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DEBATES
and
PROCEEDINGS

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 27, 2010

The House met at 10 a.m.

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

ORDERS OF THE DAY

PRIVATE MEMBERS' BUSINESS

House Business

Mr. Gerald Hawranik (Official Opposition House Leader): Yes, Mr. Speaker, I would seek leave to go directly to Bill 224.

Mr. Speaker: Is there leave to go directly to Bill 224, The Crown Corporations Public Review and Accountability Amendment Act? Is there agreement? [*Agreed*]

SECOND READINGS—PUBLIC BILLS

Bill 224—The Crown Corporations Public Review and Accountability Amendment Act

Mr. Speaker: So now I'm calling second reading on Bill 224, The Crown Corporations Public Review and Accountability Amendment Act.

Mrs. Mavis Taillieu (Morris): Mr. Speaker, I move, seconded by the member for Emerson (Mr. Graydon), that Bill 224, The Crown Corporations Public Review and Accountability Amendment Act, be now read a second time and be referred to a committee of this House.

Motion presented.

Mrs. Taillieu: Mr. Speaker, I'm pleased to introduce this bill, The Crown Corporations Public Review and Accountability Act, which will allow the Public Utilities Board and Manitoba Public Insurance to share the information that the Public Utilities Board would like to have access to, which will go a long way to ensuring the board that it is taking into account the full financial situation of the Manitoba—of MPI so that it can set its rates accordingly.

And there has been some concern, for the last several years, with the Public Utilities Board, that it has not been able to get all of the information that it needs and is therefore not assuring itself that the rates that are set are, in fact, the appropriate rates.

And I know that the minister will say that Manitoba has low rates here. He'll probably claim that they are the lowest rates in Canada, and we know that that is not the case overall, but we are simply wanting to know whether or not, for example, maybe those rates could be even lower. But the Public Utilities Board has repeatedly said in its orders—and I'd just like to quote one from the recent order, and this is a quote from the recent order of the PUB and it says, and I quote: In short, the board has once again been unable to assure itself that all costs incurred represent efficient and effective spending. Further, with respect to MPI's overall financial position, the board cannot adequately test either results or forecasts, steps that the board considers necessary to adequately assist in reaching a conclusion on the appropriateness of basic rates, premiums and fees. End quote.

So, Mr. Speaker, they have had a number of years where they have not been able to gain the information. Now, the information that they have access to right now is just the basic rates at MPI and not the extensions or the SRE, and they would like to have access to that information because, as they state, all of the financial information at MPI is commingled. All the investments are under the same investment portfolio and, of course, we know that investments over the last several years have gone down in many portfolios, either private, public, or anywhere. So there is a concern that perhaps the basic is not being adequately set because all the information is not there.

Now, what's happened is the Public Utilities Board has actually been forced to go to the courts to ask for a ruling on this because they feel they have a mandate to serve the public interest, and they feel that they're not being able to do that because they don't have all the information.

We know that, for example, there's been \$14 million spent on enhanced driver's licence, at least, and there's been another advertising campaign just this last spring. We also know that the driver and

vehicle licensing, which is now under the extensions portion of MPI, is not fully transparent to the Public Utilities Board. So there really is some offloading of responsibility there in terms of the government offloading onto MPI for these costs. And so it's not transparent as to actually where that money is flowing and if it's being actually paid back.

So, Mr. Speaker, the Public Utilities Board did file with the courts and it has said in that order that—and I'm quoting again: The retained earnings of the extension and SRE divisions of the corporation were of particular interest to the applicant given that the corporation, as reflected on tab 4, has made and intended to continue to make transfers of excess retained earnings and extensions of SRE to the retained earnings of basic and, in particular, the basic rate stabilization reserve fund. End quote.

And it goes on to say: The corporation has ceased to make transfers of excess retained earnings and extensions and SRE to the retained earnings of basic.

* (10:10)

So it's not really clear to the Public Utilities Board whether or not they are subsidizing—the basic rates are subsidizing the insurance—or investment portfolio. So it's unclear whether or not Manitobans are getting what they deserve in terms of the best rates, and they deserve some transparency and accountability. It's really quite curious why this government wouldn't want to have some transparency and accountability in this rate-setting process. If, you know, if there's nothing to hide, there's nothing to worry about, just open the books and let the Public Utilities Board assure itself that the rates are being set correctly.

I'm sure there's many members opposite that have constituents that are concerned about some of the rates at MPI and are questioning why the Public Utilities Board can't get access to all of the financial information at Manitoba Public Insurance. I'm sure there's many questions that come their way, Mr. Speaker, and I don't know why they wouldn't want to be open and transparent and accountable, and, of course, Public Utilities Board is quite cognitive of the fact that they would need to keep this information confidential. They certainly wouldn't be sharing it if there's any reason that they shouldn't be sharing it.

I know that there is some concern expressed by MPI that they don't want to share information on their competitive lines and extensions. But, as the

court order states—and I'm just trying to find that—the court order says, and I'm quoting: approximately 90 percent of Manitoba motorists choose to purchase extension insurance from the corporation to supplement their basic coverage, such that the customer base of the basic and extension divisions is essential one and the same.

So, Mr. Speaker, there's—and we do know from the Insurance Bureau of Canada that there's very little competition in this area—so their—the argument that they're going to be allowing their competitors to have access to that confidential information really doesn't hold water. The real fact of the matter is there needs to be openness and accountability with the financial situation, the total financial situation at Manitoba Public Insurance. The Public Utilities Board has not been able to get that information. They've been forced to go to court and that's going to cost taxpayers money. They've been forced to go to court to seek a court order to get this information so that they can do their job, which is serve the public interest. The public interest being the lowest possible rates that there can be, and I would think that the minister would want to assure that that would be the case, that the motoring public in Manitoba would be assured that they would be getting the best rates.

I don't think it's good enough for him to stand up in the House to say Manitoba has the best rates across the country, because we know that that is not the case, and we also know, Mr. Speaker, that we have not had a rebate. We didn't get a rebate last year. Manitobans were looking for the rebate cheque. I guess it wasn't an election year because there was no rebate cheque in the mail, and when there's no rebate there has to be a question of why there wasn't a rebate and the Public Utilities Board is asking that question. We need to have the full financial understanding of this Crown corporation so that they can set the rates accordingly, and I think that the fact that there were no rebates to the motoring public in Manitoba last year speaks volumes.

So I am just simply proposing with this bill that the Public Utilities Board have the ability to examine the finances of Manitoba Public Insurance. I would look forward to the support from the government on this, and let's have it go to committee and let's hear what Manitobans have to say about this.

Thank you very much, Mr. Speaker.

Hon. Andrew Swan (Minister charged with the administration of The Manitoba Public Insurance Corporation Act): It's a pleasure to stand and speak

about Bill 224. It's been introduced by the member for Morris (Mrs. Taillieu), and, you know, even in my time in this Legislature, I know we've increased the amount of time available for private members to bring bills forward from all sides of the House, which I think, frankly, is a good thing. There's some private members' bills that seek to correct something or to improve a circumstance in our system. There's some bills that may be seen as more political. This has just been reintroduced by the member for Morris. I'm actually not sure which one of the two this fits into.

But what's really important, of course, is to try to understand that the mischief—if you'd call it—to try and understand the problem that a private member believes exists. And I guess the member for Morris had the chance the other day in question period to describe the problem, and she said this on May 25th, 2010, her quote was that "Manitobans are entitled to the assurance that their basic insurance premiums are not being subsidized by MPI's competitive lines of business."

So as I look at this bill and I listen carefully to what the member for Morris has to say, she is of the belief—she appears to be upset at the fact that MPI is outcompeting private companies in the marketplace and she has a theory that somehow that is one of the driving factors in MPI continuing to offer some of the best value and the best rates for auto insurance in the entire country. I would have thought, if the member was going to be up on a grassy knoll, it would at least be the other way around, and she would have a theory that somehow the monopoly rates of MPI were somehow subsidizing competitive rates and somehow artificially allowing MPI to compete. But she's put very clearly on the record that her theory is the exact opposite.

So what I will do is try to explain to the member for Morris how the Public Utilities Board operates, the very complete process that MPI has when presenting its basic monopoly rate application and the different kinds of rulings the Public Utilities Board can make.

And, again, I believe from the member's question the other day that she now does understand that MPI carries on its business in two very different marketplaces. The first is basic auto insurance. It is acknowledged that is monopoly in Manitoba, as it is in certain other provinces across Canada, and in those situations, it has been determined by Manitoba, similarly, by Saskatchewan or by British Columbia,

that there should be an independent body looking at those basic monopoly rates, because drivers do not have a choice when it comes to basic insurance.

However, as in British Columbia, as in Saskatchewan, for example, our public insurer also is in a different marketplace, a competitive marketplace that the member for Morris will, in other circumstances, tell you, she is quite familiar. And MPI has to compete with other insurers, private insurers, who aren't located in the province of Manitoba, who don't have their head offices here, who don't have employees here, but they're certainly entitled to compete for that business.

And the member herself acknowledged the other day in question period—which I think is very helpful—that MPI does have a large share. They have that large share of the competitive business because they offer the best rates. They offer the best service. Manitobans have confidence in the extension products they provide, and, if individuals don't agree with that—if the member for Morris, who continues to chatter for her seat instead of listening and, perhaps, learning—if she chooses to buy extension insurance from a different insurance company, if she wants to send her money out of province, she has the absolute right to do so.

But I believe the member for Morris is actually quite rational and I expect, like most of the rest of us, she buys her extension insurance from MPI because in Manitoba, it's the right thing to do. Our government and, indeed, Mr. Speaker, the previous government, have been consistent in stating that MPI and the Public Utilities Board should resolve their disagreements without damaging MPI's competitive business information. And the way this works with respect to basic insurance is that every year MPI is required to submit a very comprehensive general rate application, and the Public Utilities Board then has jurisdiction over all of MPI's monopoly lines—all basic insurance. And this process, for example, in the last year, lasted 11 days—11 full days of hearing. There was a transcript that ran to over 2,000 pages, and I'll acknowledge I haven't read the 2,000 pages of transcript. I'm not sure anybody in this House has, but it's very complete.

And the Public Utilities Board has the legislative authority to order MPI to make changes or adjustments to its proposed basic insurance rates. The Public Utilities Board can say a certain rate is too high, that it's too low, and MPI, whether they

agree with the Public Utilities Board or not, complies and moves ahead.

* (10:20)

And, as well, I heard the member for Morris (Mrs. Taillieu) clearly indicating she doesn't understand the rebate process. The Public Utilities Board actually has the jurisdiction, and the right, to say whether there should or should not be a rebate in any given year. There's been actually a matter of disagreement between MPI and the Public Utilities Board in past years. In some cases, the Public Utilities Board has actually ordered rebates, when MPI wanted to continue adding to the rate stabilization fund. But if the Public Utilities Board tells them to do it, MPI goes ahead and does it.

So, there's a very complete process. And I should mention that various groups and individuals have the right to attend those hearings, and they've got the right to express their concerns—to give their input to Manitoba Public Insurance and the Public Utilities Board. And I don't think there's any question, when it comes to basic insurance, that Manitoba Public Insurance provides absolutely everything the Public Utilities Board is looking for. Its financials are also under scrutiny by external auditors, by external actuaries and also by the Auditor General's office, who has complete access to anything that MPI has.

I should also mention that MPI is also accountable to the Standing Committee on Crown Corporations. It's responsible to Crown Corporations Council and, of course, it's subject to FIPPA. So there are a lot of different ways in which MPI is completely and totally accountable to the people of Manitoba.

Manitoba Public Insurance, I should add, annually holds public review meetings. They don't just hold them in Winnipeg. They hold them in the southern, central and northern regions of the province. They rotate where those meetings are held, so Manitobans who do want to speak about their auto insurance company, have the right to come out and do that and I think that's very important. MPI executive members attend those meetings, and certainly they're available to take questions from those in attendance.

And, of course, MPI's annual report is available to Manitobans on its Web site. It's mailed out to people. If they don't want to go on the computer and want a hard copy, they will do that.

But I need to point out, again, that what the member is talking about is not monopoly auto insurance. What the member is talking about is a competitive line of insurance, where MPI has to go out into the marketplace and compete against private companies. And, as the member has indicated, the great majority of Manitobans do just that. They insure, for extension lines of insurance, with MPI.

Now—[interjection] Well, the member from Ste. Rose, I hope we'll talk about this. I hope he'll have a look at his own members' comments in the House which, again, when we do dialogue, I look forward to having a chat with the member for Ste. Rose (Mr. Briese) about this.

I really have difficulty understanding someone who brings forward a bill because she is upset that MPI appears to be too competitive. And, you know, maybe MPI is too competitive for somebody who doesn't believe in public auto insurance in Manitoba. Manitoba's experienced tremendous stability in its rates—a cost stability ever since this government has been in power. In the last 12 years, the corporation will have held the line or actually reduced auto insurance rates 11 times. I'm not sure how many other expenses in my household, or any members' household, have actually stayed flat over the past 12 years. I'm very pleased to say that auto insurance in Manitoba is one of them.

And as I've said before in this House, I'm very proud that MPI pays out 89 cents of every premium dollar to Manitobans in the form of claims benefits. Experience across Canada is that only 65 to 70 percent of those premiums paid actually get returned to claimants. And, of course, if you're buying insurance from a company from outside of Manitoba, that 30 or 35 cents, to a large extent, is gone. We actually prefer it to stay right here in Manitoba, providing jobs for Manitobans and a stable environment for Manitobans.

I should also mention that because of these rebates, Manitobans have received \$263 million in rebates since 2001. And I should also mention MPI's maintained operating costs at 50 percent of the Canadian industry average. The members opposite may want to pay more to administration. They may want to pay more to shareholders living outside of the province of Manitoba. We take a different approach.

I'm very pleased that MPI's out-competing private insurers, because it shows the ingenuity and the hard work of Manitobans. So when I look at the

mischievous that the member for Morris is apparently trying to fix by her bill, frankly, Mr. Speaker, I don't see it. If the mischief is that MPI is too competitive, well, I suppose the corporation is guilty as charged.

Thank you very much, Mr. Speaker.

Mr. Cliff Graydon (Emerson): Mr. Speaker, it gives me pleasure to rise to put a few words on the record today in response to this bill and in support of this bill that's been tabled by my good colleague from Morris.

Accountability and transparency from Crown corporations is critical to the best interest of Manitobans and in no way has MPI or a number of the other Crown corporations, but more specifically MPI, been accountable or transparent.

Mr. Speaker, we have seen that the NDP have interfered with MPI on numerous occasions, and examples would be forcing them to take over the drivers licensing and vehicle registration in this province and forcing MPI to pay for that. It's not necessary that it was taken over; forcing them to pay for it and putting it outside the purview of the PUB has not been at all transparency or accountability that the minister talked about.

He talked about our member from Morris that had a different opinion than—or the opinion that was expressed was different than from what the member from Minto put on the record. What the member said, and what all Manitobans are saying is they want to see how much money is being taken out of the basic rate to supplement some of the competitive lines, and the PUB have said that too, very clearly.

And that's why, Mr. Speaker, that's why, in the case of the PUB, that they have stated, and I quote: the board is experiencing increasing—increased difficulty in assuring itself that the corporation's overall financial situation and prospects. This is largely because the board's mandate is limited to basic compulsory program while an increasing percentage of the corporation's returned earnings—retained earnings and operations remain outside the board's purview. End quote.

According to the documents filed with the court, the specific reasons that the PUB needs this information is to set the rates because MPI historically transfers excess retained earnings from the competitive lines to the rate stabilization reserve, which is very significant factor for the PUB to consider when setting the Autopac rates. MPI has only one investment portfolio overall of its lines and

businesses. And MPI, quote: incurs significant costs, including staffing costs on a corporate-wide basis. End quote.

And so, when we speak of the staffing costs, maybe just for a minute we should put some things on the record about the staffing. In 2003, the staff was approximately 1,365 staff members. In 2009, there was 1,990 staff people working for MPI and projected to increase to 2,136 in 2010, Mr. Speaker.

We need to understand that with the increase of staff, if there was an increase in service, the ratepayers of the province of Manitoba would be well served. However, that's not the case. That's not what we hear in the country. That's not what we hear in the city. The service hasn't changed, and, in fact, has deteriorated, and this is one of the reasons that accountability and transparency is so necessary. And the PUB recognized this or they wouldn't have taken the trouble and spent taxpayers' money to get a court order to find out this type of information, Mr. Speaker.

The rebates that the minister talked about for 11 years, I would suggest that those rebates were from overpayments; and he can give all the reasons that he would like for the—the reason for the rebates, but I would suggest that they were grossly over—from being grossly overcharged for the services that they got, that the ratepayers in this province have got.

*(10:30)

We also know, Mr. Speaker, that there has been a huge deficit accumulated with the—in the event since the transfer of the responsibility of licensing and insurance, vehicle—or vehicle registration. Since the transfer of that to MPI, the deficit has been huge. It started off—and I recall questioning the former minister in committee, and he said that, well, no, that there would be—technology would take care of the shortfall that was predicted. He said, within a very short time, technology that MPI had would take care of that shortfall. The next time that we were in committee, the technology was just around the corner. The third time in committee, the technology was almost there, and today that deficit has got to \$43 million.

That has to be paid back by this government, but, in the meantime, because there's no accountability and no transparency, and because it's outside the purview of the PUB, we don't know when, if at all, that this is taking place. And what we do know, however, is, through The Freedom of

Information Act, that this particular deficit is growing, and the only way that it can be covered, then, is from the Rate Stabilization Reserve which is built up from our basic rates.

So I would suggest that the minister responsible—although he has an excellent spin doctor write his little speech today, that, in fact, he doesn't have a complete handle on what's going on in the corporation that he's supposed to be ministering, and many of the ratepayers in this province are unhappy with the service that they've been getting as well.

And I'm sure that it won't be long until the minister finds out, in a more defined way, of how unhappy some of the people are when they forced the MPI to spend 14 million on a foolish, foolish move. They forced them to take and try and develop an enhanced ID card and only after—after extensive survey that they did that indicated from focus groups that it wasn't wanted. It wasn't wanted by anyone in the city of Winnipeg. The focus groups, of course, didn't operate outside of the city. It isn't wanted outside there either, and I would suggest that 1,700 cards that they have or 1,800 cards—they may even be up to 2,000 now that they sold up to this point, but it's a long, long way from the 200,000 that they had expected in the first month or the first two months or even the first six months. They—it just fell flat on its face.

When we see what happened in Saskatchewan—when Saskatchewan seen that there was a—they were going to introduce the same type of a card, but when they seen the folly of their idea, Mr. Speaker, what they did is they—in Saskatchewan they retracted that type of legislation and said, no, you know, common sense is going to prevail. The alternative to these enhanced ID cards is certainly going to be much better than spending a thousand dollars a card, which this government has done. It's been just wasteful, wasteful spending.

And, in fact, in 2009-2010, we could've had a huge rebate with \$14 million that has been wasted on this. And on top of this, Mr. Speaker, these cards were produced outside the province of Manitoba. They're not interested in supporting Manitobans at all or any businesses in Manitoba. In fact, perhaps what really happened was the business in Manitoba said to them, you guys are making a big mistake. This is the wrong way of doing things and looking at things going forward.

The troubling thing with NDP's relationship with MPI is its refusal to make the Crown corporations

accountable to its ratepayers and that's what they should be doing. They appoint the PUB, Mr. Speaker. They appoint the board to MPI, and yet they say, well, we're hands off, but when we need a million dollars to give to some charity, we'll take that out of MPI. We'll take that money or what we'll do is perhaps we'll give it to the university. We'll take—and we'll give a bunch of money to the university out of the basic rates.

So, Mr. Speaker, with those few words, I just want to make sure that the minister understands that if he can get a spare moment, that he can spend some time with this particular responsibility that he has, that he should try to understand what business is all about. Thank you very much.

Mr. Rob Altemeyer (Wolseley): I'm certainly happy to have a chance to poke a few holes in this proposal.

As you know, Mr. Speaker, my duties in the Chamber as someone who gets to occasionally help with officiating matters in the Chamber, I don't always get a chance to speak in the Chamber perhaps sometimes as much as I'd like. But this one was just too much fun to pass up, and I certainly look forward to putting a few comments contrary to what we have just heard and what has been proposed. And I also take a lot of enjoyment in, as I'm sure all MLAs do, in meeting with community groups and school groups and those rare interested citizens who come down to the Legislature and talk to them afterwards, what they think of question period and, most of the time, they think the behaviour in the Chamber is really quite obnoxious and they don't understand why we can't all just get along and make calm, rational decisions without screaming and yelling at each other.

My answer in part is that we all represent our constituents and we come from different political parties, and our particular political party doesn't believe in passing dumb ideas into law and sometimes the opposition gets upset about that. And I would have to say that I think a lot of what I've heard so far this morning is pretty close to nonsense. In the literal sense of the word, it is non-factual. It is inaccurate and I don't mind, actually, any time Tories want to bring forward legislation asking for something related to Crown corporations, I just think that's fantastic for our side of the House.

Tories trying to advocate on behalf of the well-being of a Crown corporation is like a fox asking for the keys to the henhouse. And the citizens of Manitoba know full well what the true intentions

of that political party on the other side of the House stands for. They know what their history is and they know what the true intent of these types of proposals is. It's all geared towards privatization and discrediting of the public good of the enormous crown jewels that we have here in Manitoba.

Tories can attack Manitoba Hydro. You can attack MPI, attack Lotteries, Liquor. You spend all your time doing that because the citizens of Manitoba know there should be a fifth Crown corporation still in this province, MTS. And when you come in here with language about wanting to know where MPI's investments are headed and where's the money? Oh, we know full well what you're actually talking about. We know you don't believe in Crown corporations. We know exactly what happened to the last Crown corporation you got your hands on, and we're hearing exactly the same sort of phony-baloney arguments this morning from members opposite. So I hope they continue trying to make attacks on MPI, or any of the other Crowns, because I think that just strengthens our government's hand with the public of Manitoba and they know full well from their own pocketbooks that MPI is a very, very good way to go.

You make comparisons to the private sector—Tories are such funny creatures, Mr. Speaker. You know, on the one hand, they'll be talking about we want more accountability. Oh, we think this doesn't really smell right and could you please change the little law for us? Well, if they don't like getting rebates from an organization they don't believe in, they should send the rebate back to MPI. Every single one of them here registers their cars in Manitoba with MPI. If you don't like getting some of the money back, sometimes MPI's proposed an amount by themselves, sometimes the PUB changes that amount, whatever the amount is, if you don't like it, if you don't want it, don't keep it. That's called accountability.

At least you're being honest with yourself. You can look in the mirror, and say, yeah, I don't like public insurance. I don't like paying less. I don't like the fact that everybody is getting a better deal because we're pooling our resources. I don't like the fact that MPI is competitive in the private sector market. I want to pay money to a CEO of a large company outside of Manitoba. How many times have members opposite received a rebate on any other kind of insurance that they might be purchasing?

* (10:40)

I credit my seatmate here, the Minister of Labour (Ms. Howard), as always, she cuts right to the point with her comments. Listening to the very first speech on this, this morning, she said, you know, when was the last time anyone got a rebate from your home insurance, you know, or from your life insurance company, you know? And yet here, the members opposite come troops-ing in here demanding that MPI somehow become more accountable. And, Mr. Speaker, the accountability level here with MPI—it's not the issue. It's not what the members opposite are actually after. In fact, the members opposite are a bit confused on what they're after. This has happened before. We've seen members opposite come out with totally different positions on the same topic. They're almost like Liberals sometimes. I know that's a pretty nasty thing to say about somebody, but it is factually accurate.

On the one hand we've heard some members this morning complain that they think that MPI's external business activities, its activities in the competitive marketplace, might be being subsidized by the public rate base. Well, that's exactly contrary to what the person—the honourable member who's sponsoring this silly piece of legislation said in *Hansard*. She said, quote: "Manitobans are entitled to the assurance that their basic insurance premiums are not being subsidized by MPI's competitive lines of . . ."—so which one is it? You know, you troops in here like you're the gods of the marketplace; you don't even know what you're talking about. Pick one. Is it tails up or heads up?

The other piece to all of this, Mr. Speaker—and you can see why, you know, I don't often speak in the Chamber because I tend to get a little bit riled up, and I see that the members opposite are not enjoying this very much and that, I will admit, gives me some pleasure. But my constituents know full well that public auto insurance is serving them far better than private sector insurance would. And, in fact, I didn't know this myself but I want to thank the honourable Attorney General for pointing this fact out to me: For the other two provinces also wise enough to have public auto insurance in our country, namely British Columbia and Saskatchewan, they also have a similar regulatory regime as we have in Manitoba. So what's happening here is absolutely in line with what's happening with those other provinces in terms of accountability.

And, getting back to my constituents, I mean, really, the proof is in who can provide auto insurance cheaper, and if you are living in Ontario, if you are living in Alberta, if you are living just about anywhere else in the country, you're paying way more for your automobile insurance, particularly if you're a younger person just starting out in, you know, starting out either at school or that first job or wherever. You can look at the fact that in the last 12 years MPI has managed to either hold the line on the cost of auto insurance or actually reduced it in 11 times out of the last 12 years.

I would put that record up against any private sector provider of any service anywhere. I'm sure some of them might be able to beat it. I'm thinking maybe the Red River Co-op, which is not precisely—it is private sector, but it's got that interesting little social good aspect to it which members opposite seem to hate so much. So, you know, that's certainly nice. I like getting that rebate cheque. I'm honoured to be a member of that co-op. I have no problem with that. I would encourage any member who hasn't had the chance to join the Red River Co-op to consider doing so. I'm proud to cash that cheque and I have no problem with MPI providing me with a rebate if they, in their actuarial work and then after that's reviewed for well over a week by the Public Utilities Board, if they decide that a rebate is available, well, then, I'm fine with that. I see that as the public good providing a good service to the citizens of this province and doing it in a cost-effective manner, rather than sending money out of province for some CEO in a totally different jurisdiction to add to their millions or billions.

Another interesting fact, Mr. Speaker, is that you take all of those rebates together since 2001 and it adds up to \$263 million, which has stayed right here in the pocketbooks of Manitoba businesses, in the pocketbooks of Manitoba citizens. Where would that money have gone if we didn't have that policy in place, if we did not have MPI providing this level of service to all of our citizens? So this is a silly idea, and I—

Mr. Speaker: Order.

Mr. Blaine Pedersen (Carman): I am certainly quite happy to come and support my colleague, the member for Morris (Mrs. Taillieu), on this bill, public review and accountability act. And basically, it comes down to a very simple premise: If you have nothing to hide, there should be no problem presenting this information to the Public Utilities

Board. And there's been a lot of talk about MPI, but I will hopefully get into a few things that Hydro is doing with—or not doing with the Public Utilities Board.

But, first of all, it's just—I just wish we could've had these members up speaking to Bill 31, as they seem so eager to stand up and speak to this bill—or speak against this bill—because it certainly uncovers some interesting ideas. The member for Wolseley (Mr. Altemeyer), just as one, says that he's never gotten a rebate from a private company. Well, I guess if he had been farming and if he'd had co-op hail insurance, he would've got a rebate from them.

An Honourable Member: And they're competitive.

Mr. Pedersen: And they are competitive with the private sector, because there a number of hail insurance companies that come out there and offer their product and you choose which company you choose to do with. So there are—that's where a company is competing in the private sector and yet is still able to give rebates.

But really, what it comes down to is we have a government entity taking on a government entity to court for information. And is that wise use of the taxpayers' money? And I don't believe it is.

There—the PUB has been very respectful in their request that there are—to not divulge any information from their special risk extension line, competitive lines, but they need the whole picture. The PUB is not able to do an accurate rate assessment on MPI's rates, public—motor vehicle rates, when they can't get a snapshot of the entire company, and that's all the PUB is asking for.

And yet, this government wants to hide this. They don't want to—they've told MPI not to allow this. The question comes: What are they hiding? And that's really what we're asking. If you have nothing to hide, you should have no problem to do this.

We also know that the PUB, the Public Utilities Board, is having a difficult time reviewing rates with Manitoba Hydro because Manitoba Hydro is not being co-operative with the PUB. The Public Utilities Board has asked Manitoba Hydro for comparables comparing the costs—the projected costs of building an east-side transmission line versus the proposed west-side transmission line. Manitoba Hydro is not being co-operative. They say, we will not provide that. So there—again, if you have nothing to hide, why aren't you being co-operative? The PUB is set up as a government entity to oversee Crown

corporations. Let them do their job. Let them function as they should.

The Minister of Justice (Mr. Swan) was noting that there's 14,000 people now signed up for enhanced ID cards. So we're—now, the latest information we had was \$14 million. What—I wish he would've been more forthcoming as to tell us what the latest cost is on these enhanced drivers' licence. But using old information with new information, the new information, he says, is 14,000 people. Well, at \$14 million, that's a thousand dollars a card. I think we could've done a lot of passports for a thousand dollars a card. And I just know that the—that they're not telling us the true cost of what these enhanced drivers' licences cost MPI, and that—part of that is not—is the details which they are not wishing to divulge to the Public Utilities Board. So, again, the Public Utilities Board cannot make an accurate assessment of MPI rates.

* (10:50)

To—this bill is really asking for transparency. We need transparency within our Crown corporations, within reason, because we know that there is the private line within MPI, and there is no asking for divulging that publicly. But if you don't trust the PUB to respect that, then why do we even have this entity there to review. If you're not—if you're going to hamstring the Public Utilities Board for what they're set up to do, to cover private—or to cover the costing of MPI, then why are we not allowing the PUB to do their job?

So with those few comments, Mr. Speaker, I will let others come forward.

Hon. Steve Ashton (Minister of Infrastructure and Transportation): Mr. Speaker, I actually want to talk about MPI, and I want to talk about the PUB. I don't want to talk about the PCs and, you know, an amazing sort of argument that we see on this particular bill.

I don't particularly want to talk about the p-word and the c-word, and I'm not talking about progressive. We know they're not progressive. You know, it's not about even being conservative. But they seem to, all of a sudden have—

Some Honourable Members: Oh, oh.

Mr. Ashton: Well, they're howling at the moon. You know, it's a full moon, Mr. Speaker.

I know, you know—I mean, they are the party of the living dead, politically; you know, very gothic.

But you know what's interesting, Mr. Speaker, is they seem to have taken great objection to the fact that MPI makes a profit and that they—that's the p-word—and that they're able to provide a competitive automobile insurance rate. So they have a real problem with profit and competition.

And let's understand one thing, by the way, Mr. Speaker. Over the last number of years, what is the big criticism by members opposite when it comes to MPI? They were—objected to the rebates. They've said they're politically motivated. I mean, even though they know that this is because MPI's an efficiently run public automobile insurance agency. And they have real objection to the fact that people have got some of the most competitive rates in Canada.

Now, should that surprise anyone, you know, because of the history of MPI? I mean, let's not forget that it was the Schreyer government brought in MPI. The Conservative party that day actually wore black armbands when MPI was passed here in Manitoba. I mean, the only reason they didn't privatize MPI when they were in government in the 1990s is because they were too busy privatizing MTS, and we all knew that Manitoba Hydro was next on the chopping block.

I mean, let's understand that—I know they were howling earlier. I mean, you know, they can dress up in sheep's clothing all they want. But when it comes to Crown corporation, they're definitely wolves. And I've got nothing against wolves, with Thompson's wolf spirit, but they're wolves in sheep's clothing. They can mask themselves with PUB—

Some Honourable Members: Oh, oh.

Mr. Ashton: They're howling again. I—you know, they can howl at the moon all they want, but the reality is their arguments don't hold any water.

Now, I want to stress a couple of things here, by the way. First of all, the legislation we're dealing with is legislation that has been in place for a number of years. We do have regulation of the elements of MPI that are a public monopoly. And let's understand, by the way, that what they would suggest in this bill is that we have regulation by PUB of Autopac for its competitive lines but not for private companies for competitive lines.

So let's understand what the real agenda with the member for Morris's (Mrs. Taillieu) bill here is to actually put an impediment to MPI to operate in a competitor's sector that other companies wouldn't.

And I suspect, by the way, that that's part of the agenda for the member for Morris and the members opposite. What they don't like is they don't like when MPI out-competes the private sector. So what they want to do is, in this case, they want to put PUB scrutiny on the competitive lines to act as an impediment to MPI providing those competitive lines.

Do you notice in the bill—read the bill. I was reading it earlier. There's no reference to regulating the private sector providers of the equivalent insurance, nor should there be. I mean, I don't think anybody would argue that PUB should spend its time regulating the affairs of private insurance companies who are providing competitive product. But why MPI? Well, I think I've identified the real issue.

Ms. Marilyn Brick, Deputy Speaker, in the Chair

But, you know, the naiveté of this is incredible. If you look at the section here, it's all about intervenor's access to confidential information. One of the difficulties, when you're offering a competitive line, is you do have commercial confidentiality. Obviously, Manitoba Public Insurance Corporation has full disclosure of its regulated side of the business, but what this provision would do—it's very naive. It's—would provide confidential information to intervenors, but say, well, you know, but you can't—you've got to respect it as being confidential. There's no guarantee that would happen. In fact, it shows the ridiculous nature of the amendment that's proposed in this bill, because either it's competitive or it's regulated. And what would be the real benefit of regulating, in this case, something that's offered on the open market where Manitobans can go from one provider to another?

Let's understand why the PUB's scrutiny was brought in for MPI—well, we have PUB's scrutiny for all our Crown corporations. It's there to have a double check for the public interest that recognizes that when you have, effectively, a public utility, there is no other option. So you have to make sure the public interest is respected, not only the operation of the utility, but also in terms of all of its pricing and other decisions on the regulated line.

And let's understand, by the way, that the bottom line here is very straightforward. You have to have a clear understanding of why we regulate the utilities side. It's because people don't have another choice. When it comes to Autopac, as the minister for MPI has pointed out, it's a competitive line. People can

walk to another provider. They can make that decision strictly on price.

And, yes, there are good reasons why MPI was set up as a public utility for the non-competitive sides, basically, two reasons: it cuts about 20 to 25 percent off the administration, but it also keeps the money invested here in Manitoba. I always like to point out that one of the key things that MPI has done, it just made—it made sure that we have money to re-invest, for example, in our municipalities. MPI is a major funder of municipal finance in terms of—*[interjection]* Two billion. So that's why we have the public utilities side.

It's like with Manitoba Hydro—and I would have thought we would never have to have this kind of debate here, but, you know, after what we're seeing on this bill—and I noticed, you know, the member said—and I've got to give the member for Carman (Mr. Pedersen), you know, credit. It's like the other 18 members are very careful about what they say publicly, but not the member for Carman. He's already outlined the Tory election strategy. You know, he's very blunt; he says we're not concerned about farms or infrastructure. You know, the—he's been very upfront. I mean, he isn't looking for the gotcha. And I want to thank the *Carman Valley Leader* and, you know, I think they've done a great public service by this—but you notice how the member opposite, he switched from MPI very quickly into Manitoba Hydro.

And my view, by the way, is, I think it's very clear that members opposite, given the chance, would put first Hydro or first MPI—I'm not sure—on the chopping block. And I know they're all going to get up on the debate, you know, so we proceed on this, and I'm sure they're going to say, well, we have no plans to privatize, you know, fill in the blank, right? Well, that was what they said about MTS, and we saw the end result.

And, by the way, I want to add on that. We were just out in Saskatchewan recently at a joint Cabinet meeting, and what's interesting in watching the SaskTel, they're making record profits—record profits—\$126 million, keeping the money in Saskatchewan, benefiting all Saskatchewan telephone ratepayers and Saskatchewan taxpayers. So, you know, dare I say that members opposite, given the reins of power, you know where they really stand.

But I, really, I think on this one they should give up the ghost on this. I mean, really, do they want to

be out there arguing with the general public against profit, that MPI should not make profit? Do they—are they going to argue against competitive rates? Do they really have difficulty with affordable automobile rates? You know—and I know some of them even question that, as to whether it is affordable, you know, here. Again, they just can't get away from the, you know, the private auto insurance lobby that likes to make that argument.

But, you know, there's a reason why we and our sister provinces, Saskatchewan and B.C., have had public automobile insurance, and why I'd say 80 percent of Manitobans support it. It's because it works. It keeps money in the province. We provide both a regulated line. We keep that affordable and, you know what? From the competitive side, if we make profits, our MPI puts it into keeping the rates affordable. It's just like with Hydro. We make export sales. That's important to Hydro. We then put those proceeds, the export sales, to keep rates affordable for Manitobans. You know, it's just common sense.

But, you know, I know 80, 90 percent of Manitobans support that. What is interesting is that the members opposite just haven't given up the ghost. So I want to—

* (11:00)

Madam Deputy Speaker: Order. When this matter is again before the House, the honourable Minister of Infrastructure and Transportation (Mr. Ashton) will have one minute remaining.

The time is now 11 o'clock and time for private members' resolutions.

RESOLUTIONS

Res. 12— New Levy on Exchange/Transfer of the Value of Quotas Should be Dropped

Madam Deputy Speaker: The resolution to be considered this morning is the resolution on New Levy on Exchange/Transfer of the Value of Quotas Should be Dropped, brought forward by the honourable member for Emerson (Mr. Graydon).

House Business

Mr. Gerald Hawranik (Official Opposition House Leader): On House business.

Madam Deputy Speaker, in accordance with rule 31(9), I would like to announce that the private member's resolution that will be considered next Thursday is the resolution on Putting Manitoba First,

sponsored by the honourable member for Pembina (Mr. Dyck).

Madam Deputy Speaker: It has been announced that in accordance with the rule 31(9), the private member's resolution that will be considered next Thursday is the resolution on Putting Manitoba First, sponsored by the honourable member for Pembina.

Mr. Cliff Graydon (Emerson): Thank you, Madam Deputy Speaker, and it's good to see you back in the chair this morning.

I move, seconded by the honourable member for Steinbach (Mr. Goertzen), this particular resolution:

WHEREAS the ability to buy and sell quota is an important management tool for agricultural producers in Manitoba's supply management sector; and

WHEREAS the provincial government's recent \$535-million deficit budget contains a new levy on the exchange/transfer of value of quotas, which is the first of its kind in Canada's measure; and

WHEREAS the provincial government failed to consult with industry representatives prior to introducing the new levy and has failed to identify any benefits to producers who must pay it; and

WHEREAS because of the provincial government's out-of-control spending habit, producers in Manitoba's supply managed industries are being punished with this new food tax, the implications of which could also be felt by consumers of milk, poultry and eggs.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the provincial government to reverse its ill-conceived decision to enact a new levy on the exchange/transfer of value of quotas.

Madam Deputy Speaker: It has been moved by the honourable member for Emerson and seconded by the honourable member for Steinbach,

WHEREAS the ability to buy and sell—dispense?

Some Honourable Members: Dispense.

Mr. Graydon: It's with grave concern that I rise today to speak to this particular resolution that I've brought forward. It certainly has a huge impact on rural Manitoba and on the supply management systems that we enjoy in Manitoba today that asks

nothing of the provincial government than that to supply food—safe and healthy food at an affordable price to the consumers of Manitoba.

This a precedent-setting tax grab by this particular Minister of Agriculture (Mr. Struthers). It's never been done in Canada, any place in Canada, never been even suggested and wouldn't dare be suggested outside of the province of Manitoba. And unfortunately, this minister, because of his inability to understand the concept of supply management, doesn't realize that he's actually taxing the consumers, the very people that have elected him. He's taxing those people.

And so, in the period of time since this has been announced in a budget, we've had the opportunity to ask the minister some questions, and I'll go back to one of the questions that were asked in the past, the purpose of the 2 percent tax. And his reply was that whenever there's a transfer, whether it's in terms of whatever kind of asset—which is what a quota is, quota is an asset—there's measures in place that do raise revenue from transfers of assets, whether that be an asset that belongs to a grain farmer or an asset that belongs to cattle producers or whether that be an asset such as a quota which was transferred from one farmer to the next.

Madam Deputy Speaker, it was a clear indication that the minister was totally out of his league when asked the question and didn't have the proper speaking notes presented to him to even reply. But he goes on to say: So what we—I'm trying to—what we're trying to do is make sure there's a fair, level playing field right across the board in the whole agricultural sector. So what he's indicating or what it seems that he's indicating in that response was that he would take from a supply management sector and perhaps give to another sector. I'm not exactly sure, and so the question became evident that I needed to ask the minister, and I did ask it: Is there any benefit to any of the commodity groups from this 2 percent tax?

And his response was quite clear. He said that whenever the provincial government realizes revenue, we have an opportunity to work with those producer groups to assign that money to different undertakings that we do.

It's again clear, Madam Deputy Speaker, that this minister has no intentions of supplying any service for the 2 percent tax to the producers that he's taking it from. It's to what we do. And, so, then he goes on to say, and in all fairness, he said, you can look

through the budget this year and last year and right back to 1999, our very first budget, and you can see the revenues raised by the Province being ploughed back into agriculture, and this budget is no exception.

Mr. Mohinder Saran, Acting Speaker, in the Chair

However, it's what we do. He's not supplying a service today, Mr. Acting Speaker. He's not supplying a service today to the dairy people nor is he going to be supplying one that's necessary in the future. The dairy people have a very good understanding of their commodity group. They know what their responsibilities are to the act. They also know their responsibilities to the producers of this province and to the consumers of this province. And they've approached this in a very businesslike fashion, in a professional fashion, in order to supply this safe, nutritious and healthy food at a reasonable price to the consumers.

And the minister wants to attack that. He wants to take money away from a system that's not broken. He wants to—what he wants to do is satisfy his addiction and his boss's addiction for spending. That's what he wants to do. There's no—absolutely nothing that's going back into the industry out of this. And he suggested in what I have read to you today, Mr. Acting Speaker, he suggested that he was going to put it into the cattle industry. Well, the cattle industry already has a tax. They have a tax today. They don't need another tax. The taxes are being implemented by the NDP administration, whose out-of-control spending habits have left it scrambling to come up with increasingly creative ways to tax hardworking Manitoba families.

Farm families in Manitoba have been shrinking. The rural area of Manitoba—the rural population of Manitoba has been decreasing for a number of years, but if we take a look at what we have for communities that have been growing, they have a strong, strong commodity group such as the dairy farmers. They have a strong group like this that support the communities, and these communities have been growing.

So, with those few words, Mr. Acting Speaker, I would like to give the minister the opportunity to rebut this. Thank you very much.

Hon. Stan Struthers (Minister of Agriculture, Food and Rural Initiatives): You know, Mr. Acting Speaker, it wasn't that long ago in this very House, my friend from Emerson, I think on this very issue,

referred to me as Robin Hood, and I get the point that he was attempting to make that day and I think, like many of us around in these seats, got a chuckle out of that. And it continues today, with the smart remarks from across the way, but, you know, all that tells me is that my friend from Emerson, along with his cohorts in the Conservative Party, have nothing more—*[interjection]* Or compatriots, comrades then, in the Conservative Party. *[interjection]* Some, they're here and there.

Mr. Acting Speaker, what it tells me is that our friends across the way, when they don't have something substantial to complain about, they just rely on fairy tales, rely on myths and legends and movies out of Hollywood based on some guy in green tights that takes money from one group of people and gives it to the other. I mean—because that's as much—*[interjection]* Absolutely green tights, yes. It was his analogy. He should know those kind of details.

* (11:10)

Mr. Acting Speaker, what it tells me is that they don't have much to complain about over there. And, you know, the other reason I know that is because when I meet with, as I said I would—I said I'd meet with the leadership of the supply sector groups. I've met with the five of them. We've been together several times and we will get together again and officials from my department will get together with officials from each of these groups, like I said would happen, and I also said that we wouldn't be moving forward without that happening, so that continues.

I'm not in a hurry to move forward on this. We have discussions and conversations that we've had with the supply management groups. And, getting back to my point, the reason I can—the reason I know that they're blowing smoke across the way is that when I meet with the groups that, whether it's the dairy farmers or chicken growers or eggs or any of the supply managed groups, Mr. Acting Speaker, it's very clear to me, and I do agree with one point the member for Emerson (Mr. Graydon) said. These groups and their leaderships are very professional. They are very business-like. They've been very good to meet with, as we have, and we have discussed these and other issues that impinge on supply management.

We've dealt with and have talked about those issues that are important to the supply managed sectors, Mr. Acting Speaker. So I have nothing but good things to say about the leadership of the supply

managed groups that we've been meeting with. I have given them my word that I'm not moving ahead without them and I intend to follow through on that. I'm very clear about that.

Members opposite can play politics with that all they like. I don't care about that. I care about the relationship that we've built on this side of the House with the supply managed sectors, a group who I think understands members opposite are not the friends of supply management. They're not the friends of single-desk selling. They're not willing to go to the wall either in this province or at tables of international importance such as the WTO and trade talks with the Europeans, Mr. Acting Speaker. So I think these supply managed sectors sees through the phoniness of the arguments that are being made by the member for Emerson and his comrades on the other side.

One thing I do really want to make sure that we point out, which the member from Emerson keeps bringing up over and over, is that there are no services that are connected to the supply managed sector that the province of Manitoba supplies. He's just absolutely incorrect. He's dead wrong on that, Mr. Acting Speaker, and you know, I know that and we know that on this side of the House. What really makes me feel good is that the people—*[interjection]* Yes, I'm going to. Just hold on for a minute.

Mr. Acting Speaker, the groups we've been meeting with have said, here's some of the services that we know the Province supplies to the supply managed sector. Even—*[interjection]* Well, there's veterinary diagnostic services that we work together with supply managed groups all the time. There are—through our extension services, through the Department of Agriculture, Food and Rural Initiatives, and with dairy and poultry, veterinary specialists. We provide those through extension in through the department of Manitoba Agriculture, Food and Rural Initiatives.

We fund research with the supply managed groups. We fund research to such entities as the University of Manitoba, Mr. Acting Speaker, on production, helping with production, helping with biosecurity. This might get a rise from the members opposite. We work with the supply managed groups on manure management issues. These groups understand they need to make decisions in terms of managing the manure they produce. They take their responsibilities seriously. We work with them and the University of Manitoba and others in the area of

manure management. We have—many times we co-fund research with co-managed—with the co-managed groups that members are concerned about.

Now, members opposite may take the position that that's not very worthwhile. They may take the position that that's not much but, Mr. Acting Speaker, I disagree with them and so do the leadership of the sector groups—sector managed groups that I've met with. They understand this and they bring it forward. We fund the Manitoba Farm Products Marketing Council, which supervises supply management in this province.

If a—if there's a need for an appeal—there's a need for appeal and you're a supply managed sector, this—the appeal goes to the Farm Products Marketing Council. We pay for that. You know, the member for Emerson (Mr. Graydon) talks about milk. Well, we also have the milk prices review committee—the review commission. We sponsor that. That's a service that the supply managed groups have told me are valuable and they depend on.

Now, if the position of the members opposite is that we should pull back that money, I reject that. The Tories can cut those extension services. The Tories can cut those veterinary services. The Tories can cut all of that. Heck, Mr. Acting Speaker, we even had a discussion—now, I can just imagine what the reaction from across the way would be—but we even have—between us and the supply sector groups we even have a television program on Saturday mornings, the Great Tastes of Manitoba. And that's an excellent, excellent program, an excellent venue that we use—an excellent venue in which we use to promote eggs, to promote milk, to promote any dairy, to promote all those things in the sector.

And that's not to take away from what they do themselves as well, but if the member from Emerson is honest about this he would understand that the provincial government puts money into this as well. I can only assume that if they were in government they would cut those services that go directly to supply managed. But deep down I don't think the members across the way are all that supportive of the supply managed sector. I think that it would be in danger if they ever got their hands on the levers of decision making in Alberta—Alberta—in Manitoba, like they would like to have.

So, Mr. Acting Speaker, with those few comments I just want to underline again that the member for Emerson does not have a case to be

made. He thinks he can make his case simply by yelling louder than everybody else in here. He's got no content. He's got no point. I rest my case.

Mr. Kelvin Goertzen (Steinbach): The Minister of Agriculture has rested his case but the jury isn't in here. This isn't where the jury is. The jury is outside of this building. It's among the farmers. It's among those who are impacted. That's who the jury is. And I suspect when that jury comes back in, this minister will have not done himself much of a service in putting together a case at all.

And I suspect that if you look at the context—you know, sometimes context is important when it comes to debate. You can just throw in one particular issue and debate here in the House but without looking at the context, it gets a bit lost. And so when you look at what this government has done to hurt agriculture over the last 10 years leading up to this decision—you know, we go back to the BSE crisis—and nobody in this House would suggest that the closure of the border was the fault of the government or what happened here in Manitoba—

An Honourable Member: Definitely, totally.

Mr. Goertzen: Well, maybe the member for Kildonan (Mr. Chomiak) would—I'm not sure what he's saying from his seat—but most people who knew anything about agriculture—and I would not include him in that group—would not say that the BSE issue was caused because of anything that happened in Manitoba but the response clearly—the response to it clearly falls in the purview of the government.

And what did they do when the BSE crisis hit? Nothing. My member—my friend from—my friend from Emerson, who was a very passionate speaker at that point—even before he was elected—about the BSE crisis, knows that this government did nothing to support those ranchers to get slaughter capacity up in the province of Manitoba. They did absolutely nothing at the greatest need of a crisis for the ranchers in Manitoba.

And then we fast forward a little bit—and what happened in the pork industry? When there was a difficulty in the pork industry, when there were already challenges, some created by external markets, some created more internally, this government, led, in fact, by the now current Minister of Agriculture (Mr. Struthers), decided to slap a moratorium on the industry over almost half of this province.

* (11:20)

Now, I know the Minister of Agriculture, he stood in this House and—he doesn't say it many other places because he knows it wouldn't resonate anywheres else than among the benches of Cabinet and the backbenches of this government—but he says in this House, well, it was a good thing that we put the moratorium on because nobody was expanding anyway at that particular time and there were challenges in the industry.

But what he fails to realize, of course, is the chill—the chill—that it put through the pork industry when families were sitting down and deciding whether or not they should actually continue to invest into the industry, when they were deciding whether or not they should—their children were deciding whether or not they should try to get into the industry after in a succession plan. It sent a chill through those individuals, because they sat back and they said, well, why should we be putting hundreds of thousands—in some cases, millions—of dollars of an investment into an industry when the government is trying to legislate us out of the industry? That's what the result was in terms of that moratorium that this minister led the charge.

And the other thing, of course, they did is they realized that the government isn't motivated by a scientific decision. They're just motivated by politics. It was the Minister of—the now Minister of Agriculture, then Conservation, who listened to how many presenters, 300?

An Honourable Member: 300, 300-plus.

Mr. Goertzen: Over 300 presenters who came to the Legislature and, in some cases, had to sit through the night because the government was intent on jamming this bill through. And presenter after presenter—I would say 98, 99 percent of the presenters, in some cases scientists, people from the University of Manitoba—said, this is nothing about science. This is all about politics.

And so the pork industry, of course, said, well, you know, what's going to happen in the future? If the decisions are based holus-bolus on some sort of political motivation instead of on some real scientific evidence, why would we invest into the industry?

So that's the context. That's the background, Mr. Acting Speaker, in terms of where this debate comes from. It's not like it all of sudden sprung up and, you know, there'd been great things happening with this government in agriculture in the last 10 years, and then you might have a bit of a different view and go,

okay, what's the real motivation? After they've systematically gone through the industry—gone through the ranchers, gone through the pork industry—and harmed every sector of the industry, of course when you look at this the motivation is clear. It's not to do good to the industry. It could only be to do bad, because it's all they've done is bad things for the farmers of this province.

And you know, the supply managed industry—and I have many in my constituency who are in that. I know there's others in the south. The member for La Verendrye (Mr. Lemieux) would have some as well—and they're not individuals who have come and knocked on the door of government asking for a handout. They've been proud of the fact that their system, the supply management system, has worked. It has essentially worked and provided stable incomes for those within the industry, and government hasn't had to deal with a crisis within the industry. They haven't had to come to government looking for handouts, looking for bailouts. It was one of the systems within our agricultural industry that was successful. There didn't have to be continuous bailouts. And I suspect that the member for La Verendrye would agree with that, that the system is working well.

Where we would depart in our agreement is what this government is now doing, what they are in fact putting in—which is a tax. And, you know, I heard the debate between the member for Emerson (Mr. Graydon) and the Minister of Agriculture (Mr. Struthers) about what a tax is and what a levy is. Well, at the end of the day, no matter what you call it, it ends up coming out of the pockets of the farmers. And, you know, if I could use the terminology of the former premier, Mr. Doer, if it walks like a tax and it talks like a tax, it's a tax.

And that is what this is, Mr. Acting Speaker, and they can try to dance around it any way they want, but the industry knows. And I hear the Minister of Agriculture stand up and say, well, this is just the Conservatives, this is just the member for Emerson. But he knows if he would listen to those within the industry, they're the ones who are speaking out and saying, this is a tax for no other reason than to take money from us and put it into the government's coffers.

And you know, sometimes you hear these debates back and forth and you wonder—we know that they don't even believe their own debate. They know full well what happened is that the government

was short of money and so they went to the different departments and said, how can you raise revenue? So they knocked on the door of the Minister of Agriculture and they said, how can you raise this revenues? And he looked at his list and he said, well, I've already destroyed the ranchers so I can't get money from them, and I destroyed the pork industry so I can't get money from them. Oh, but what is this supply management thing? What is this supply management thing that seems to be doing pretty well?

And so the Minister of Agriculture (Mr. Struthers) went to his department and staff and said, explain this supply management thing to me because they actually seem to be successful in farming.

An Honourable Member: Draw me some pictures, he said.

Mr. Goertzen: And so, you know, a picture of a cow was drawn for the Minister of Agriculture, and they brought out a glass of milk and some eggs and tried to explain to him how it was that these things came to be, that it wasn't Safeway, that it wasn't Sobey or wasn't IGA that created the eggs, that created the milk, that it actually came from a farm. And once the Minister of Agriculture got these pictures drawn and got the visual aids in front of him, he realized, I can get money from them. I can tax their trade on their quota, and that's how I can satisfy the insatiable need for this government to take money and to spend.

And so he's working his way through the industry. I suspect he knows full well that if he would go out when the jury—and he talked about that the—he rested his case. When the jury from the agriculture community comes in with their decision, they'll find that this minister is guilty on all the accounts that have been laid against him. Thank you very much.

Mr. Drew Caldwell (Brandon East): It's a pleasure to stand in the House and put a few words on the record regarding this PMR moved by our friends opposite us in the House here.

You know, Mr. Acting Speaker, it was interesting just to hear briefly the remarks of the member from Steinbach who was talking about the caring and funding and funding support and driving industries out of business. You know, I'll pick up on that theme a little bit because it's quite clear that the members of the opposition, although they, as our former colleague, Gary Doer, used to like to say, swagger into the coffee shops of rural Manitoba with

their fingers in their suspenders and taking the view of, we're the authority; you vote for us; you've voted for us for a hundred years; we are—trust us; we are the ones with the swagger and the power and the authority, God-given in some cases, and expected by members opposite when they swagger around the coffee shops and gas stations and cafes of rural Manitoba.

And I see them swaggering in Brandon and we see then swaggering in Dauphin, but, Mr. Acting Speaker, the official opposition swaggers a good show, but they don't care about agriculture or rural depopulation. They don't care an iota. When they were in government, they sold the Manitoba Telephone System, costing every rural Manitoban millions of dollars out of household budgets. When they had Hydro under their jurisdiction in government, they had differential rates so that people in Winnipeg paid a cheaper rate than rural Manitobans.

So, you know, members opposite, as I say, swagger about their constituencies, but when the time comes to make decisions and policy initiatives on behalf of rural Manitobans, members opposite give it to rural Manitobans. They take; they charge more; they have nothing but lip-service to rural development in this province.

Mr. Acting Speaker, this was illustrated—I'm going to say it again because it's timely and topical, just eight days after the Leader of the Opposition (Mr. McFadyen) appointed the PC critic for Rural Initiatives, the member of Carman—the member for Carman (Mr. Pedersen) told the *Valley Leader* that agriculture repopulation were not a priority for the Tory opposition.

Mr. Acting Speaker, I'll quote it again. It's been quoted many times in the House. It does represent, in fact, the true thoughts of members opposite exposed in a moment of honesty by the member for Carman, but, you know, the facts on Hydro, the facts on MTS, the facts on every budget that they voted against over the last 10 years, speak for themselves. They talk the talk; they do not walk the walk. They do not support rural Manitobans.

And that rare moment of honesty from the member of Carman when he was quoted as saying, and I quote again, quote: The Tories will put less focus on other issues such as health care, roads, social services, agriculture, rural depopulation and First Nations. We're not going to win an election based on these issues, the member for Carman

explained to the *Valley Leader* in February of this year.

* (11:30)

Now, Mr. Acting Speaker, you know, we know that they voted against every single budget the last 10 years, taking, I pose, to a billion dollars in support—over a billion dollars in support for rural Manitobans.

But it's not only in opposition that they undermine rural Manitoba and, Mr. Acting Speaker, it's when they're in government. Between 1991 and 1993, the provincial agriculture spending in this province declined by 25 million. In 1996 alone, the Tories cut the Agriculture Department by \$12 million, 11 percent of that budget, \$12 million in one single year. That's when they're in government—when they're in government—so, you know, in addition to the double charging or charging more for hydro services in rural Manitoba—cheap in Winnipeg, expensive in rural Manitoba is the policy of the Conservative Party.

Manitoba Telephone System services—service delivered to rural Manitobans, Mr. Acting Speaker, at the most affordable rates in Canada. Tory policy: sell it. In fact, sell it to our friends in the Charleswood-Tuxedo family compact; you know, sell it to our friends. Take a look at the board of directors of Manitoba Telephone System today; it's like a rogues' gallery of former MPs and their—former ministers and their associates.

So, Mr. Acting Speaker, you know, the opposition, while they talk about rural Manitoba and swagger about the coffee shops of rural Manitoba, they attack agriculture. They attack rural development. You know, generally speaking, the members opposite attack Manitobans on a daily basis in this Chamber, and I don't know why members opposite think so little of rural Manitobans or, for that matter, think so little of Manitobans in general.

Mr. Acting Speaker, this year's budget for income stabilization in this province is double what it was in 1999 when we took office. Since 1999, this NDP government has budgeted over a billion dollars for income stabilization funding, a 40 percent increase in income stabilization program funding since 1999. Every nickel of that billion dollars was opposed by members opposite. Every single penny of a billion dollars of support for rural Manitobans was voted against by members opposite.

Ms. Marilyn Brick, Deputy Speaker, in the Chair

So, Madam Deputy Speaker, in government they cut operations for the Department of Agriculture, as I said, in 1996, \$12 million alone, 11 percent of that budget; between '91 and '93, an additional 25 million. So, in government, members opposite charge rural Manitobans more for hydro; in government, members opposite sell off the telephone system, increasing rates throughout the province; in government, members opposite cut, in a double-digit way, the operations of the Department of Agriculture. That's what they do in government. In opposition, what do they do? They vote against a billion dollars worth of support for rural Manitobans in income stabilization.

So, you know, Madam Deputy Speaker, I know that members opposite are generally elected from rural constituencies. I know that members opposite go into the cafés and coffee shops and sell a fiction to the people who—their rural neighbours who go for coffee in those coffee shops and go for lunches in the cafés, their neighbours. They sell out their neighbours on a daily basis in this House, every budget that they vote against and in government with their differential rate—higher rates for Manitoba Hydro in rural Manitoba, lower rates in Winnipeg, sell off the telephone system, cut the Department of Agriculture.

So at least they're consistent; they just hate rural Manitoba and hate agriculture in this province. It's obvious in their voting record. It's obvious in the policies that they undertake when they are in government, Madam Deputy Speaker and, you know, so picking up—you know, I said I picked up on the words for the member of Steinbach as he was closing his remarks about, you know, the relative merits of the two parties in this House, and it gave me a fairly brief opportunity to highlight, in fact, what the record is, in fact, in this province.

So, you know, members opposite are putting another private members' resolution on the table here today and, you know, we appreciate seeing these words on paper because, really, words on paper is all we ever do see from the members opposite. We never have any substantive policy initiative that has any real benefit offered to the people of the province of Manitoba. This is just a further example of that, Madam Deputy Speaker. It is consistent with what we have seen and learned to expect from members opposite over the last 20 years in this province.

And I just want to, you know, in closing, urge all my colleagues from outside of the Perimeter on both

sides of the House, to be honest with the people in the coffee shops in rural Manitoba and be honest with the people in the cafes and make clear that there is one party in this province that cares about agriculture, and it sits on the government side; it's this NDP government. And another party that swaggers around coffee shops and misleads rural Manitobans in their policies, punish them.

Thank you, Madam Deputy Speaker.

Mr. Blaine Pedersen (Carman): Madam Deputy Speaker, I guess debates such as this private member's resolution certainly bring out stereotypes. And we've, now that the government members are able to stand up and speak, unlike on Bill 31, we see some stereotyping here. And the member for Brandon East went on at great length to talk about how rural members, MLAs, walk into the coffee shops and swagger. And he went on and on, and, Madam Deputy Speaker, I dare the member from Brandon East to find one dairy producer that goes into a coffee shop, because they're so busy on their farms, they don't have time to go to coffee shops. And that's the—but that's the image that they would like to—*[interjection]*

The member from Kildonan says that I went to the coffee shop. I would like to inform him when I was running my feedlot, I didn't have time to run to the coffee shop. And even now, I don't. I've got a lot of ground to cover, I don't have time to do that. But the stereotype image is there that farmers there—the member from Concordia, during the last debate on the private member's bill, when we were debating, the member for Morris—the member for Concordia said, go back to your combine economists. He called us combine economists. He says go back to driving your tractors and leave—let us government run the corporations. The dairy farmers out there that you're proposing to tax under this levy are large corporations. They make—they—they're—generate millions of dollars in sales within their operations. And you're telling us that you're—leave it alone, just let us tax you, because this is another corporation that you can see that you can drag money out of.

You provided no explanation for what this tax is, this levy, whatever you want to call it. All it is is a cash grab. And there is nothing other than a cash grab out of this, from a cash-grab government that has found—and the member for Steinbach (Mr. Goertzen) did a wonderful comparison there. This government has killed the cattle industry. They've killed the hog industry. They need more money for

their hoggish spending. So what they've done now is they've turned to the supply management. And they've seen how they can take more money out of producers' pockets. They're going to charge—this is going to cost producers money and ultimately it's going to be transferred onto the cost of milk, food and other dairy products, poultry products.

I have a constituent who has a broiler barn. He manages a broiler barn in my constituency. He would like to buy that broiler barn from the present owner. He is looking at doing this within the next couple years. This tax alone—this tax alone will cost him an additional \$50,000, just to buy the quota. Now, we're talking about young people coming into the ag industry, and we want to encourage young people. How is a \$50,000 tax going to encourage that producer to come into the broiler industry? And what benefit is that young producer going to get for paying that \$50,000? Absolutely nothing, and you have no answer for that.

You have no answer. You have no answer for that. You've—all you're going to do is take money out of producers' pockets which, ultimately, under the supply management system, will transfer onto the cost of the food being produced. And you have no answer for that. It's a tax on producers. You're so hungry for money that you'll go anywhere looking for tax, and this is another method that you're going to use.

* (11:40)

Madam Deputy Speaker, I think that this is a—this resolution certainly brings out the true meaning of what this government—how this government looks at the ag industry. They stereotype it as going to coffee shops and combine economists and, go back to driving your tractors like you know nothing.

The ag industry is the—is one of the main drivers of this province's economy. And this government is going to look at every place they can to take money out of that, out of that ag economy, and this is another method that they've used, and this is shameful on the part of this government.

Madam Deputy Speaker, they should withdraw this tax. The Ag Minister had the chance to stand up and say, it's a bad idea, we're going to withdraw this. He could have been a leader. Instead of being a leader of killing industries, he could have been a leader to say, we support industry and we're going to

withdraw this. And he had the chance and he didn't do it, and that's very unfortunate for this province.

Madam Deputy Speaker, they should be ashamed of themselves.

Hon. Ron Lemieux (Minister of Local Government): I'm really pleased to put a few comments on the record, and I know as one of our rural MLAs, I'm really pleased to make a few comments.

But after listening to a couple of their speakers, I'm left with, that's it? That's all they have to say? You know, they don't want to look—certainly, they don't want to talk about the 1990s where they cut the budgets, as was mentioned by my colleague by—from Brandon East, Madam Deputy Speaker.

But, you know, as a rural MLA—as well as the current Minister of Agriculture (Mr. Struthers) and the previous minister of Agriculture, which—who did a great job—and I have to say that the current member from Dauphin, MLA from Dauphin, also the Minister responsible for Agriculture and Food and Rural Initiatives, has met with many, many stakeholders on a number of occasions.

He, like I and many others, we're not perfect, Madam Deputy Speaker. We know that. But listening to members opposite and their comments, you would think they were.

But what is their record in the 1990s? I mean, when you take a look at that and you take a look at their record, it speaks for itself: not only selling MTS and increasing the cost to farmers and rural population with regard to phone—their phone bills and so on, Madam Deputy Speaker, but the cuts to agriculture itself. And, you know, and the best—*[interjection]* Oh, exactly. And, you know, and one of my colleagues made the comment, the best indicator is of performance past and what was done in the past.

And, you know, and—well, you know, Madam Deputy Speaker, we're want to look ahead and we want to look into the future, and we're doing everything we can to help the agricultural community and farmers in Manitoba to do so. I mean, members opposite are negative negativity, negative about the farming community, negative about Manitoba—no matter what initiative it is—negative about Hydro. You know, is—and that's what Manitobans look at, rural Manitobans and people who live in urban centres.

Take a look at the opposition and some of their comments. I'm not going to repeat the comments that were made by the member from Carman in the *Carman Valley Leader*, I believe it's called, about how agriculture is not part—they'll never win an election talking about agriculture, it's not important. I'm not going to go there. I'm not going to say it. Many others have commented on that, about where they think their platform is.

But you know—and I've made comments during question period, talking about the 1990s and their swagger going into coffee shops. I'm not going to go there. I'm not going to comment on that, because I know members opposite, a number of them, are in the agriculture—agribusiness and they worked hard at it previously before being elected. I know the member from Arthur-Virden, the member for Emerson (Mr. Graydon), a number of others are, but I respect them for that. They worked hard in their previous employment.

But, again, when you take a look at what we're doing as a government with regard to the agricultural community, it really bodes well or speaks well. But when you take a look at the record, as the member from Brandon East mentioned, about voting against all the monies and the funds that we've put towards agriculture in the province, and the members opposite have voted against it time—every single time over the past 11 years, 10 years. They voted against those budgets.

And Manitobans are asking the question. All the good initiatives and everything we've done with regard to supporting supply management and the supply management sectors, not only the trade policies and ministerial representations, like the minister of Agriculture—when she was the minister of Agriculture, from Swan River—on trade issues such as agreement on the internal trade and WTO bilateral agreements and NAFTA making comments on behalf of our farmers and agricultural community, members opposite object. They're negative about everything she did and, again, they're being very, very negative towards the MLA from Dauphin about every initiative he's trying to put forward in trying to help the agricultural community. *[interjection]*

Well, the member from Emerson is speaking from his seat, but I have to tell you, when Manitobans take a look at us versus them, when they take a look at us, our government, versus them—I'll give you a couple of comments that were made not only by ourselves but others. The Leader of the

Opposition was asked, and so he described the tough Conservative budgets as meeting the needs of Manitobans, meeting the needs of rural people. And those budgets that fired thousands of nurses and jacked up tuition fees and privatized public services, that was all based on meeting the needs of the people.

Well, when I travel throughout Manitoba and rural Manitoba, people remember what happened in the 1990s, where they raised gas tax and they cut the amount of spending on infrastructure. And they took a look at the agriculture budgets, and they cut and slashed and hacked those, aside from laying off and firing nurses.

So when you take a look at us versus them and you take a look at this year's budget for income stabilization, for example, it's double than what it was in 1999 when we took office. And since 1999, the government has budgeted over a billion dollars in income stabilization funding, 40-percent increase on what was spent in the 1990s, a 40 percent—*[interjection]* Those are the facts. That's not Tory math. Those—that's the reality. Those are the facts of what we are doing, what the member from Dauphin, our Agriculture Minister, is doing for the agricultural community.

We're proud to go in rural Manitoba to the Brandon Winter Fair and going to the Memorial Cup and the Royal Bank Cup, and when we spoke to the farmers that were there, spending their hard-earned money, going to those games, supporting the local sports communities, when we talked to them, they said, thank you very much for standing up for us.

And many of them support the Wheat Board, and members opposite want to kill the Wheat Board and also, by doing that, you're going to kill Churchill. And Churchill is part of our CentrePort program. I mean, Churchill, along with the airport, is part of what we're trying to do in CentrePort. And this is going to be, Madam Deputy Speaker, a huge initiative going into the future for our children and our grandchildren. And, yet, if you're going to do away with the Wheat Board and you want to totally dismantle it and get rid of it, it's going to harm Churchill, and Churchill is a piece of the puzzle along with the airport being part of CentrePort that's going to do—and provide huge benefits for us and into the future.

But we've talked about the extreme views of the opposition and the Leader of the Opposition. Now, Stuart Murray wasn't—I would say, not as extreme as

the current leader. And, you know, he was a very nice guy, but the knives came out and they made the decision on—you know, just like Denis Rocan was stabbed in the back and they got rid of him and dumped him.

But I digress. I digress. That's their party. They make the decisions, who they want standing up for them in here, and some of the comments that are made about agriculture—the sad part, Madam Deputy Speaker, is that when they go out to rural Manitoba, they openly brag about rural Manitoba is ours, taking rural Manitobans for granted: Rural Manitoba is ours; we don't have to work out there; we don't have to knock on doors; they're going to vote for us.

They're making a huge mistake, Madam Deputy Speaker. Our Minister of Agriculture (Mr. Struthers) meets with stakeholders on an ongoing basis. We talk to rural Manitobans as well. Rural Manitobans want a government that's going to stand up beside them or stand up with them and make sure that we're working with them on all kinds of challenges that they have. No one is saying that the Minister of Agriculture has an easy job. It's totally the opposite. This is not an easy time, worldwide, for agriculture, and you have a lot of protection that's going on in Europe and the United States. And, yet, it's very, very difficult for agriculture these days, but our Minister of Agriculture, as well as the previous Minister of Agriculture, have worked extremely hard.

And as a rural Manitoban that has dairy, poultry, beef and hog operations in my constituency—and I had the opportunity to meet with them on an ongoing basis, and all they're asking us is that: work with us, work with us, and try to stand beside us when we need support. We need stabilization programs in place. But don't cut the budget like that did in the 1990s. Don't hack and slash our budgets. Work with us—work with us—and we'll get over this hump and we'll get past this economic downturn that we've had.

* (11:50)

So, Madam Deputy Speaker, I just want to summarize by saying that the government on this side are standing side by side, walking hand in hand, working with agriculture, working with the farmers, working with rural Manitobans in the province to make this province a better place. We'll stand up for Churchill. We'll stand up for communities like Virden and Steinbach and Winkler and Dauphin and Swan River and Benito and Roblin. And rural Manitobans know that we're on their side, and we're

working with them, day in and day out, and we're proud of it. And we're proud to go to any coffee shop in Manitoba and tell them the truth and put accurate facts on the record where this government stands, not listening to this gobbledygook that is spread around Manitoba by members opposite. It's really insulting to them but it's also insulting to all the politicians in this building.

This government and Minister of Agriculture (Mr. Struthers) from Dauphin has worked extremely hard to learn this file, to work with farmers, to work with the stakeholders to make Manitoba a better place. And I have to tell you, I'd be proud to walk into any coffee shop in Manitoba with him and stand on our record of what we've done for agriculture in the province of Manitoba. Thank you.

Mr. Gregory Dewar (Selkirk): I'm eager to participate in the debate today. I want to congratulate my colleagues in government for putting forward important arguments against this resolution. But it's great, as I said, to talk about agriculture. We don't have many opportunities in here to do so. We have an opposition that seems to be reluctant to raise the issue. At least when the former member for Lakeside was the critic, he was raising it here. And my colleague from the Interlake, who has raised the issue many times, often because opposition parties wouldn't raise it, the member for Interlake (Mr. Nevakshonoff) would often raise a question to our government during the question period time.

The—like I said, I'm eager to participate in the debate. I have—I'm not a farmer currently but I have farming in my blood. My father was and my great—my grandfather, my great-great-great-great-grandfather was an individual who farmed. In fact, in the 1835 census, I discovered he had land, of course, along the Red River. He had three acres of cultivated land in 1835 and a handful of cow and a handful of chickens and he was able to survive when he had 25 children. So it must have been pretty rough back then.

But as the minister stated, he's raised the point that there must be very few complaints against our government when it comes to agriculture. They're forced to concentrate on fantasy. So it's true that there's little to complain about. The minister has mentioned that he's met with groups. And as he's also mentioned that he's in no hurry to proceed with this levy without having further consultation with supply management groups. As he said, he's not prepared to move ahead without them.

So what the opposition parties are doing, they're simply playing politics with this, as we know they are no friends to supply management philosophy. It's easy to, as well—when you look at—when you compare the record between ourselves and the Conservatives in government, we know that they really don't care. As the member said, they like to pretend they do. And as Gary Doer used to say, they used to like to walk into the coffee shops across rural Manitoba and pretend that they're the friends of the farmer.

And we really know when they were in opposition—excuse me, when they were in government, the opposite was quite true. They cut the ag spending—declined by \$25 million. They cut the department again in 1996.

We know what the member for Carman (Mr. Pedersen) has said, I don't need to reiterate that. I think it's been stated many times in this House.

They have little interest in agriculture. We know what their party is doing in Saskatchewan where they've cut, I think, I don't know how many hundreds of million dollars out of the ag budget in the province of Saskatchewan. I believe it's in the—I believe 108 million in one department and they've cut another. And they've obviously—their friends in government in Saskatchewan care little about farmers.

But I want to talk a little bit about the debate that—within the resolution, the member talks about the deficit. He talks a little bit about so-called out-of-control spending habits. We know that our deficit is the—one of the lowest in Canada relative to our economic health. They compare Manitoba to Greece. You know, our debt to the GDP here in Manitoba is in the mid-20s. It was in the low 30s when they were in government, so we're able to reduce that.

We spend 13 cents on the dollar now—or, excuse me, when they were in government we spent—they spent 13 cents on the dollar to service the debt. We're now paying about six cents on the dollar, and they compare Manitoba to Greece, which is ridiculous.

They talk in this—he talks in this resolution about out-of-control spending habits. I listened to their speeches on Bill 31. For the first five minutes of their speeches they condemn the government for running a deficit, then in the next 25 minutes they call for more spending. They can't have it both ways. All they do—like I said, the first couple of minutes they complain, they criticize the government for spending—for, you

know, using deficit financing to deal with the recession, and then the next 25 minutes of their speeches they ask for more spending. *[interjection]*

Madam Deputy Speaker, would you mind calling the member for Emerson (Mr. Graydon) to order?

Madam Deputy Speaker: Order. I'm just going to remind all honourable members that we do have loges if they wish to have conversations.

The honourable member for Selkirk has the floor.

Mr. Dewar: Thank you, Madam Deputy Speaker, for—he has little support from his colleagues and so it's regrettable that he's not getting any of his colleagues to stand up to support him on this issue.

I—as I said, I know there's others on this side that want to speak to it. The minister's already stated that we're not moving ahead with this until we have a chance to consult with the farm management, and I think that would be it. Thank you.

Mr. Daryl Reid (Transcona): Madam Deputy Speaker, it's my pleasure to rise to add my comments to this private member's resolution brought in by the member of the Conservative caucus. I know he has a great deal of experience in agriculture and, of course, he's spoken to this resolution and he's shared some of his expertise, if you can call it that, with respect to agriculture.

I'm not saying that we agree with his comments, because we have a different tack that we take. And I have to start by saying—and it might seem strange that you would have a city person living within the confines of the city of Winnipeg standing up to speak on agricultural issues, but we all understand the importance on this side of the House, the government side of the House, about how important agriculture is to the entire province of Manitoba. And I think that is, in part, the reason why I'm standing here adding my comments with respect to this private member's resolution.

Now, in the community of Transcona we have—in the last few years—we have brought in the Granny's egg hatchery into the community of

Transcona. It's a state-of-the-art facility, provides jobs to the—not only to the people of my community but it also provides a green type of industry in the way that they have constructed that particular plant to hatch those eggs. And those eggs come from rural Manitoba, are trucked mostly from the community of La Verendrye and some from the Steinbach area come into the community of Transcona. And, of course, they come into that hatchery and then the chicks when they're hatched, of course, are trucked back to those chicken farms that are around southeastern Manitoba. And, of course, they raise those chickens into mature birds for many Manitobans' use and, of course, for others that would buy the product.

It is a fabulous facility. It has been a great addition to the community of Transcona. And we thank Granny's for their forward-looking initiative with respect to the way they've not only worked with the community of Transcona, and their own communities for which those farmers reside, but for the way that they have conducted themselves since that plant has been opened.

In Manitoba, our provincial government makes sure that we balance the policies that we put in place, whether it be agriculture or other policies. In health care we have made sure that we have provided health-care facilities all across this province. We have new facilities in Winkler. We have new facilities in Steinbach. We have new facilities in northern and western Manitoba and we have new facilities in the city of Winnipeg. So we cover all of the bases with respect to how we treat people fairly, and agriculture is no different.

We have put in place programs that will support the agriculture industry in this province and I know the member—

Madam Deputy Speaker: Order. When this matter is again before the House, the honourable member for Transcona (Mr. Reid) will have seven minutes remaining.

The time being 12 noon, the House will now recess and reconvene at 1:30.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 27, 2010

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