the course of time, the agriculture sector in our province has indeed been under scrutiny by consumers and by the general public. Indeed, there are people who today populate our cities and urban centres who feel that perhaps the farm practices are not what they would like to see them to be. Unfortunately, what happens in too many cases is it is the extremist, the activist, who gets the media attention who is way out in left field, if you like, in terms of what actually happens on the farm—*[interjection]* Or right field, whatever you want to call it.

So, Mr. Speaker, agriculture is under stress. It is under stress because of the financial aspects of it. It is under stress because the public have a view of what they want to see happen in the agricultural practices area, and so the minister has to respond in different ways to different issues. The minister has to respond with respect to environmental issues as they relate to the farm. The minister has to respond to the practices of husbandry, of animals on the farm, and the minister has to respond in terms of stewardship of the land. She has to ensure that indeed there is a balance in terms of what government imposes on the producer and the costs that are associated with that imposition and, I guess, satisfying the aspirations of those who want to see changes with respect to agriculture.

As a farmer, I can speak at length to how agriculture has changed in the past decade and indeed how we have responded to, if you like, the activists in the world in different ways. But, at the end of the day, we have done this respecting, I guess, the need for agriculture to be sustainable. I only look at the PMU industry. When I go back a few years ago, the whole PMU industry was under attack, where the whole industry was under attack, under attack because of the way that the industry was conducting its affairs. So, rather than fight, the industry decided to take a proactive approach in terms of how it would actually advertise its activities and what would happen in the workplace, if you like, on

the farm. I think today we have a different attitude as it relates to the PMU industry.

Mr. Speaker, anytime you have animals on the farm you are going to attract the interest of people. Whether it is in the way you look after the animals, whether it is in the way you market the products of these animals or the animals themselves, you are going to attract the scrutiny of not only the Government but, indeed, of people.

It is becoming much more difficult today to earn a living in agriculture than it has ever been in the history of this province, but one of the areas where there is some light and where there is, I guess, less stress is in the whole area of the supply-managed agricultural activities. In this area we have a limited number of producers who are producing a product that is supposed to be used in the province, and who have a captive market for their product but also are limited in terms of how much they can produce. So that means that only a small number of producers get to produce the product. The rest are excluded.

So, Mr. Speaker, this has been a fairly successful and fairly thriving industry in the province, whether it is the milk producers, the egg producers, the broiler producers, the turkey producers. They are few in number. They have a lot of power because they have formed themselves into boards and, indeed, they control the market. At the same time, they also control the price of the product by simply limiting the supply. Would it not be nice if we could do that in every industry of agriculture, but that is not practical. It takes away the competitive edge, and countries that we trade with would simply not allow this to happen.

Mr. Speaker, the bill that is before the Legislature this afternoon is The Farm Products Marketing and Consequential Amendments Act. This bill concerns the production and the marketing of farm products in the province, and it replaces The Natural Products Marketing Act. What does this bill do? Well, it does several things. First of all, it allows plans to be established for farm products. A plan is a scheme for promoting, regulating and managing the way in which a farm product is produced and marketed. We are talking about the supply-

managed areas, so we are talking basically about eggs; we are talking about perhaps turkeys and chickens; we are talking about milk. We are talking about a very small group of commodities that, indeed, are produced in this province.

The bill and the plan within the bill authorize the board or the commission that administers it to make regulations and orders about the production and marketing of the farm product subject to conditions and limitations. The Farm Products Marketing Council, formerly the Natural Products Marketing Council, is then responsible for supervising the operation of these boards or the commissions. So anyone who is affected by the decisions, the regulations of the board or the commission, can appeal a decision to the Farm Products Marketing Council.

Now, there are enforcement provisions in this bill, as well, which allow the board or the commission to enforce its decisions on the producers, and, Mr. Speaker, any producer that is affected by the decision, the order or the regulation of the board or commission can appeal that decision or that order to the council. The enforcement mechanisms include the power of inspection, search and seizure by the court. A court order can also be obtained to enforce compliance with the act regulations and orders.

Mr. Speaker, this is where I have a little bit of difficulty with regard to the attitude that we as a Province have taken with respect to producing products in Manitoba, and it is a philosophical issue. The minister has stood in her place many times and to her credit has spoken about the protection of the family farm. Now, I can applaud that because I consider my farm a family farm. We are not incorporated, but indeed our farm is what you would consider a family farm.

An Honourable Member: How many acres do you have available?

*(16:10)

Mr. Derkach: The Minister of Family Services (Mr. Sale), from his seat, asks me how many acres we work. Well, that is not relevant. What is relevant here is that every family farm has to

be of a size which can be sustainable. I think that is the issue. You need to have a size of operation, whether it is a farm or whatever it is, that is sustainable. Now how can we make a farm sustainable and yet keep it to a size that can be managed by a family?

So, Mr. Speaker, what you have to look at is which products are allowed to be produced by that farm which would allow it to be sustainable, but the laws in our province have developed in such a way that any family farm cannot have any more than, for example, 99 chickens, 99 laying hens. You cannot have any more than 99 laying hens or you are then transgressing the laws of this province.

The Member for Lakeside (Mr. Enns) brought to the attention of the House, even when he was in government, the fact that a woman who was trying to sustain herself on a little acreage had 1000 chickens or something that were laying eggs, and she was selling them to her neighbours and to people that she knew to sustain herself, but do you know what? This woman came under the wrath of the Natural Products Marketing Board, as well as under the egg board or the laying board or whatever they are called, and she was threatened with jail because of the fact that she had more than 99 hens.

An Honourable Member: Just tell us you do not support marketing boards.

Mr. Derkach: Now the Member for—where are you?

An Honourable Member: Burrows.

Mr. Derkach: —Burrows, I am sorry, he says just tell us that you do not support marketing boards.

Now, Mr. Speaker, I want to square some comments here. The Minister of Family Services says how many hectares do you farm? The Member for Burrows says you are against marketing boards. Well, let us put the two together. It is okay if we support marketing boards that the actual production of chickens, eggs and turkeys is under the control of a few people who have huge operations. Marketing

board people do not have small operations. They are huge operations. I mean—

An Honourable Member: So are you against huge operations, but in favour of marketing boards? What is this?

Mr. Derkach: Well, Mr. Speaker, you see the Government says: Are you in favour or are you against marketing boards? In other words, they are saying are you in favour of large operations or small operations? When you talk about the family farm, they say, well, how big should a family farm be? If your farm has got so many thousands of acres, then it is not a family farm. So I say to the members opposite that you cannot have it both ways.

If the Minister of Agriculture (Ms. Wowchuk) supports family farms, then she had better start looking at supporting more than 99 chickens on that family farm. She had better support the fact that people could milk cows and sell the milk from their cows. If she really wants a true family farm, a small family farm, she had better start looking at marketing boards that support huge operations. They support mega-chicken barns. They support mega-milking parlours. They are not supporting the family farm when they talk about supporting marketing boards because indeed if you want to support a family farm as identified by the Minister of Agriculture, then you have to allow that family farm to have more than 99 hens to sustain their farm. They have to have the ability to milk cows and sell their product from those cows to be able to support themselves. So you have to have the ability to have more than 99 broilers on your farm. So I want to make sure—

An Honourable Member: And if they have more, we punish them.

Mr. Derkach: Oh, yes, and if they have more than 99, we will threaten to toss them in jail. So, although the minister makes changes to the natural products marketing board and appoints a council, Mr. Speaker, I am not going to argue with her about that. All I want to do is have the minister search her soul, and I want her to be able to sleep at night knowing she is doing the right thing, that, in fact, if she supports family farms, she had better start looking at what she is

doing in supporting marketing boards and mega egg operations, mega broiler operations, mega milking parlours, because that runs contrary to the family farm that she speaks about.

The minister says: Where do you stand on marketing boards, and where do you stand on chicken operations? Mr. Speaker, I have said from day one, from the day I was elected in this House, that I think it is a disgrace that a family farm cannot have their children raise 200 chickens and allow the products of those chickens to be sold to the neighbours and to whoever wants to buy that product to be able to sustain that family farm. I support a family farm that wants to raise a thousand broilers and to be able to sell those broilers to people who want that product because it is a healthy product, it is a safe product, and it sustains that family farm. I support the family farm that wants to milk 20 cows to subsidize perhaps the grocery bill, to put food on the table.

Let us be honest. In the marketing board principle, quota does not have value. That is the principle. Is that not right, Madam Minister? Quota does not have value. But, Mr. Speaker, I know of a case in southern Manitoba where someone just paid \$3 million for a laying quota. He did not buy a barn; he did not buy the chickens. He bought a quota, paid \$3 million for the quota. We say quota has no value. We say that the principle of marketing boards in Manitoba is pure. That is hogwash, because indeed the quota does have value to the extent of about \$28 a bird. Is that not correct? *[interjection]* \$28 a bird, and you do not get the bird. You just get the right to own a bird. You do not even get the building; you do not get the cage. You get the right to have a bird if you pay \$28.

Now, Mr. Speaker, I ask the Minister of Agriculture. Is this congruent with sustaining the family farm? She cannot answer yes to that, because it is not. I do not have anything against having the marketing board, having quotas, having the production of large quantities of birds, of hogs, of cows, whatever it may be, but at the same time, there needs to be protection for the family farm. If the minister is true to her word that she wants to protect the family farm, she will take on the marketing boards and she

will say to them: I am going to allow the family to raise a thousand hens and sell the eggs from those hens into the marketplace, to compete with you, yes, but they have the right to have a thousand birds, and they have the right to have a thousand broilers on that farm to help sustain that farm.

Mr. Speaker, then we are going to change the climate of agriculture in Manitoba. We are going to see a lot more animals on the farm in Manitoba because I know that my neighbours would almost immediately move to having a chicken barn on their farm that has a thousand birds in it. They are going to have a thousand laying hens on their farm. Maybe we will have to export that surplus, but that is how you sustain the farm.

I used to have neighbours that used to milk a few cows and sell the cream from those cows. That was taken away. It was all bought up from them by the large operations. I used to have neighbours who used to sell eggs. We, as a family, used to buy our eggs from our neighbours. That was taken away because they could not have more than 99 hens. You sure cannot make any money on 99 hens. Mr. Speaker, we used to buy our chickens, our poultry, meat, from the neighbours who used to raise them. We cannot do that anymore, because they are not allowed to raise them anymore.

* (16:20)

So the minister can stand in her place and eloquently tell us that she is a supporter and a protector of the family farm, but those words ring hollow unless you are able to back those words up with concrete action, which means that you are going to take on those boards and you are going to put in place a system that will allow for the family farm to indeed flourish in this province, and that is not happening under this administration.

So, Mr. Speaker, I think the minister has a challenge in front of her. Now, I know that her former colleague, Mr. Bill Uruski, who used to be the Minister of Agriculture, is probably the largest turkey producer in the province right now. He has a quota, but you know something? My neighbour cannot produce turkeys. He is not

allowed to. He is not allowed to produce turkeys. He could produce them if he wants to, but he cannot market them because it is against the law.

The Turkey Marketing Board will not allow him into the marketplace, and who is the Turkey Marketing Board controlled by? I can tell you it is controlled by people like Mr. Uruski, by turkey producers, Mr. Uruski. So there are a fortunate few megaproducers.

Now, the NDP have in the past criticized this Government for the mega hog barns you see around the countryside. At the same time, this is the Government that believes in marketing boards, believes in supply management, and that is megabarns, megaproducts by a few—

An Honourable Member: 124 egg producers.

Mr. Derkach: As my colleague says, there are 124 egg producers in Manitoba. Why do we not have a thousand egg producers in Manitoba? The minister says why did we not change it? Mr. Speaker, I just put on the record that from the very beginning, from the very time I entered this Chamber, one of my goals was to allow for more production on the farms.

We do not have to destroy the marketing boards. I think the marketplace will destroy them in time, because the trade regulations will not allow for this to continue. But, Mr. Speaker, somebody has to have the fortitude to take them on and say if we want the family farm to exist, we are going to open it up to allow those young people, families on the farm to be able to earn some dollars right at home to put groceries on the table.

Mr. Speaker, let us look at the logic of this. Today the farm wife is forced to go into the workplace because she has to put groceries on the table. If you expanded the family farm operation and if you allowed for them to produce these extra products, that may take that person out of the workforce and keep that person at home and allow for somebody else to take that job that that individual had and allow for more money to flow into that community, into that farm and into our economic system. So there are things that we can do.

So, Mr. Speaker, although the minister has proposed amendments to The Farm Products Marketing and Consequential Amendments Act, she really has not addressed the problem with marketing boards and with supply-managed areas, because all this does is it endorses the current system. It continues to promote the system as it exists. This is a bill that speaks to the few, to the chosen few, to the people who have the right to produce under an act that was established in this province in error. Why was it established in error? Because it concentrates the production of products in this province not in the hands of farmers but in the hands of a few producers who can hardly be called farmers in some instances. Some of these producers cannot be called farmers.

My words may haunt me, because I know that there are individuals from the supply-managed world, if you like, who may attack me because of the words that I speak, but, Mr. Speaker, agriculture, as I said in my opening remarks, is in a crisis situation. Why do we see farmyard lights being turned off? Because they are not able to generate enough income to sustain themselves on the farm.

We are moving to a corporate culture where larger and larger operations are beginning to emerge. Even the large operations cannot sustain themselves now. So what we are going to see is vertical integration on the farm, where the grain company is going to own the farm land, the chemical company is going to own the farm land and the farmers are going to become the labourers for these companies because we cannot sustain that operation any longer. The input costs are far greater than what they should be. What we get in the marketplace is not enough to be able to replace the equipment, to be able to sustain any kind of reasonable lifestyle on the farm today.

Mr. Speaker, I know that I may have strayed from talking about the principles of the bill, but if you want to stay with the system that we have before us today, I cannot argue with the principles of this bill, and I am not going to. I am going to just indicate to the minister that indeed there is nothing here that we can oppose in terms of the bill if you are going to sustain the principles and you are going to continue with the

way in which marketing boards have operated in the past.

So my comments may have been somewhat extraneous to the bill, but I think they are very relevant to the situation that agriculture finds itself in today. So I ask the minister if she is bold enough to be able to amend some of the practices that we have in our province with respect to raising livestock that she could have a real, positive impact on what family farming could be like. Indeed, she could be the saviour of the family farm if she were bold enough to take on some of these issues that we have before us.

With those comments, Mr. Speaker, I will thank you for the time and I thank the minister for allowing us to speak to this bill. Thank you.

Mr. Edward Helwer (Gimli): Mr. Speaker, I just want to put a few comments on the record regarding Bill 20. I have some concerns, although I realize that we will be approving this or letting it go to committee.

One of the things this bill does, though, is it allows the provincial Cabinet to authorize the federal board to promote regulation, management and marketing of farm products in Manitoba. I think this is going backwards. I think we should have control here in Manitoba or try to get as much control as possible.

I want to give you an example of an industry in my area. It is actually in the constituency of Lakeside. That is the Northern Goose Processors. Here is an industry that started some over 25 years ago. Am I right, Harry? It was really growing, was doing well, an example of what the federal bureaucracy can do to an industry.

What happened here was, under the export program, in order for them to sell their product they had, to be exported to Europe, especially the geese themselves, to Germany or to some of the countries in Europe, plus they have to export the down and the feathers. That is another big industry. This fellow, the owner, Don Salkeld of Northern Goose, really built this business. He pretty well built every piece of equipment in that plant to process these geese. Geese are a little more difficult to process than chickens or

turkeys because of the fat and one thing and another. He built most of this equipment himself to process these. He improved the variety, he brought in breeding stock from Norway and some of the other countries to breed a goose that has better feed conversions, and he did a lot of things to improve the industry.

*(16:30)

It was an inspector from the federal government that, because somehow he did not like what Don was doing there in Teulon with his goose plant, this inspector reported to the export agency that issues the licences that he was not running a good operation. He gave him a bad report. This letter that this inspector wrote really gave the federal government the opportunity to pull the export licence. When they took away the export licence, that virtually took away his business. This happened about two years ago. Since then, he has been killing geese and storing geese. I forget how many hundreds of thousands of pounds that he has in storage, and he cannot ship these. The federal government will not give him a licence to be able to export these geese to Europe, to Germany and also down to Japan and Korea and China, wherever he sells this down.

So here is a good example of bureaucracy putting a good industry, a good business right out of business. This is what happens when we have to depend on inspectors that are employed by the federal government, and especially the federal Liberal government. They have no idea what goes on here in western Canada. They do not know anything about agriculture. They do not know how businesses operate. They do not know anything about feeding geese, turkeys, chickens or hogs or anything like that.

Unfortunately, the federal Liberal government has nobody there in Ottawa that we can consult with to try to get some of these things straightened out in agriculture. This is part of the problem that has really affected the goose industry. Sure it is not a supply-managed business, I realize that, but without a market in Europe, you cannot produce them. What are you going to do with them?

That is the one thing I wondered about in Bill 20, how this is going to affect some of these commodities that we do produce here in Manitoba and how some of the farmers are going to be able to expand and come up with new innovations to try to improve the agriculture in Manitoba. The Member for Russell (Mr. Derkach) talked about how difficult it is for agriculture and for farmers, and that is a fact. It is. When you look at the fuel prices, the equipment costs, your labour costs and all these things have increased in the last 10, 20 years to an extent whereby the margins of any producer are very slim. It does not matter whether they are in a supply management business or whether they are in open market, whether it is in hogs or cattle or livestock.

Certainly the hog business this past year or so has been very good, and farmers have done quite well. The hog producers have done very well. So have the cow-calf operators. This certainly has helped agriculture in Manitoba, especially in the Interlake area, where we depend a lot on the cattle business, the cow-calf operations, the feedlots. They have done fairly well, and I am glad to see that they are doing better. But when we talk about supply management, and Mr. Vanclief, the federal Minister of Agriculture, talks about diversifying into other agricultural products, well, that is easier said than done because of the supply. First of all, we have a number of items that are under supply management, whether it be chickens or turkeys or broiler birds or eggs. You cannot produce eggs because you cannot sell them. You have got to sell them through the marketing board. You cannot start growing chickens or broiler birds because you cannot sell them. They have got to be sold through a marketing board.

So we are limited. Supply management is not the way to go. We maybe need some controls but also, if we want farmers to diversify into other products, we have to open up the markets to be able to expand some of the businesses that we are in.

If you look at what happened to hogs, as a perfect example, when the marketing board—*[interjection]* That is right. When we lifted the restrictions as to how they have to be sold, then

all of a sudden we got a killing plant in Manitoba, a large killing plant, the Maple Leaf, that can handle not only all the hogs produced in Manitoba but probably some in Saskatchewan and some from the U.S. coming in, too, and that creates a lot of jobs. This is what we want. We want value added. This is value added. In a hog, they use everything except the squeal, I believe, in the processing industry.

An Honourable Member: Are they selling the squeal?

Mr. Helwer: They are selling the squeal. No, they use everything else, I believe. But that is an example.

You know, turkeys come under the supply management business, and when the turkey prices are better in the U.S., the farmers here produce turkeys and ship them there. They bypass the board. So tell me why do we need a marketing board for that kind of commodity.

An Honourable Member: We need marketing boards that sell, not control.

Mr. Helwer: That is exactly right. If that is the case, say, yes, we need them, boards that can go out and sell a product, whether it be in whatever country. If they want to do that, that is fine, but they do not do that. As a matter of fact, we are limited as to how much we can produce because of the fact they only go by our domestic use of what can be consumed in western Canada and in Canada. We do not have enough consumers in western Canada to be able to eat all the products that we can grow, whether it be in turkeys or chickens or whatever. So we have to look at exports.

The government of the day always talks about choices and options. Well, let us give farmers some choices. Let us open up the markets a bit so they can expand and grow. Unfortunately, Mr. Vanclief, who is the Liberal federal minister, he does not seem to understand agriculture here in western Canada. He says, well, diversify into potatoes. Well, that is fine, but how many potato growers can we have?

Potato growers have gone through a very difficult time in the last few years with the

problems with blight, with production because of weather, a lot of other things that affect the cost of growing potatoes, and it is getting to be very costly. A lot of potato farmers are in trouble, not necessarily because of the marketing. They can market them, but they have to grow a good product that can be marketed, and that is difficult in today's day and age. So there are ways of diversifying agriculture without having to upset the supply management. I think part of that can be kept, but we have to give farmers an option to be able to grow and expand.

I guess we can talk about the Canadian Wheat Board for a minute or two, because that is controlled by federal legislation also, which we do not have a lot of power over here in Manitoba. But I think, if the federal government were to give the Canadian Wheat Board an option or give farmers an option of where they want to market their wheat, whether they want to go through the Canadian Wheat Board or whether they want to market on their own through a private, through a broker or whatever.

When we say the Canadian Wheat Board, it is not really a Canadian Wheat Board, because it only affects western Canada. Ontario has their own wheat board. There is no wheat board in eastern Canada, so it is really a wheat board for western Canada, for Manitoba, Saskatchewan, Alberta and B.C., and B.C. does not grow much wheat. So it is basically Manitoba, Saskatchewan and Alberta that this Canadian Wheat Board, so-called Canadian Wheat Board, controls. Why do they control it? So that we can produce cheap food to eastern Canada and to other countries.

Just last fall, as a matter of fact, when we were in Halifax at a Public Accounts conference, we had a tour on the river, on the waterfront there on the shipping, Mr. Speaker. During that time, they had a guide explaining to us what some of the businesses along the waterfront and the loading and shipping of how things are done. At one point, he pointed out a flour mill operated by ADM, Archer Daniels Midland, which operate a large flour mill there, employing some 300 people, and here the guide was bragging about the fact that they could bring the wheat from western Canada to Halifax, process it to flour and then ship it overseas for export.

Well, Mr. Speaker, I pretty near fell off the chair. They were using our raw products to be able to produce an item for export there in Halifax, of all things, and providing the employment there. If it was not for the Canadian Wheat Board, we could have those flour mills here in western Canada, produce the flour here, ship the finished product to wherever it is needed, and these jobs would be kept in western Canada. That is what this is all about, trying to keep jobs in western Canada for our youth and for our young farmers so that our young farmers can make a profitable business out of it.

The Canadian Wheat Board puts the crimp into any kind of marketing other than through the Canadian Wheat Board, and that does not satisfy us. That is why we have no manufacturing here in western Canada, no flour mill, no pasta, no gluten, whatever. All these things could be done, could be processed here in western Canada, provide the jobs here and then ship the product to other products in the world.

* (16:40)

I just want to mention in our area we have a number of Hutterite colonies who are very innovative, very aggressive. Because of the controls of the many boards, the marketing boards that we have here in Manitoba and in western Canada, it controls what they can do. They cannot get into the chickens, into broilers. They do not have egg contracts or turkeys or whatever the items that are on the supply management. They cannot get into these things.

What they are doing, because of their being innovative and having to find work for their people on the colonies, they are into other manufacturing jobs. They are making feeding equipment. They are making other items that can be used in agriculture, conveyors and different things. A lot of items that are used in industry now are made at the colonies. Well, you have to give these people credit because they are innovative, they are aggressive. They are doing the things they have to do to be successful for their people, so you have to give them credit. We have to make the environment for them in such a way that they can continue to survive and expand.

We talked a little bit about the production of hogs in Manitoba and how they are expanding and the fact that many of the farmers have been successful. The large farms have been successful, and I think that is great. It also is creating a market for our feed grains. I think in the next few years we are going to be able to convert some of our wheat production and Canola production to feed grains probably, whether it be oats, barley and corn, things of that nature, maybe soybeans. All of these things can be used in the production of feed for our livestock, whether it be hogs, chickens or whatever. That is certainly a step in the right direction. I think we are going to see a larger conversion, diversifying into some of the production of feed grains, which will certainly be an added benefit to our agricultural sector and to some of the diversifying.

When we talk about diversifying, also I think some of the hay farmers, people who are exporting alfalfa hay, people who are exporting timothy and things like that, you have to give these farmers credit. They have kind of strayed away from the general production of wheat and barley and Canola and gone to other commodities. So I think you have to give our Manitoba farmers a lot of credit actually. They have diversified. They have done it on their own without any assistance from government. That is the best way, because that way at least they know where they are going, they know where they are coming from, they know what they can do with their own resources. In most cases, they have been successful.

I think that is about all the remarks that I have on the Bill 20, except that I would like to advise the minister to look at it very carefully and make sure that we do not regulate ourselves into a situation whereby farmers cannot expand and where the environmental people and all these things have too much control over our production. We have to give farmers a little leeway. They have done an excellent job over the years, and they are getting better at their environmental practices and their farming practices. We have to give them credit for that, but I think we have to be careful also that we do not legislate them into a corner whereby they do not have many options. Thank you, Mr. Speaker.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I rise to put a few comments on the record on Bill 20.

Let me start by talking a little bit about some of the effects of this bill. One, of course, will be to change the name so that what was the Manitoba Natural Products Marketing Council will continue under the name Manitoba Farm Products Marketing Council. One presumes that the removal of the word "natural" indicates that the minister is now going to give the council the responsibility for unnatural as well as natural products. We are waiting to see what the minister's intent is in this regard.

I think if one looks at the overall of this bill, what one sees is that primarily this is a bill which tinkers, makes some relatively small changes to the existing bill. In fact, it is really the Tory bill under another name. We are seeing that, again and again with the NDP, they are changing things but really doing the same as the Tories under another name.

Mr. Speaker, I believe this province is ready for a little bit more substantive change than this government is providing. There is a lack of leadership here. Unfortunately, there was a lack of any real, substantive consultation, a lack of openness to real change by the minister. So rather than real change and real modernization, what we have from the Minister of Agriculture (Ms. Wowchuk) and the NDP government is a variety of primarily kind of tinkering around the edges, timid changes.

This bill is interesting because it is all about planning, planning for farms in Manitoba and agriculture in Manitoba, really about providing a framework for agriculture in Manitoba. There are sections here dealing with establishing a plan and operating a plan. Clearly the intent of this is to provide a better planning framework for the future of agriculture in this province.

It is, I think, unfortunate that in the effort that went into putting together this bill and the changes in this bill, the minister did not consult more broadly with people in the agricultural community and look in more depth at the substantive changes that could be made to help

people in the farming and the agriculture communities in this province.

It is almost as if the NDP are pretending we are entering the 20th century instead of the 21st century. I think it is too bad that the NDP did not take this opportunity and use it to much better advantage. The Manitoba Chamber of Commerce and others have indicated quite clearly that the plan that the minister has put forward is really kind of deficient, is short, is not good enough for agriculture in this province.

I think the attention that was paid to this bill, which is tinkering rather than any substantive look at the future of agriculture, is indicative of the kind of effort that we are seeing from this government in this area and other areas.

Earlier today and last night, we were dealing with Bill 41. This is another bill where the NDP suggested some changes and now realize that they goofed, that they should have gone out and consulted and looked carefully at where they were going right at the beginning instead of launching into changes and finding that they are really only a part of what really needs to be done.

I think that what we have in this bill, once again, is a government that is tentative and timid and tinkering and really is making only small changes and is not making a substantive effort to look at what a dynamic future agriculture could have in this province, where we could go to really make a big difference, but rather the NDP view is let us just tinker a little bit and hope that people will be happy.

I am afraid, Mr. Speaker, this is not good enough. The people of Manitoba should not accept tinkering and timidity and tentativeness as satisfactory. We should ask for more. We should demand better than this. This is not good enough. The Minister of Agriculture should go back. She should start all over again. She should do a proper job instead of just tinkering timidly and tentatively in this kind of fashion.

* (16:50)

Mr. David Faurschou (Portage la Prairie): I do not know as I will be up to the challenges of

making the Chamber reverberate as my honoured colleague of the Chamber from River Heights has just attempted to do. However, I do want to share with the minister a couple of thoughts in regard to Bill 20. I do support the bill in its intent to clean up the regulations and the orders that govern the farm products marketing within our province and as it pertains to the national and international marketplace.

I have had some experience, having been a member of the Manitoba Natural Products Marketing Council for five years. I owe that and thanks and tribute to my colleague from Lakeside, who saw within myself some attributes that could contribute to the operation of the council. It was at that council that I came to appreciate the orderly marketing that I did not come to appreciate when I was taking my education at the University of Manitoba in the Faculty of Agriculture. I believe that each and every individual should be attuned and responsible for their own operations and should prosper or falter by their own hand.

However, Mr. Speaker, perishable products such as eggs and milk have a very limited shelf life without processing. We must appreciate that with limited shelf life comes limited length of time in which a producer has opportunity to recover their expenses in producing that product. Now, coming from that observation and appreciation, I still have a great deal of difficulty with the overall scheme of marketing and the exclusivity that has come to be known for those of us that are outside of the particular farm products which are named within the act.

As it happens, over a number of years the well-intentioned orderly marketing system that was designed by the federal government in co-operation with provincial governments intended the allocation or the rights by regulation to produce particular products came under the known term as allocated quota. That allocation came without charge. Each individual producer was allocated a certain quantity of production, where he or she within their operations could sustain and would be marketed in a fashion that did not overburden the marketplace and yet also too satisfied that marketplace.

Within that quota one was guaranteed the cost of production of that particular product, thereby guaranteeing adequate supplies and an adequate return to that particular individual. That in the long run was a win-win situation both for producer and consumer.

However, Mr. Speaker, I look to the Minister of Agriculture, and I want to express to her the disappointment that I feel as an agricultural producer not involved with the supply management within our province and this nation.

So, looking from the outside in, I question the current value of a quota. When that quota was, in fact, allocated, it was free of charge. There was no up-front payment by the original individuals who were involved in supplying produce under these regulations.

How then did it come to get a value, a value which is charged up front? As well, it is a value which is borrowed against and, Mr. Speaker, I must say financed by the same government that said this particular quota should be free. It is of grave concern to persons who now look to diversification and look to the very costly endeavour to enter into production of products under supply management to which this act pertains.

My other colleagues of the Legislative Assembly have given particular dollar amounts, whether it be a laying hen or broiler production or milk, but I would hesitate to do that because these particular values go up and down on a weekly, if not daily, basis. They are established on some occasions by monthly auction or weekly auction, but somewhere in this country of ours, there is a price-setting mechanism almost certainly every week for the varied products.

Here in Manitoba these particular values are modest in comparison to Ontario or to Québec where those particular areas closer to the consumer are favoured by larger population bases and increased population growth. We in the Prairies because of our dependency upon agriculture in a lot of cases have not been seeing a great deal of population growth as has happened in Québec, B.C., Ontario.

In those areas, Mr. Speaker, the price per laying hen is three times what we can garner here in Manitoba, over \$90 at times, over \$90, strictly to purchase the quota. That does not cover the purchase of the hen nor any of the operating expenditures.

An Honourable Member: You do not even get the feathers for \$90.

Mr. Faursehou: I think the feathers come with the bird, but outside of that nothing more, because the producer then, after acquiring the quota, has to provide for every other component involved in the production of that laying hen, the purchase of the hen, supply of the feed and all of the ingredients that sustain that bird. I must say that the overhead, the long-term commitment, is another aspect of expenditure that persons have to take on after they are successful in purchasing the quota.

Now, my honourable colleague from Lakeside did an analysis, an assessment of the quota that Manitoba possessed, had in its possession if it were, in fact, to redeem, if I might say, all of the quota, purchase it back as it was originally owned by the Province and allocated by the Province. It was well over \$200 million, Mr. Speaker; \$200 million was now the assessed value of something that went to individuals free of charge.

How did all this happen? The exclusivity that comes with that price tag is very prohibitive for many in the agricultural sector now who are wanting to diversify and take up the challenges of having added production and making more of the produce that they have on their farms, and I cite specifically feed grains. Instead of acquiring a great deal of transportation costs, those feed grains could be fed to the supply-managed chickens, dairy, and garner a greater value in the marketplace, Mr. Speaker.

So in light of this particular legislation, I have no real difficulty with the proposed legislation. It cleans up, if I may, some ambiguities that have been long considered as areas of contention that various boards and commissions had been faced with.

* (17:00)

I really appreciate the efforts that go into maintaining an equilibrium between producer and consumer that the boards and commissions are responsible for through regulation. Each individual that dedicates his or her time to service on their respective boards and commissions is not always appreciated by those in the industry or those looking on from outside of the industry.

I must say at this opportunity that I want to extend my appreciation and certainly my colleagues' of the Manitoba Legislature appreciation as well for the many hours spent on behalf of their respective producers in carrying out their responsibilities as members of the marketing boards and commissions.

Mr. Deputy Speaker in the Chair

On that point, I hope that producers take that opportunity to thank their board members for the many hours that they do spend on behalf of the various supply-managed products. I think for the most part they have been very responsible in their respective duties as members of the board and commissions and have on occasion faced very arduous situations that were not pleasant trying to mediate disagreements between the interpretations of the regulations and in fact the orders that the boards from time to time passed and are responsible for carrying out so as to maintain that equilibrium between production and consumption.

I might just say that in my observation between what we have here in Canada and to our neighbour to the south, people say that we are not being competitive, we are not being forthright in our price discovery mechanism, because the United States of America has such a free and open price discovery mechanism because they take everything to the people and anyone has an opportunity to trade the commodities and they do not in Manitoba.

I will say that our neighbours to the south do in fact control their products of a perishable nature very extensively. They are more attuned to the equilibrium between consumer and producer than perhaps we are here in Canada because we take the marketing boards for granted. In the United States, the federal

government, through their school lunch program, looks at any surplus anywhere around the entire United States. It might be apples, it might be oranges, grapefruit. It might be milk, it might be cheese. You name the farm product—

An Honourable Member: A couple of years ago it was bison.

Mr. Faurschou: A couple of years ago it was bison. My honourable colleague from Lakeside assists me in this.

The federal government, when they recognize a surplus, do not want price collapse. That in turn would hurt the producer and cause a cycle to go into effect where producers would go out of business. There would be losses, bankruptcies, and then the price would skyrocket and then more persons would get into it, and then subsequently this cycle would continue. They recognized that they require the equilibrium between consumer and producer, that stabilizes price. So neither party, consumer or producer, is adversely affected.

So with their school lunch program, they identify surpluses and take those surpluses off the marketplace by purchasing, through tax dollars, those products, and then they take those products and feed them to the children all across America through their school lunch program. So indeed, Mr. Deputy Speaker, on that premise, I personally feel that the United States of America, through their federal government and this particular program, is much more imposing upon the marketplace than we here in Canada are because all we are looking for is a cost of production through the marketing boards. This is constant or fairly constant year over year.

* (17:10)

So when next an American neighbour, friend, colleague might inquire to say that they are living in the land of the free, and we are discussing agricultural policy, I would hope that all colleagues of the Manitoba Legislature would ask the questions of that American individual, of how much money the federal government of the United States of America expends each year in stabilizing the price of their perishable agricultural products. I do not believe that they will

probably have a figure, but perhaps my colleague from Emerson at some time can share with the Manitoba Legislative Assembly as to the amount of money that goes into the school lunch program in the United States year over year. I daresay it is billions and billions of dollars to stabilize their market and all under the terminology of free and open commerce.

Mr. Speaker in the Chair

Mr. Speaker, when the school lunch program is satisfied and there is still surplus product, whether it be cheeses or butter, meat products on the marketplace, then the Government will extend that purchase of a surplus product and make available those particular products to the international marketplace under the terminology of world aid, food aid, and again, then it has a distorting repercussion on Canada and anyone that is providing products to the export marketplace.

So the United States of America, I would say, when confronting Canadian officials and Canadian producers, should first off look very deeply at themselves in the mirror to see whether or not their own house is in order and what their policies are doing to those of us as producers outside of their borders. In many commodities, it has dire repercussions as we in the grains and oilseeds know full well, as our prices have diminished over the last two years to a point where cost of production is only our hope that we meet that level, rather it will probably be less. We are in fact using up our grandfather's, our father's and our own equity within our farming operations.

Mr. Speaker, I appreciate the opportunity to address Bill 20, The Farm Products Marketing and Consequential Amendments Act. I will make note that there is a name change to the Natural Products Marketing Council, and it now will be known as the Farm Products Marketing Council rather than the Natural Products Marketing Council.

I do want to express, in conclusion, my appreciation for having the opportunity to garner this experience as a member of the Natural Products Marketing Council. I certainly wish all the members of that particular council continued

success in their deliberations, in their endeavours to make certain that we as producers within the province of Manitoba continue to prosper. Thank you very much.

Mr. Frank Pitura (Morris): Mr. Speaker, thank you for giving me the ability and the time to put some comments on the record with respect to Bill 20. I will try not to be too long in making my comments because I know that many things have been said about this bill already.

Going back a little bit into history, I can remember a Liberal politician with a green Stetson that brought in the national farm products marketing bill back in the early '60s, which established farm supply management in Canada at the national level. Then it allowed provinces to participate in the supply-managed scheme across the country. That is where it all began, supply management in Canada and in each and every province across this great nation of ours.

As time went on and when it was first brought into place, it was identified as a real need for producers because of the fact that the egg market, the bottom would fall out of it and eggs would be relatively cheap. The supply of milk, same thing, the value of milk would plunge and it would peak and then it would plunge again. There was very much of a market where oversupply was very quickly achieved. Then at the other side of the scale a shortage would occur at the other end. So it was kind of a very up and down type of market that affected all of the goods such as turkeys, such as broilers, such as eggs, such as milk in the Canadian marketplace.

So as time went on and the national farm supply management bill was in place, it tended to organize each province. Each province was able to enter into, through its own legislation, having a board established and controlling the supply. The theory is that if you manage the supply of a product you can also manage what kind of a price you receive for that product. In fact, some of the supply management groups actually do go through a pricing formula in terms of their costs. Once their costs are known they are allowed a certain margin for mark-up.

That is the price they will receive from the processor, from the intermediary.

In essence it really did a lot to protect the industry at the farm level from fluctuations, huge fluctuations in prices that made the industry very risky at best. All of the supply-managed commodities became a very stable type of industry in this country. People who were in those industries could enjoy at least getting their costs and a mark-up for their time, some returns for their labour with regard to the protection.

That went on for years, Mr. Speaker, and then along came the discussions towards arranging for a free trade agreement between Canada and the United States. At the same time the General Agreement on Tariffs and Trade took place worldwide. Discussions were taking place internationally about reducing tariffs and reducing subsidies. At the same time, Canada was entering into a free trade agreement with the United States. One of the major, major issues that was discussed both with the United States and at the GATT table was Canada's supply-managed industries. The main argument that Canada put forward was that this was a domestic industry that supplied only the domestic market and we were not participants to a great extent in the export market and therefore were not a factor. So we were able to go through the GATT round having those particular industries protected. Although the United States accepted it, they immediately balked at the fact that they had to accept Canada's supply-managed industries. In particular, they wanted to get access, and their main point of access was trying to get into the dairy product end of the industry. But under the GATT agreement, there were exceptionally high tariffs placed on those products, them coming into the country, so economically they just could not penetrate into our market.

* (17:20)

Since that time, every opportunity that the United States has with regard to any kind of trade dispute that we will have between Canada and United States, they will always try to use the supply-managed industry as a leverage component to say, well, we could back off on tariffs on wheat or preventing wheat from

coming into the United States. We might take a different approach to the lumber coming into the United States if Canada will take a look at their supply-managed industry. So there is always a pressure on the Canadian government, and every provincial government, to take a look at what they are doing with supply management.

Now I say this, Mr. Speaker, because I think that the Minister of Agriculture (Ms. Wowchuk) has a huge challenge here on her hands. For one, when the Crow benefit was taken away and wiped out, what it did was it made Manitoba, as a province, a province that was naturally conducive to more livestock production. It did not matter what kind of livestock, whether it was beef or pork or sheep or chickens or turkeys or eggs, because of our distance to tidewater, all of a sudden it was too expensive to export so therefore let us utilize what we produce here and convert it into products that are edible products that could be eaten at the table. So we do have a natural advantage.

However, when you take a look at the broiler industry in the supply-managed area, the number of broilers that Manitobans can produce is directly proportionate to the percentage of the population they have of the Canadian population. It has nothing to do with the fact that we can produce cheap grain. It has nothing to do with the fact that we have this huge vastness in Manitoba, and we can economically produce broilers here cheaper than anywhere else in Canada. So why do Canadians not produce broilers here? You know, it just begs the question.

The fact is that, at the national level, all of the quotas are allocated on the basis of the population. Manitoba has approximately 1.5 to 2 percent of the total population of Canada, so therefore we get 2 percent of the total broiler production. It just does not make sense. We should be able to produce 45 to 50 percent of the broiler production in Canada, because we can do it more economically. It should be allowed to happen that way in terms of where they can be produced the most cheaply, should be the place in this country where production takes place, not by some artificial barrier that is set up to be able to say that, no, you are going to have that much production. Because Québec and Ontario and

B.C. constitute a large proportion of the population, they get to have most of the broiler production.

Well, where does Québec get their grain from? They have to import it to feed them, so it just does not make any sense that this kind of a policy should still be in place. I say it is a challenge to the Minister of Agriculture, because she is going to have to make the argument that Manitoba should have a larger percentage of the total broiler market in Canada. She has to make that argument and broiler producers, as well.

The broiler production allocation is identical to the way the immigration is done in Canada, as well. The number of immigrants that are destined for Manitoba to be living in Manitoba is based on our percentage of the total population in Canada in terms of the total immigrants coming to this country. So we have some really strange policies at the national level that affect us here in Manitoba, affects our potential to contribute a lot more to the Canadian economy than we do now, and we are being held back because of some national policy that says you can only produce so much or you only get so many immigrants and so on.

So, Mr. Speaker, we do have a natural advantage in producing products under supply management, whether it be turkeys, whether it be broilers, whether it be eggs, whether it be milk, whether it be dairy products such as cheeses, ice cream, et cetera. We can do it more cheaply than anywhere else in Canada. So I say to the Minister of Agriculture (Ms. Wowchuk) that she should be carrying the ball forward on behalf of the provincial producers here in Manitoba to seek a larger share of the allocation of the national quota to be here in Manitoba because of our natural advantage. Whether she can be successful or not, she would probably have to have the wisdom of Solomon and the strength of Samson to be able to persuade people at the national level to give us that courtesy or to look at Manitoba as a province that can produce more of these commodities.

Mr. Speaker, in light of the legislation package that is placed before this House, I am interested to see what happens when it goes to committee. I leave that challenge with the

minister that she should be looking at. With those few comments, I am prepared to see this particular bill go to committee. Thank you very much.

House Business

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I would like to announce that the Standing Committee on Law Amendments will meet on Thursday, June 21, at 6:30, to continue with public presentations on Bill 41, An Act to Comply with the Supreme Court of Canada Decision in *M. v. H.*

I would also like to announce that the Standing Committee on Municipal Affairs will meet on Thursday, June 21, at 6:30, to deal with bills referred.

Mr. Speaker: It has been announced that the Standing Committee on Law Amendments will meet on Thursday, June 21, 2001, at 6:30 p.m., to continue with consideration of the following bill, Bill 41, An Act to Comply with the Supreme Court of Canada Decision in *M. v. H.*

It has been announced that the Standing Committee on Municipal Affairs will meet on Thursday, June 21, 2001, at 6:30 p.m., to deal with the bills referred.

* * *

Mr. Harry Enns (Lakeside): Mr. Speaker, just a few comments on this legislation with respect to the changes being proposed by this minister and Government on what I used to refer to as the Manitoba Marketing Council and on the general debate that has ensued as a result of this bill, particularly from members on our side with respect to some of the concerns with the supply management system that we have here in Manitoba and in Canada.

I know, Mr. Speaker, that my good friend Ms. Penny [*phonetic*] avidly reads everything we say on supply management in Hansard and why she might even send me another letter following these remarks. Maybe this time my colleague Mr. Derkach will be the recipient of her concern.

Mr. Speaker, like everything else, time passes on and circumstances change. I must acknowledge, and this is one of the few times I can say this, I was not here when it started but I was very close. It was my predecessor, the Honourable George Hutton from my constituency Rockwood-Iberville, that in Manitoba brought the appropriate legislation, natural products marketing legislation, passed it through this Chamber, and it became effective here in Manitoba.

My colleague from Morris is correct, it was the federal minister Mr. Eugene Whalen who passed the appropriate federal legislation. What had to happen was each individual province had to pass its own legislation, set up its own boards and start to regulate the problems within the province, and then, as this happened across the country, the federal legislation was there and available. In effect, we, the provinces, gave the federal government the power to regulate, on our behalf, the specific commodity involved in that agency.

* (17:30)

It was my privilege, Mr. Speaker, to establish both the broiler board and the egg marketing board here in Manitoba. My predecessor, Mr. Hutton, had established, with a considerable amount of controversy, the Vegetable Marketing Board. Some of you may recall that it was, as I say, an issue that raged in the vegetable growing industry for a number of years. It pitted the small grower, surprisingly enough, against the large grower.

At that particular time, the majority of the growers lived on relatively small acreages along the rivers, the Red River, on St. Mary's Road, and on the Assiniboine all the way up to Charleswood, but the more progressive growers, the Ed Connerys, the future Ed Connerys of this world, the Mulder Brothers, the Kroekers, something like that, they were moving into the Portage Plains area and into land, soils around the Winkler, you know, Morden area, the lighter lands. These were the forces that were pushing and promoting the tighter control of a Vegetable Marketing Board. So we had a great debate here. My former friend who sat right in this very seat when he first came into this Chamber, Sam

Uskiw, eventually took over my job, became Minister of Agriculture in '69.

That board was in place, but it was extremely restrictive. You could hardly grow a bag of carrots or potatoes without having to market it through the board, but I can remember that caused one of the first big demonstrations that I had to deal with here in front of the Chamber when the vegetable producers grew because, upon looking at it and commissioning a gentleman to provide me some advice, a report, he indicated to me that I should loosen up the strings, you know, a grower could grow up to four acres of potatoes without having to sell them through the board, and several other safety valves, as I call them. Well, that caused a large hue and cry at that time, and that was an early introduction to agricultural marketing that I experienced at a very young and green age as Minister of Agriculture.

Mr. Speaker, I want to acknowledge that certainly, for those involved, the system has done precisely what it promised to do, stability in prices. I will not even say, you know some would say, and I think I will say it, a more acceptable level for their prices. I think we, as food producers, can all agree to that. We simply operate, by and large, with a cheap food policy in this country. I am still modestly involved with some cattle production, and cattle prices are at an all-time high, but quite frankly that is where they should be relative to all the other input costs that we have in terms of fuel and tractors and equipment and all the rest of it.

So, for the chicken producers, for the broiler producers, for the egg producers, you know, the marketing boards provided the stability that they were set out to do. When they were introduced, it was a different farm scene. There were hundreds, if not several thousand, egg producers, for instance, with modest operations, 500, 1000 birds, 250 birds, but over these past 40 years, 35 years, as in everything else, things have changed.

As my colleague from Russell was saying, in effect, what you now have is you have mega operations enjoying the protection of legislation.

I am not going to argue with that or quarrel with it, but let us be clear about what it is.

Where my concern came in during my last tenure as the Minister of Agriculture, and particularly in the last two years of it, and you have to remember it was an arbitrary action by the federal Liberal government that simply announced they are doing away with the Crow. There was not a period of negotiations. Oh, yes, we negotiated long and hard as ministers of Agriculture in Saskatchewan, Alberta, something like that. We looked for a 10-year transition period. I remember one particular meeting we talked of the absolute need. After all, we were taking the federal government off the hook by some \$700 million, \$760 million annually, and it was going to be a serious adjustment for our grain producers here and particularly in the province of Manitoba.

We looked for a transition period stretching out over 10 years, price figures attached to it of about \$7 billion in that range. Well, we ended up with a great deal less and crunched down to a couple of years. But, Mr. Speaker, it was that change in these last two years that made it so evident to people like myself, and others who looked at it, that in Manitoba, for us to get any upside on the loss of the Crow, there had to be some very real opportunities for us in producing the various forms of livestock that use feed grain as a major portion of their production costs.

Now, Mr. Speaker, it was, I can say so myself, that was not just the then-Minister of Agriculture or even any government agency that I employed to determine these figures, outside think tanks. I remember that group. What did they call themselves? George Morris, a gentleman who runs a bit of an agricultural think tank in Guelph, Ontario, I believe, publishes a weekly newsletter. The Canadian Imperial Bank of Commerce, along with the Manitoba Pork Producers organization, they sponsored studies that clearly showed the very significant advantage that Manitoba and eastern Saskatchewan enjoyed as a result of the changes to the Crow. It was not long there afterward that the revolution in hog production took off.

I will always maintain that that is the problem. The supply management system carries

on oblivious to that fundamental massive change. I wish I could at least get my friends in supply management, the Harold Froeses and the others, to recognize that those of us who have to set policy for the Province are faced with that challenge. We have to respond to that massive change.

I am prepared, certainly prepared to support and have the system live and continue its benefits for those involved, but not at the total price to future benefits to the province of Manitoba, and they lie in several directions, in my opinion. I am prepared to be a team player and not upset the very good arrangement that they have with respect to, let us talk about, eggs with the table trade within the Canadian market. But I insist, and I did insist, that we reserve the right for additional production here in Manitoba where we can produce them more economically than anywhere else in Canada for processing, for export and other situations that I cannot right now envisage that do not upset the current system. That is essentially my position, and that was my position in '96-97. That was my position that I responded to when Canada's largest egg processor that we had, and fortunate to have in Manitoba, came to my government, came to me as minister and said, look, Mr. Minister, we simply need more eggs. We cannot be so totally reliant on American eggs. The Canadian system is not providing enough eggs.

I am well aware of the criticism that the board has directed at me in saying, well, Mr. Minister, if you would have shared that with all 200 producers, there would be 200 producers benefiting from this rather than one operation at Belmont, the Somelapa [*phonetic*] farms operation. Well, Mr. Speaker, history also shows that that offer was out there for the better part of the year and was not being taken up, and I can understand it. Producers who were getting board prices for their eggs were not rushing in to produce eggs for anything less, unless it really suited them. I submit that that production that is now being produced for Innovatech [*phonetic*] at Belmont still would not be obtained through the process that was being presented to me by the board.

So, Mr. Speaker, I simply caution this minister. I have a lot of empathy for the

comments made by the Member for Russell (Mr. Derkach). There is no question that the exclusiveness that the system has generated is difficult for people to understand. My urban friends simply have trouble believing it. I know that the honourable Member for Riel (Ms. Asper) has trouble believing that you have to lay out this much money, \$28, for the right to own a chicken, and she would be more horrified if I were to repeat a speech I made when I had the pleasure of sitting in the Attorney General's chair, the Government House Leader's chair, because that gave me a little more freedom of movement.

* (17:40)

What happens when you have a quota is you are allowed to have 10 000 birds in a barn, and then along comes an inspector and finds 3000 more birds. You have 13 000 birds in the barn. What happens then, you get an order that within three days or 48 hours those extra 3000 birds have to be killed. Well, you know what happens? A farmer puts his tractor and exhaust pipe into the barn and kills the 3000, gases the 3000 chickens.

Then, Mr. Speaker, there was even a time—it is not current right now—where the federal government was paying the farmer 50 cents for every chicken that he gassed and killed, but he would not trust the farmer to count them accurately, so he sent a bureaucrat. A government inspector came down with a cane, and he would go marching around, 1, 2, 3, 4, 5, 6, 700, 800, 900, 2000, 3000, you know, count the dead chickens that the Canadian taxpayer was paying to be killed, to be gassed.

This is what happens and has happened, not currently in this supply management system, but do you urban fellows really understand that?

Does that make an awful lot of sense to you? Well, it does make a lot of sense. That is how the system works. Am I exaggerating? Not at all.

Mr. Speaker, I am not opposing the system. The system will survive, hopefully, but I want it to be sensitive, extremely sensitive to the legitimate opportunities that Manitoba now has

with respect to any livestock that has feed grain as a major component of production.

At some point in time, that natural advantage will surface and will have to be of benefit to our producers and to the province. Thank you.

Mr. Speaker: Is the House ready for the question? The question before the House is second reading of Bill 20, The Farm Products Marketing and Consequential Amendments Act. Is it the pleasure of the House to adopt the motion?

Some Honourable Members: Agreed.

Mr. Speaker: Agreed? Agreed and so ordered.

House Business

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I would like to announce

that the committee will consider then Bill 16, The Farm Practices Protection Amendment Act; and Bill 20, The Farm Products Marketing and Consequential Amendments Act.

Mr. Speaker, would you canvass the House to determine if there is leave to call it six o'clock.

Mr. Speaker: It has been announced that the Standing Committee on Municipal Affairs will meet on Thursday, June 21, 2001, at 6:30 p.m., to deal with the following bills: Bill 16, The Farm Practices Protection Amendment Act; and Bill 20, The Farm Products Marketing and Consequential Amendments Act.

Is it the will of the House to call it six o'clock? *[Agreed]*

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, June 19, 2001

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