

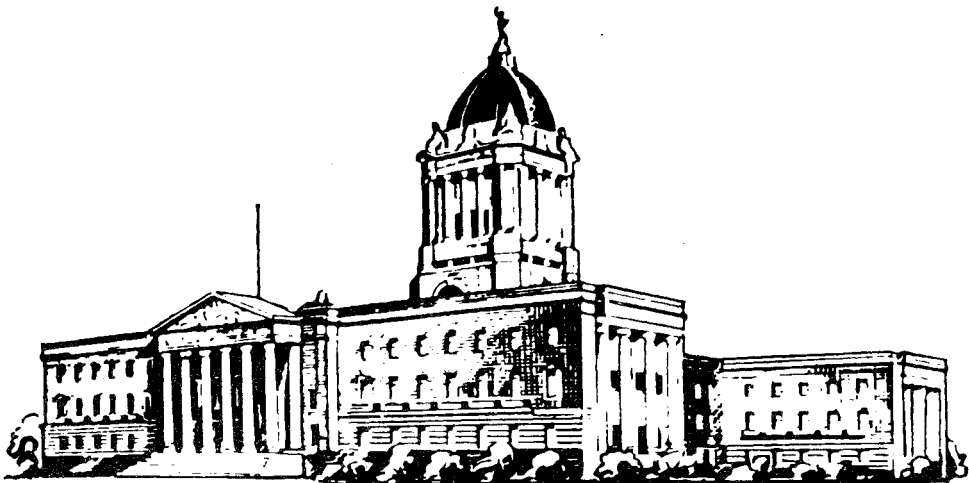


First Session — Thirty-Fourth Legislature
of the
Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS
(HANSARD)

37 Elizabeth II

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Speaker*



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**MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fourth Legislature**

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	LIBERAL
ANGUS, John	St. Norbert	LIBERAL
ASHTON, Steve	Thompson	NDP
BURRELL, Parker	Swan River	PC
CARR, James	Fort Rouge	LIBERAL
CARSTAIRS, Sharon	River Heights	LIBERAL
CHARLES, Gwen	Selkirk	LIBERAL
CHEEMA, Gulzar	Kildonan	LIBERAL
CHORNOPYSKI, William	Burrows	LIBERAL
CONNERY, Edward Hon.	Portage la Prairie	PC
COWAN, Jay	Churchill	NDP
CUMMINGS, Glen, Hon.	Ste. Rose du Lac	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DOER, Gary	Concordia	NDP
DOWNEY, James Hon.	Arthur	PC
DRIEDGER, Albert, Hon.	Emerson	PC
DRIEDGER, Herold, L.	Niakwa	LIBERAL
DUCHARME, Gerald, Hon.	Riel	PC
EDWARDS, Paul	St. James	LIBERAL
ENNS, Harry	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Laurie	Fort Garry	LIBERAL
EVANS, Leonard	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen Hon.	Virden	PC
GAUDRY, Neil	St. Boniface	LIBERAL
GILLESHAMMER, Harold	Minnedosa	PC
GRAY, Avis	Elice	LIBERAL
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Harry	The Pas	NDP
HARPER, Elijah	Rupertsland	NDP
HELWER, Edward R.	Gimli	PC
HEMPHILL, Maureen	Logan	NDP
KOZAK, Richard, J.	Transcona	LIBERAL
LAMOUREUX, Kevin, M.	Inkster	LIBERAL
MALOWAY, Jim	Elmwood	NDP
MANDRAKE, Ed	Assiniboia	LIBERAL
MANNES, Clayton, Hon.	Morris	PC
McCRAE, James Hon.	Brandon West	PC
MINENKO, Mark	Seven Oaks	LIBERAL
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
OLESON, Charlotte Hon.	Gladstone	PC
ORCHARD, Donald Hon.	Pembina	PC
PANKRATZ, Helmut	La Verendrye	PC
PATTERSON, Allan	Radisson	LIBERAL
PENNER, Jack, Hon.	Rhineland	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren	Lac du Bonnet	PC
ROCAN, Denis, Hon.	Turtle Mountain	PC
ROCH, Gilles	Springfield	PC
ROSE, Bob	St. Vital	LIBERAL
STORIE, Jerry	Flin Flon	NDP
TAYLOR, Harold	Wolseley	LIBERAL
URUSKI, Bill	Interlake	NDP
WASYLCIA-LEIS, Judy	St. Johns	NDP
YEO, Iva	Sturgeon Creek	LIBERAL

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, August 24, 1988.

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): I wish to table the 1987-88 Annual Report of the Manitoba Research Council.

Hon. Leonard Derkach (Minister of Education): I would like to table the Supplementary Information for Legislative Review for the 1988-89 Estimates.

Hon. James McCrae (Attorney-General): I am pleased to table the Annual Report for the Department of Attorney-General for 1986-87. I table today the Annual Report of the Criminal Injuries Compensation Board for 1987-88. I am tabling today the first Annual Report of the Victims' Assistance Committee, covering the period January 1, 1987, to March 31, 1988.

INTRODUCTION OF GUESTS

Mr. Speaker: With us this afternoon in the loge to my right is George Henderson, who is a former MLA for Pembina. On behalf of all Honourable Members, I welcome you to the Legislature here this afternoon.

Prior to oral questions, I have a ruling. Order, please.

* (1335)

SPEAKER'S RULING

Mr. Speaker: On August 2, I took under advisement a point of order raised by the Honourable Member for Churchill (Mr. Cowan), claiming that words spoken by the Honourable Minister of the Environment (Mr. Connery) imputed motives.

The specific words complained of were: "The concern over the environment in Flin Flon is in the Legislature being raised by the New Democratic Party to put scare tactics in."

I have reviewed Hansard carefully and I have had the recording tapes checked to ensure that the printed record accurately reflects the words spoken.

The authorities identify as unparliamentary language words which, among other things, impute bad or unworthy motives. I have not been able to satisfy myself that the language used in this instance did in fact impute bad or unworthy motives. It may indeed have been discourteous or unflattering. I am therefore ruling against the point of order raised.

I would like to mention to Honourable Members that when raising points of order they are required, by the

Rules of this House and other authorities, to confine their remarks to their point of order and not to refer to the business then under way in the House.

Before concluding, I would like to suggest to all Honourable Members that they should choose their language with care. This is a place in which controversy is to be expected and, with it, a limited use of discourteous or unflattering words and phrases will occur from time to time. But I am sure we will get along much better if clearly unparliamentary words and phrases are avoided by all Honourable Members.

And finally, on July 27, I took under advisement a point of order raised by the Honourable Member for Flin Flon (Mr. Storie) respecting words used by the Honourable Minister of the Environment (Mr. Connery). On July 28, the Honourable Minister rose in his place and graciously withdrew the words complained of. I mention this only to ensure that the record is clear and nothing appears to have been left outstanding.

ORAL QUESTION PERIOD

Medical Records Privacy

Mrs. Sharon Carstairs (Leader of the Opposition): My question is for the Attorney-General (Mr. McCrae).

On June 15 of this year, the Government signed an agreement with the Canadian Security Intelligence Service allowing access to the health records of Manitobans. According to Section 4 of the agreement, the Department of Health is among those provincial agencies that CSIS will have free access to, without first obtaining the Deputy Attorney-General's approval. Health is not even one of the more protected Government departments. The Alberta Government has recently confirmed that Albertans' health records will not be delivered to CSIS, yet the Manitoba Government has seen fit to include them in a list of records that are freely accessible.

Will the Attorney-General (Mr. McCrae) tell this House if this is the kind of price Manitobans can expect to pay for this province's so-called new improved relationship with the federal Government, and will the Honourable Attorney-General move immediately to protect the medical privacy of the people of this province?

Hon. James McCrae (Attorney-General): The new cooperation we speak of between the new provincial Government and the Government of Canada is the kind of cooperation that we anticipate will inure to the benefit of Canadians and Manitobans. With regard to the specific part of the question, I will take that under advisement.

Mrs. Carstairs: The Solicitor General of Canada will be making decisions to invade the privacy of Manitobans, and the Attorney-General (Mr. McCrae)

has not even demanded that he be consulted. Is the disclosure of health records not intrusive enough for this Attorney-General to make it mandatory that, prior to their release, he or his Deputy Minister must be consulted?

Mr. McCrae: As with other questions that have been raised by Honourable Members opposite in the Liberal Party, I would in this circumstance, considering the seriousness of the suggestion made by the Leader of the Opposition, prefer to check out the facts that the Leader of the Opposition is bringing forward, and I will get back to her just as soon as I can.

* (1340)

Mrs. Carstairs: Mr. Speaker, again for the Attorney-General, Section 41 of the new Freedom of Information Act states that no access shall be given to any record which disposes the personal details of the medical history of a third party, but this Government has already given this access to CSIS. Why is this Government signing agreements and proclaiming legislation which are in conflict with one another, and what does his Government intend to do about it?

Mr. McCrae: Mr. Speaker, I think we are getting a little repetitive with the questioning here but, as I said to the Leader of the Opposition, I will investigate the suggestion she makes and get back to her just as soon as possible.

Sexually Abused Children

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, with a question to the Minister of Health (Mr. Orchard), I think all Manitobans were alarmed today when they read of a study by the Faculty of Medicine which indicated that 16 percent of the 932 abused children who underwent medical examination were found to be suffering from sexually transmitted diseases, as many as five of them including venereal warts which, despite my requests in the past, still remains a non-reportable STD in the Province of Manitoba.

Regrettably the vast majority of children do not even reach the Child Protection Centre and, therefore, would not be examined at all. Will the Minister of Health meet immediately with the Director of the Child Protection Centre in order to establish a protocol for the testing of all victims of sexual abuse to avoid potential permanent damage to children resulting from the delays in treatment?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I indeed was as shocked as all Manitobans were to see those very alarming statistics. All of us are concerned about child abuse and its permanent impact upon abused children, but to have the further complication of sexually transmitted disease is indeed shocking. I welcome the Leader of the Opposition's advice, and certainly that process will be undertaken.

Sexually Abused Children

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, I thank the Health Minister (Mr. Orchard) for that. With a supplementary question on the same issue to the Minister of Community Services (Mrs. Oleson), will this Minister provide immediate training to all social workers with regard to STDs in all forms and their prevalence among sexually abused children, and will her Department establish a protocol for the testing of victims of sexual abuse?

Hon. Charlotte Oleson (Minister of Community Services): Mr. Speaker, I too was shocked, as all Members were, at the reading of that report. I will undertake to investigate and offer suggestions to the Child and Family Service agencies as to how we can best address that problem.

Sexually Abused Children Teacher Training

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, with a final supplementary to the Minister of Education (Mr. Derkach), because I know that he has acted promptly with the Minister of Community Services (Mrs. Oleson) in providing some training programs for teachers with regard to the reporting of physical and sexual abuse. Will the Minister of Education now provide to these teachers, in addition to the protocol requirements for child abuse victims, information about STDs and their frequency in sexually abused children in order that teachers fully understand the medical as well as the social implications of abuse in our society?

Hon. Leonard Derkach (Minister of Education): Mr. Speaker, that certainly is a very credible suggestion, and my department will make full consideration of that matter and will act on it accordingly.

Drought Assistance Grain Producers

Mr. Bill Uruski (Interlake): Mr. Speaker, my question is for the Minister of Agriculture (Mr. Findlay). Yesterday the Minister of Agriculture admitted that they have no coordinated plans to deal with the serious drought situation facing farmers. The Premier (Mr. Filmon) in the Throne Speech promised a coordinated plan. They set up a Cabinet committee. I guess all they have had is a coffee committee in Cabinet to deal with this serious situation.

* (1345)

Mr. Speaker, yesterday the Minister admitted that they have not even put a proposal to Ottawa in this House. He said we will now take the lead from Keystone Agricultural Producers. Is that who is leading the province and not the Minister of Agriculture (Mr. Findlay)? I ask this Minister today: What proposals to deal with the serious drought situation has the Minister put forward to Ottawa dealing with the grain farmers in this province?

Hon. Glen Findlay (Minister of Agriculture): I would like you to know, in response to the Member's question here, that the farmers are now harvesting their crop. The overall yield in the province is not known yet; the value of that crop is not known yet; the degree of payment out of the Western Grain Stabilization is not known yet; and the degree of support from the federal Government through some degree of special drought assistance is not known yet. When all those figures are in, we will be in a position to assess the impact of the drought on the grain farmers of Manitoba, and we will act responsibly and accordingly.

Crop Insurance Coverage Rates

Mr. Bill Uruski (Interlake): The Minister himself in the last number of weeks has said that Manitoba's crop is down by at least 30 percent. Mr. Speaker, as well I ask the Minister: Is he prepared to ask the federal Government to change the coverage rates on crops since initial prices of wheat went up by over \$30 a tonne, barley went up by \$65 a tonne initial prices. That would put into farmers' hands today an increase of about 35 percent to 40 percent increase in their incomes today if coverage levels were increased today. Is he prepared to make that recommendation to the federal Government?

Hon. Glen Findlay (Minister of Agriculture): As the Member well knows that on April 30 the initial prices that are in place at that time are used as the crop insurance prices for the year. Any change after the April 30 deadline is contrary to the regulations that now exist. I would also like to tell the Member that crops may be down 30 percent but, for many of the crops, the value of the crop is up 50 percent to 100 percent.

Mr. Uruski: Mr. Speaker, I asked the Minister whether he is prepared to recommend an increase in the payments, since the initial payments have gone up. Is he prepared to recommend an increase so that farmers in the Red River Valley where crops have been harvested, who have had crops ranging in the neighbourhood of six bushels an acre, is he prepared to recommend that increase so that those farmers, knowing the losses today, can receive a kind of increase. If they had, on an average farm in Manitoba of 600 acres, they would have collected \$30,000 in the present formula. In the proposals that I am putting forward, that increase would go up by over \$11,000, a 37 percent increase in their incomes. Is he prepared to recommend that today?

Mr. Findlay: Mr. Speaker, this is a very serious situation. There are only 47 percent of the acres in Manitoba covered by crop insurance. That is the lowest of the three Prairie provinces. It reflects the poor attitude of the previous Government in looking at crop insurance. I can assure you that this administration, through the board of Manitoba Crop Insurance Corporation, is going to look at all the facets of crop insurance to make it attractive to the producers of Manitoba so we have a higher enrollment and a greater level of production in the Province of Manitoba in the coming years.

Mr. Uruski: Mr. Speaker, I ask the Minister to cut out the rhetoric. He knows—

Mr. Speaker: Does the Honourable Member have a question?

Mr. Uruski: —that the dollar coverage in crop insurance over the last number of years has gone up by about 30 percent. I ask the Minister now: Is he prepared to stand up for Manitoba farmers and to say to his federal colleagues, let us increase the coverage on the acre based on the extra produce and let us pay the farmers

Mr. Speaker: Order, please; order, please. The Honourable Member is repeating in substance a question which he has previously asked and is, therefore, out of order.

Foster Care Funding

Ms. Avis Gray (Ellice): The First Minister (Mr. Filmon) spoke in this House on Monday afternoon and he talked about foster parents. He said: "They deserve to be treated fairly. We are doing everything that we can to treat them fairly and responsibly."

My question is to the First Minister, Mr. Speaker. Could this Minister tell the House how his Government is treating foster parents fairly when the increase in the budget for child maintenance is a mere 3.5 percent increase over last year, less than the rate of inflation?

An Honourable Member: Hear, hear!

* (1350)

Hon. Gary Filmon (Premier): Very clearly, I said in this House and the information is contained within the Estimates of the Department of Community Services, and that is that the overall increase that we are providing for foster parents in this province, for the maintenance and care of the children under their guidance and under their jurisdiction is 12.5 percent. That increase we were able to achieve in the very compressed Budget process of less than three months that we worked to come forward with a new Budget and a new set of Estimates.

We are providing an increase that will give foster parents in Manitoba the second-highest rates for the care of foster children in the country. We are giving them the largest increase that has been given to them since the early Eighties. We are doing that because we believe that it is important to establish a good relationship. We know that we cannot take care of the neglect and the perhaps inadequate support that they got over the past six-and-a-half years, but we are doing our best. To show our good faith, we have indicated that we are prepared to continue to negotiate with them about greater increases for the next Budget year. But for this Budget year, to show our good faith and to show our support for them and our appreciation for what they do, we have put forth an increase of 12.5 percent, which brings them to a level of being the second highest in the country. We think that is a good step in the right direction.

Ms. Gray: The overall increase in the maintenance of children, as presented in the Budget yesterday, is a

3.5 increase. Given the First Minister's (Mr. Filmon) statements, are we to assume then that residential care services for children and family support services for children then will not receive an increase at all or are you going to be overbudget?

Mr. Filmon: Mr. Speaker, I want to be sure that the Member knows what area she is concerned about. If she is concerned about increases to foster parents and she does not believe that our increase of 12.5 percent, bringing us to the level of being the second highest in the country is good enough, if she wants to encourage the foster parents to have a moratorium and withdraw their services to the people of Manitoba and the children of Manitoba, then let her say that. Let her cause that kind of civil disruption and difficulty for the care of foster children in this province.

Mr. Speaker: Order, please; order, please. The Honourable Opposition House Leader.

Mr. Reg Alcock (Opposition House Leader): Mr. Speaker, on a point of order. If the Honourable First Minister (Mr. Filmon) does not have an answer to the question, he should not impute the motives of my Member. The Member for Ellice (Ms. Gray) is concerned about this issue and it is an important issue. I ask the First Minister to withdraw.

Mr. Speaker: Order, please; order, please. The Honourable Member does not have a point of order.

Community Services Funding

Ms. Avis Gray (Ellice): My final supplementary for the First Minister.

The Communications Branch and the Research and Planning Branch in the Department of Community Services have received an increase of 27.5 percent—six times the rate of inflation. Could then the First Minister (Mr. Filmon) please justify to this House why the care of children is less than the rate of inflation given Research and Planning, and Communications are receiving 27.5 percent increase?

* (1355)

Hon. Gary Filmon (Premier): I am not certain where the Member for Ellice (Ms. Gray) gets her information on the rate of inflation. The rate of inflation was announced on Friday, I believe it was, by Statistics Canada as being 3.8 percent. Now she says that the 12.5 percent increase to foster parents and foster parent care in this province is less than the rate of inflation. She does not know what she is talking about.

The Liberal computer has again malfunctioned. If she wants to ask a specific question about other areas, about research and what goes into that area, they have been wrong before in the way in which they have attributed changes in the budgetary provisions. We know that the overall increase in support in Community Services is over 9 percent. We know that the increase for day care, for instance, is 23 percent.

All of those detailed questions, there will be an answer for. That is why we are in the middle of Estimates right

now, so that she can ask those specific questions. But she is wrong about the increase in support to foster children, to foster parents looking after foster children. It is 12.5 percent and the rest of her information can be provided in Estimates. I invite her to ask those questions.

PCBs Safety and Storage

Mr. Harold Taylor (Wolseley): Hopefully I will have a little more luck. My question is for the Minister of Labour and Environment (Mr. Connery).

A recently reported 1984 study of National Health and Welfare noted the doctors in Ontario conducting autopsies on dozens of bodies in six urban centres found traceable volumes of PCBs. The association between PCBs and cancer is now well recognized and, in fact, is recommended for acceptance as a human carcinogen by the Ontario Workers Compensation Board. The health risk of PCBs in the environment cannot be overlooked any longer.

Will this Minister tell the House if the acceptance of such toxins as PCBs is of concern to his Government, and when will his Government recognize PCBs as a human carcinogen as recommended by Ontario's Workers Compensation Board?

Hon. Edward Connery (Minister of Environment, Workplace Safety and Health): Naturally, we are very concerned about PCBs. We have had a lot of discussions with our department. I will get back to the Member on that issue.

Mr. Taylor: Yesterday in a suburb of Montreal, a PCB warehouse went up in flames producing dangerous dioxins and requiring extensive evacuations of residents down wind. What has the Environment Department done to ensure safe storage and transportation of PCBs, and what has been done to prepare for potential disasters involving PCBs with particular attention to fire contingency plans?

Mr. Connery: I was appraised of that problem this morning, about noon, and I can assure you that our department will be investigating it and making recommendations.

Mr. Speaker: The Honourable Member for Wolseley (Mr. Taylor), with a final supplementary.

Mr. Taylor: I assume that will be an answer coming back to the House.

I can see there is some concern on the Government benches about PCBs, and that is pleasing. Can the Minister tell the House what his department is doing about an old boxcar labelled as containing PCBs, which is sitting unprotected and unlocked in the Canadian Pacific North Transcona Yards, and what is going to happen when those PCBs are eventually moved?

Mr. Connery: I appreciate the information of the Honourable Member. Could I bring the attention to all Members of the House, and I will admit that this one

is not one that has been brought to my attention, and I will be looking into it immediately because it is a concern. But I would ask all Honourable Members who are truly concerned about the environment that they do not wait until Question Period, if it is that serious a problem, and bring it to our department immediately. There are 57 Members in this House and, if every one was environmentally concerned, we could do an awful lot better job for Manitoba. I will get back to the Member with that information.

Ambulance Services Funding

Mr. Jay Cowan (Churchill): My question is to the Minister of Health (Mr. Orchard). The other day, on August 17, to be precise, the Minister indicated that he had discussions with a number of people involved in the delivery of ambulance service. He also indicated at that time that the "... Government is in the process of a complete review of the ambulance funding system in its organization." Can the Minister now indicate with whom he has had those discussions, firstly? Secondly, can he advise the House as to what terms of reference he has developed for that complete review?

* (1400)

Hon. Donald Orchard (Minister of Health): I can certainly indicate to my honourable friend that I talked to Ernie McLean, who is I believe head of the City of Winnipeg Ambulance Attendants and Drivers Union. I spoke to a gentleman in Dauphin whose name I do not want to give because I might have it said wrong, Ron Lofgran, I believe it is, but I am not certain of the last name, and I have to individuals other than those.

Mr. Speaker, in terms of the review that is ongoing in the department, it is a review as to how we proceed with enhanced ambulance funding, because there are a number of options available. That review is ongoing internally and I am hoping that, prior to the preparation of Estimates next year, recommendations will be forthcoming from that review.

Mr. Cowan: Can the Minister then indicate why it is he is not involved in that review of funding either the Ambulance Services Advisory Committee or the Pre-Hospital Care Medical Advisory Committee or the committee struck by the International Association of Machinists and Aerospace Workers, which was struck specifically to discuss with the Government the issue of ambulance funding and ambulance services? Can he tell us why he has ignored those individuals, those committees which were struck by the health care organizations and system generally and the Government to ensure that the interests and the needs of individuals concerned with Pre-Hospital Ambulance Care were concerned when reviews of this sort were undertaken?

Mr. Orchard: Possibly the Member for St. Vital (Mr. Rose) has the answer, but I will not repeat it for my honourable friend, the Member for Churchill (Mr. Cowan).

Let me correct my honourable friend on two accounts. This Government is not ignoring any organization

involved in the delivery of ambulance services. Because my honourable friend is presuming that the study on ambulance services is completed, it is not. I would simply indicate to my honourable friend that, in the process of completing the review, those groups who have interest in an advisory capacity to ambulance services in Manitoba will be involved and their opinions will be sought. But the review is not completed, and it will be completed in the near future with that consultation. No one is ignored by this Government. No one has been left out. The study is not yet complete.

Mr. Cowan: I need only remind the Minister of his own words when he said the review was now in process. The review has been undertaken without any consultation as to the terms of reference or as to what that review would hope to accomplish with the groups that are most affected by that review.

My question to the Minister, Mr. Speaker, is he now prepared to commit specifically, because we know how he attempts to avoid specific commitments in this House, to involving immediately representatives of the Ambulance Service Advisory Committee, representatives of the Pre-Hospital Care Medical Advisory Committee and representatives of the committee which was struck by the International Association of Machinists and Aerospace Workers in helping the Government come to grips with this difficult issue? Will he do that immediately so that they are involved in the process right from the beginning and he can benefit from their experience. As he has indicated, they are already undertaking that review and it is a bit too late now, but at least let him take advantage of this prodding to do the right thing.

Mr. Orchard: You know, Mr. Speaker, is it not wonderful how the man from Churchill who sat on Treasury Board for six years is now full of all of the answers on how Government ought to proceed in enhancing ambulance service funding in the Province of Manitoba, when he sat on his hands and did nothing for six years?

I remind my honourable friend that it took a demonstration of ambulance drivers from Dauphin, from Neepawa, from across the City of Winnipeg and this province to come to this Legislature to point out the inadequate funding of six years of NDP Government in ambulance funding services. In the short term that we have been in Government, we have increased the funding. We have changed the funding process right now so that municipalities get 50 percent of their money now and the balance later, so that they are not cash starved until well after the ambulance year is on its way or finished even.

Furthermore, we have a review under way. When the review is completed, all individuals who can make a positive contribution will do so. His allegations that somehow we are excluding people represented the kind of issuemongering my honourable friend does after sitting on his hands for six years and doing nothing for ambulance funding.

MPIC CEO Search

Mr. James Carr (Fort Rouge): Mr. Speaker, my question is for the Minister responsible for the Manitoba Public Insurance Corporation (Mr. Cummings). This Government has been in office for over three months and we have been very patient with this Minister. We know the situation that he inherited, but we are still waiting for this Government to appoint a chief executive officer to the Corporation. We have been waiting a very long time, and we are still waiting for the Judge Kopstein report that was to be given to the Minister on the 30th of June. The Minister told us in this House that it would be ready on the 15th of August. Today it is August 24. Has the Minister received the report yet?

Hon. Glen Cummings (Minister responsible for the Manitoba Public Insurance Corporation): Mr. Speaker, I can assure you and assure all Manitobans that we are getting close to appointing a president for MPIC.

On the second question, after having reported in this House what I had previously been assured by the judge would be the final date for his report, I received a further report from him which indicated that some of the consultants had not finished their reports on time and, unfortunately, the report will now be delayed into early September.

Kopstein Report Release

Mr. James Carr (Fort Rouge): Mr. Speaker, a supplementary to the same Minister. We all know that delays cost money. Can the Minister tell this House what budget Judge Kopstein has to work within and whether that budget will come in under, on budget, or overbudget?

Hon. Glen Cummings (Minister responsible for the Manitoba Public Insurance Corporation): Mr. Speaker, the judge's report was given a very open-ended ability to spend money and, when this Government took charge, we put a cap on the amount of expenditures that would be allocated to the report. In discussions with the judge, we conveyed that information to him. It is my full expectation that it will come in within that cap.

Autopac Rate Increases

Mr. James Carr (Fort Rouge): Mr. Speaker, a final supplementary to the Minister. We are of course interested in knowing what that cap is.

On a similar matter, the Throne Speech commits the Government to submit Autopac rate increases to the Public Utilities Board. I would like to know from the Minister if the final say on rate increases is in the hands of the Public Utilities Board or in fact in the hands of the Government?

Hon. Glen Cummings (Minister responsible for the Manitoba Public Insurance Corporation): Mr. Speaker, as the legislation presently stands, the rates are

approved by cap and we are presently examining ways and means by which we can have the Public Utilities Board involved in examining the rate structure of MPIC and whether or not there are ways that would be acceptable to the public of this province to have the rate structure handled in a such manner that it would be kept as far from the hands of politicians as possible.

Ambulance Services Funding

Mr. Jay Cowan (Churchill): My question is to the Minister of Health (Mr. Orchard), and follows up on the previous questions. The Minister of Health—and I can understand why he is defensive for having to apologize so often for making promises he cannot keep. I understand fully his sensitivity for not having done what he said he would do. He is very prone to remind Members on this side of things. Perhaps I should remind the Minister of Health that on March -(Interjection)- and I understand the sensitivity of the Premier (Mr. Filmon) in respect to being undercut by the Minister of Health in respect to promises he makes, however.

Mr. Speaker: The Honourable First Minister (Mr. Filmon), on a point of order.

Hon. Gary Filmon (Premier): That has absolutely nothing to do with sensitivity. They have to do with the House Leader of the NDP (Mr. Cowan) obeying the Rules of the House. He has more experience and more knowledge in this Chamber, and should begin to exercise some of it by showing that he can obey the Rules of this House.

Mr. Speaker: The Honourable First Minister (Mr. Filmon) does not have a point of order. The Honourable Member for Churchill (Mr. Cowan), with a question.

Mr. Cowan: I take it back. The Premier (Mr. Filmon) is not being sensitive. He does in fact run a quite insensitive Government most of the time, so it is not unusual for him to lack sensitivity.

Some Honourable Members: Oh, oh!

Mr. Speaker: Question.

Mr. Cowan: My question to the Minister of Health (Mr. Orchard) is: Does he stand by his letter to the International Association of Machinists and Aerospace Workers in March of this year, when he said that he looked forward to continue to working with members of that association to ensure more equitable funding for ambulance services in this province?

Hon. Donald Orchard (Minister of Health): If the Honourable Member were to indicate, I believe, that letter is addressed to one Ernie McLean, with whom I have had telephone conversation since assuming office.

I secondly want to point out to my honourable friend that (a) there is an increase in funding to ambulance services this year; (b) there is a change in payments so that municipalities do not have to wait until the end

of the year basically to receive their funding—they receive 50 percent up front; and (c) there is a review process under way to address the very issue that I identified in that letter. There is no question in my mind that the major union, indeed the only union to my knowledge involved in ambulance service, will be highly involved in the discussions on the ambulance review. All of that is in process.

* (1410)

Mr. Cowan: Well, the Minister of Health (Mr. Orchard) wants to remind us twice now today that there is an increase in funding. I would like to remind him by way of this question what he said on March 3 in the House in respect to an increase in funding of the same nature.

My question to the Minister is, is he prepared to stand by his statement of March 3, 1988, when he asked the Minister of Health of that day: "Why is it that he is so frugal in only providing a 3 percent increase to support the ambulance services which are the very front line runners of allowing equal access to Manitobans of our health care system," and is he prepared to stand by his statement when he called that a measly increase on that date?

Mr. Orchard: As I indicated in questioning, I believe from the Member for Selkirk (Mrs. Charles) last week, I am not satisfied with the increased level of funding because we inherited a funding system which is the lowest in Canada, approximately \$2.24 per capita, when I believe the next-lowest funding province is Newfoundland at somewhere close to \$5.50 per capita. So I fully recognize that we have a long way to go in terms of ambulance funding.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. As the Honourable Member for Dauphin (Mr. Plohman) would like to be recognized, we will have time and I will recognize the Honourable Member for Dauphin.

The Honourable Minister of Health (Mr. Orchard), to finish answering.

Mr. Orchard: I know the Member for Dauphin craves for recognition.

Mr. Speaker: With an answer.

Mr. Orchard: Mr. Speaker, as I indicated last week in response to the Member for Selkirk (Mrs. Charles), I am not satisfied and I know that the municipalities and the ambulance services in this province are not satisfied with the increased level of funding that we provided this year. I fully recognize that. I fully intend to address it as a priority. We did inherit a number of priorities, one of which was three times the inflation rate increase to Child and Family Services for foster children.

Mr. Speaker: The Honourable Member for Churchill, with a final supplementary.

Mr. Cowan: Mr. Speaker, indeed the Government did inherit a Government and a financial picture that allowed

them to give \$10 million back to Inco, that allowed them to give millions of dollars back to CPR, that allowed them to give millions of dollars back to business in this community, but that is the inheritance that they—

Mr. Speaker: Does the Honourable Member have a question? The Honourable Member's question.

Mr. Cowan: The question is to the Minister: Given the fact that they have that sort of an inheritance that allows them to provide those sorts of benefits to large corporations and big businesses, can he not now find within that situation, which they said is better than they had anticipated, enough funding to allow for more than a 3 percent increase to what he termed the front line providers of medical services in this province? Is he prepared to commit to that now, another year from now or two years from now or three years?

Mr. Speaker: Order, please; order, please.

Mr. Orchard: Mr. Speaker, as well as some of the statistics that the Member for Churchill (Mr. Cowan) also put on the record, let me remind him that in 1981 they inherited Government where the interest bill was approximately \$90 million a year on the total provincial debt. Under their incompetent management, it went up to over \$500 million a year.

Now when you are faced with that kind of an abysmal mess, you have not the resources to bring every funded organization up to where you would like them to be. Mr. Speaker, one of the greatest threats to social services in this province is a looming provincial deficit and the accompanying interest payments that we inherited; \$500 million plus in annual interest rate denies ambulance service funding, hospital services funding, senior citizens' funding, education funding and on and on.

Mr. Speaker: Order, please.

Premiers' Conference Port of Churchill

Mr. Ed Mandrake (Assiniboia): My question is for the First Minister (Mr. Filmon).

On Tuesday, August 16, in reply to a question by our Leader on the Port of Churchill, the First Minister replied: "We will have an opportunity to lobby and to work with those Premiers who might potentially have some interest in supporting us, and that includes the prairie Premiers, Premier Getty, Premier Devine, and I will be raising it with them, and I can give that assurance to the Leader of the Opposition."

My question is to the First Minister (Mr. Filmon). At the Premiers' Conference, did he speak to Premiers Getty and Devine about the Port of Churchill? What assurance did he receive from them?

Hon. Gary Filmon (Premier): Mr. Speaker, I want to thank the Member for Assiniboia (Mr. Mandrake) for raising that issue. I want to give him my complete assurance that I did indeed raise the issue with Premiers

Getty and Devine, and that we did intend to discuss it further. But as a result of an unfortunate personal circumstance, Premier Getty had to leave the meeting early, and I therefore did not have an opportunity to have the private discussion later that we intended. I am following up with both Premiers Getty and Devine on the specific matter at the present time, and I can assure him that I will give him further information as it becomes available.

Churchill Development Board Funding

Mr. Ed Mandrake (Assiniboia): To the same First Minister (Mr. Filmon), in a letter from Premier Devine to Willis Richford (phonetic) dated January 19, 1988 he stated "Saskatchewan is facing financial constraints and the situation makes it impossible to continue funds from any grant for the Port of Churchill Development Fund."

My question to the First Minister—and I hope the gentleman on my left-hand side would keep quiet so I could ask my question.

An Honourable Member: He is begging for attention.

Mr. Mandrake: The gentleman from Dauphin.

An Honourable Member: Good show, Eddy.

Mr. Mandrake: My question, Mr. Speaker, did the First Minister (Mr. Filmon) ask Premier Devine to commence funding for the Port of Churchill Development Board?

Hon. Gary Filmon (Premier): I do not wish to get involved in a family squabble.

Some Honourable Members: Oh, oh!

Mr. Filmon: Mr. Speaker, the voting record on the Budget indicates that birds of a feather flock together but, in response to the (Interjection)- That is exactly right. They voted with you.

Mr. Speaker: Order, please. The Honourable Member for Assiniboia (Mr. Mandrake) posed in his mind a very important question, and I am sure that the Honourable Member for Assiniboia would like an answer. Order, please.

Mr. Filmon: I might indicate that, while I was in Saskatoon, I raised the issue of Churchill in all respects, in a variety of different manners. The Member for Assiniboia (Mr. Mandrake) would probably be, I am sure, pleased to hear that my colleague, the Minister of Health (Mr. Orchard), and I met with the Leader of the Northwest Territories Government. We were given assurances, for instance, contrary to the alarm that was raised in the House by the Member for Churchill (Mr. Cowan), that there were no plans, no budget and no intention of withdrawing the support for the Churchill Health Centre by the Northwest Territories.

Secondly, I did talk with Premiers Devine and Getty briefly, specifically about a variety of issues that would

demonstrate their support for the Port of Churchill and the further establishment and support of the viability of the Port of Churchill. Among those things that we discussed was the specific issue of support for the Churchill Development Authority.

Mr. Speaker: The Honourable Member for Assiniboia (Mr. Mandrake) has time for one final question.

Mr. Mandrake: Thank you, Mr. Speaker.

Mr. Speaker: A short one.

* (1420)

Port of Churchill Grain Shipments

Mr. Ed Mandrake (Assiniboia): A final supplementary. Can the First Minister (Mr. Filmon) assure Manitobans that, if no grain is shipped out of Churchill this year, that he—

Some Honourable Members: Oh, oh!

Mr. Mandrake: There he goes again, Mr. Speaker. He likes to be heard.

Some Honourable Members: Oh, oh!

An Honourable Member: Give him a question, Mr. Speaker.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please.

An Honourable Member: There must be no love up in Dauphin.

Mr. Speaker: Cool it, guys. Whoa!

Mr. Mandrake: Do I have leave to continue?

Mr. Speaker: Yes, I am sure they will grant you leave. The Honourable Member for Assiniboia (Mr. Mandrake), with a short question.

Mr. Mandrake: Thank you, Mr. Speaker. I will continue, providing without any interruptions that he will talk to his Leader, the one you know who listens, and request that every effort is made to ensure grain shipments through Churchill in 1989.- (Interjection)- The people of Churchill are.

Hon. Gary Filmon (Premier): Mr. Speaker, judging by the antics of the Member for Osborne (Mr. Alcock) and the Member for Assiniboia (Mr. Mandrake), the Liberals are obviously undertaking acting lessons these days. I think they ought to stick to the lessons on Rules and procedure of the House though, because the question was hypothetical. The question began by asking, if no grain was shipped from Churchill this year, shipped through Churchill this year, the fact of the matter is I do not accept that premise. Everything we are doing

is to ensure that grain is shipped through Churchill, and we are going to do everything possible to work towards that goal.

Mr. Speaker: The time for oral questions has expired.

ORDERS OF THE DAY

Hon. James McCrae (Government House Leader): Mr. Speaker, would you be so kind as to call Bills 11, 14, 15, 8, and 10.

SECOND READING

BILL NO. 11—THE CHILD CUSTODY ENFORCEMENT AMENDMENT ACT

Hon. James McCrae (Attorney-General) presented Bill No. 11, The Child Custody Enforcement Amendment Act for second reading.

MOTION presented.

Mr. Speaker: Order, please. If Honourable Members would like to carry on a conversation, we do have rooms off to the side.

Mr. McCrae: This is a very short Bill as it adds only one section to The Child Custody Enforcement Act, but this section is essential to the operation of the Access Assistance Program which the Government intends to have in place in February of next year. So that Honourable Members will understand the need for the amendments proposed by Bill 11, I will explain the way in which we expect to operate that Access Assistance Program. I trust Honourable Members will realize that the amendments proposed by Bill 11 are required only in those cases, which we hope will be few, when the efforts at conciliation and working out a solution to access problems between the parents voluntarily have failed.

Enforcement of access rights is one of the most difficult and frustrating areas of family law. It is well recognized that, in most situations, it is in the best interests of children to have maximum contact with both parents after a separation or a divorce but, at the present time, there are few effective remedies to an access parent whose rights of access have been frustrated by a custodial parent. In addition, at the present time, there is nothing that ensures that an access parent exercises his or her rights of access responsibly.

In 1986, the Research and Planning Branch of the Attorney-General's Department conducted a survey entitled, "Resolution of Problems Regarding Parental Access to Children in Manitoba," which surveyed parents with access orders. The results of the study confirmed the need for an Access Assistance Program with major emphasis on conciliation. Further, through consultation with community and Government organizations, it became apparent that there were also problems associated with access parents who were not fulfilling their obligations regarding access to their children, resulting in disappointment and trauma for the child and financial loss for the custodial parent.

As a result, the Family Law Branch of the Attorney-General's Department and the Family Dispute Services of the Department of Community Services have developed an Access Assistance Program, which is designed to assist in facilitating the right of children to have a relationship with their non-custodial parent. The Child-Focused Program will be a pilot project for three years and be partially funded by the federal Government. At the conclusion of the three years, a decision regarding the future of the program will be made.

As a Member of this House representing a constituency outside the City of Winnipeg, I would like to say that, if that pilot program is as successful as I think and hope it will be, I would be the first to want to be part of the process of extending the program province-wide. By the examples set in Manitoba, we could therefore encourage provinces to the east and to the west to join in Access Assistance Programs across the country.

As Honourable Members can see, the development of the Access Assistance Program was an initiative of the previous Government and the proposal was contained in a draft White Paper on Family Law that the previous Government was preparing. I commend the previous Government for its initiative in beginning the program but, because the legislative change being proposed by Bill 11 is essential to the operation of the program, this Government decided to move up the start date of the program by introducing legislation in this Session rather than issuing a White Paper. As I say, I do commend the previous Government for being part of the negotiations leading up to what brings us together today, Bill 11. I suppose I can also take some credit for the new Government for having taken up what the previous Government put in place. I also extend thanks to the federal Government for their participation in this program.

It is for all these reasons and more that I will discuss in a moment that I suggest that this legislation richly deserves the support of all Honourable Members in this House.

* (1430)

There are two separate access problems that the Access Assistance Program will seek to resolve. First, and this is the more frequent problem, the parent having custody often refuses to allow the other parent to visit the child, even though there is a court order specifying when that parent is to have access. This can lead to great bitterness and further court proceedings with the best interests of the child in having a continuing relationship with the parent who does not have custody often being lost in the process.

It is too often, I think, in family court matters we tend to somehow hear the two sides and while we do not mean to, we often tend to forget the real needs of the children. That is really what we are all out to try to avoid. I think that is what access assistance is all about. It is to assist children in their own emotional and other development aspects.

Secondly, Sir, there are parents who have a right of access who do not exercise that right. This can lead

to extremely difficult and indeed traumatic situations for the child. Honourable Members can imagine a child's disappointment when preparations have been made for a visit to the parent who does not have custody and, at the last minute, the other parent cancels or does not show up.

Well, I can tell you I am not unfortunate enough to be in a situation where I have to exercise access rights. I have access to my children whenever I can be available in the City of Brandon. Honourable Members will understand the difficulty I have but very often on a Friday afternoon, if I expect to be home from Winnipeg at six o'clock and do not get there till eight o'clock, I know the disappointment because I can see it in my children's faces and I can hear it in their voices when I tell them on the telephone that I am going to be late.

Just take a parent who may not see their children even as often as I do and you can understand the disappointment that those children would feel. Here I stress that it is very, very important to the emotional development of a child. This can also seriously disrupt the plans of the parent having custody who might, for example, have made arrangements to go on a trip and reserved a seat on an airplane on the assumption that the other parent would be taking care of the child.

These things can happen. I suppose it can happen inadvertently, but I think what we are trying to get at is someone who would deliberately do something like that. As one who has court experience, including family court experience, I have seen the kind of bitterness and rancour that can prevail when people do not allow the children's best interests to come first. I have seen parents do some very strange things to what they thought was each other, when really the ultimate loser was the children. Here again I believe that we can, with this program, help put a stop to that through finding ways to bring parents together, at least close enough together to discuss the best interests of their children.

The program is designed to assist children and parents in the enforcement of specified court orders of access through mediation, conciliation and, as a last resort, court action. I stress, as a last resort, because the court should always be the last resort.

Before the program will handle a case, a counsellor with the program will do a preliminary assessment to identify problem areas and potential benefits and risks to the children. Confidential, voluntary mediation will be offered to both parents to work out the problem. Where mediation does not work and a specified right of access exists in a court order, the counsellor will assess the case to determine the nature of the problem and its impact on the children.

The counsellor will try to work out a plan with the parents through an access counselling session. A letter will be sent to the custodial parent who will be advised that, if he or she fails to attend such a session, an automatic referral will be made to the Family Law Branch of the Attorney-General's Department, which will take contempt proceedings against that parent for failure to comply with the order.

Legal services will be provided free of charge by the Family Law Branch to the access parent. This is the

component which impacts the Department of Attorney-General, or perhaps I should say this is the component in which the Department of the Attorney-General participates. The custodial parent will be advised that, if he or she does not wish to meet the counsellor in the presence of the other parent, a separate meeting could be arranged.

Where the custodial parent attends the session and the assessment and plan of action are satisfactory to both parents, the program may remain involved if needed to support implementation of the plan, such as through continued mediation or supervision of access.

If the custodial parent still refuses to cooperate with the program or comply with the access order, the counsellor may then refer the matter to the Family Law Branch, which will then provide a lawyer to take contempt proceedings.

However, it is very important to note that the access counsellor has discretion not to refer the matter for court action if the counsellor is of the opinion that it is no longer in the child's best interests for the access to take place. For example, if there is an allegation of abuse, the matter would be referred to a Child and Family Services agency rather than the Family Law Branch. Where a decision is made not to refer the matter to the Family Law Branch for court action, the custodial parent will likely be advised that an application to vary the order should be considered. Although the Family Law Branch will not take contempt proceedings, there is nothing stopping the access parent from retaining his or her own lawyer to take contempt proceedings. The program, however, will not get involved where there is a concern that the order is no longer in the child's best interests.

The program will also provide a service for custodial parents to assist in approaching non-custodial parents who are not visiting their children. Where appropriate, a lawyer will be provided by the Family Law Branch to act on behalf of the custodial parent to take action against the access parent, where there has been inconsistent visits or failure to visit after having undertaken to do so, which has resulted in emotional or financial problems for the custodial parent or child.

Mr. Speaker, now that that background on the intended operation of the Access Assistance Program has been provided, I can turn to the changes in the law which are required in order to make the program work. Honourable Members should realize, however, that the main function of these amendments will be to provide the stick of a court order should the carrot of mediation and conciliation have failed. The less these provisions are actually invoked in a court, the more successful the Access Assistance Program will have been. It is, however, necessary that a parent who has either been refusing proper access to the parent who does not have custody or who has been abusing his or her right of access to a child realize that, if he or she will not be reasonable and work out with the assistance of the program access arrangements that are in the best interests of the child, that parent can be taken to court and runs a significant risk of monetary penalty.

Honourable Members will note that, even though the situations are different, the amendments provide parallel remedies. In both cases, the parent who is at fault may be required by the court to pay the expenses actually incurred by the other parent as a result of the default, and further the parent may be required to post security that the breach of the court order will not happen again.

Although it will take approximately six months before the Access Assistance Program will be ready so that the Attorney-General's Department will provide counsel on behalf of parents in access matters, this Bill is to come into force on Royal Assent so that parents who have been having difficulties and who have the means to do so may immediately take advantage of these new powers given to the court.

As I indicated, we anticipate that the Access Assistance Program will be in operation by February of 1989. This program will be the first in Canada that has attempted to deal with this very important area of family law, and we hope and expect that it will be successful. By the implementation of this program, Manitoba is demonstrating its leadership in family law reform throughout Canada. The Manitoba Maintenance Enforcement Program, which was set up in January of 1980, was the first in the country and has proven to be so successful that many other provinces have modelled their Maintenance Enforcement Programs after Manitoba. We understand that the other provinces will be closely examining our Access Assistance Program, as they will once again be attempting to follow our province's lead in the area of family law reform.

It is with great pleasure that I commend Bill 11 to the House.

* (1440)

Mr. Paul Edwards (St. James): I move, seconded by the Honourable Member from Ellice (Ms. Gray), that debate on this Bill, Government Bill No. 11, be adjourned.

MOTION presented and carried.

BILL NO. 14—THE REGULATIONS ACT

Hon. James McCrae (Attorney-General) presented Bill No. 14, The Regulations Act, for second reading.

MOTION presented.

Mr. McCrae: The Honourable Members who were in this House last March may be surprised to learn that this Bill is not identical to Bill 13 that was brought forward by the previous Government. I am tempted to let the Honourable Members attempt to find the change that has been made in the Bill but, in fairness, I must advise that there has been a slight drafting change in the definition of "regulation," which change was made at the suggestion of the Constitutional Law Branch in order to make the application of the Act clearer.

This Bill arises from the review of regulations which was forced upon the Province of Manitoba as a result

of the Supreme Court judgment. As I mentioned in my remarks on Bill 4, the Supreme Court has held the reference to "act" in Section 23 of The Manitoba Act includes regulations and rules of procedure. Accordingly, it is necessary for the province to re-enact by December 31, 1988 all of the regulations.

In my remarks on Bill 4, I paid tribute to the work done by the Legislative Counsel staff in preparing the statutes in the continuing consolidation for re-enactment. The presentation of this Bill in the House gives me the opportunity to pay tribute as well to the regulations unit which was created in order to meet the challenge of re-enacting the regulations in what is, after all, an extremely short period of time.

I suspect, if the Government of the Day knew in 1985 what it learned about regulations over the next two years, it would have asked for more time than the three years that were agreed to in November 1985. The situation in regulations was infinitely more difficult and complicated than the situation dealing with statutes.

First, only about half of the regulations had been considered of enough importance that a consolidated version of them was prepared by Queen's Printer and given to subscribers to the continuing consolidation. For the other regulations that had been filed with the Registrar of Regulations, it was necessary to do a consolidation putting in all of the amendments that had been made in order to produce a text which represents the law as it existed.

Secondly, and far more importantly for the purposes of the consideration of this Bill, the statutes of Manitoba are filled with innocuous little phrases like "the Lieutenant-Governor in Council may" or "the Minister may by order" or, the most dreaded of them all, "notwithstanding the Regulations Act."

In all of these cases, there were regulations within the meaning of the Supreme Court judgment that required re-enactment by December 31, 1988. In many, if not most of these cases, these regulations had not been filed with the Registrar of Regulations and it was necessary for the department that administers the Act to search through its records to determine what had been done under these powers. Many of these regulations have been found and the volume of work was much larger than anticipated.

Moreover, it had been the practice in the Government of Manitoba for many, many years to have the regulations drafted in the department without any real requirement that the department have the regulation reviewed by legally trained personnel, whether it be its own solicitors in the Attorney-General's Civil Branch or the staff of Legislative Counsel. Not surprisingly, many of the regulations were very badly drafted and, on occasion, flouted well-known rules of statutory interpretation.

This then was the challenge facing the regulations unit. They had to find the regulations. They had to rewrite the regulations. They had to create a new system for registering and indexing the regulations, and they had to do all this while giving the departments help with the preparation of new regulations. The work done

by the regulations unit has been magnificent. They have saved the Province of Manitoba hundreds of thousands of dollars in useless translation costs by consolidating whole regulations, simplifying the wording and by eliminating obsolete regulations that had served their purpose. The regulations unit which performed this task consists of only seven persons. They were assisted in their work of course by the lawyers in the Legislative Counsel and in the Civil Branch of the Attorney-General's Department and by the people in all of the departments of the Government of Manitoba, who also deserve the thanks of the Assembly.

Sir, it is indicative of the weaknesses in the previous system for controlling regulations that, even now, the regulations unit cannot assure the Government that every action taken by a Cabinet or a Minister over the past 70 or 80 years that should have been a regulation and should have been filed has been found. This Bill which is before the House is intended to ensure that state of affairs never occurs again.

By providing a clear definition of what is a regulation and must be in the Gazette, by providing procedures that will ensure that all regulations will indeed be filed in one central place, we will have established a structure which, so long as the Government of Manitoba provides the necessary resources, will ensure that the Regulations of Manitoba will be accessible and understandable.

I make this last point about resources to remind Honourable Members that what we put on the books is largely irrelevant if we do not provide the people to make the system work. I am advised that, when the revised Statutes of Manitoba were prepared in 1970 and Manitoba became a pioneer in having a looseleaf update service for its Statutes, the province also prepared and published consolidated regulations which were also on computer, but the Government of the Day, in what presumably at the time seemed like a reasonable economy measure, did not hire the staff necessary to keep the regulations up to date on the computer.

I know the previous Government which had created the regulations unit which has done such fine work was committed to ensuring that this new system being brought before the Assembly by this Bill would continue. I know the present Government is committed to making certain that this Bill works, and I am confident that the Official Opposition also recognizes how important it is that Manitoba's Regulations be of high quality and easily accessible.

I should note, Mr. Speaker, that now that the regulations project is so near to completion, the regulations unit as such no longer exists. It now forms part of the office of Legislative Counsel.

I invite Honourable Members, any of them who have questions about the operation of the regulation system proposed by this Bill, to feel free to contact the Legislative Counsel to ask for an explanation.

Mr. Speaker, I commend Bill 14, The Regulations Act, to the Assembly.

Mr. Richard Kozak (Transcona): Mr. Speaker, I move, seconded by the Honourable Member for Burrows (Mr.

Chornopyski) that debate be adjourned on this Bill, being Bill No. 14.

MOTION presented and carried.

* (1450)

BILL NO. 15—THE COOPERATIVE PROMOTION TRUST ACT

Hon. James McCrae (Attorney-General) presented Bill No. 15, The Cooperative Promotion Trust Act; Loi sur le fonds en fiducie de promotion de la coopération, for second reading.

MOTION presented.

Mr. McCrae: Mr. Speaker, I rise to move a Bill today which, although it is part of my responsibilities as the Minister of Cooperative, Consumer and Corporate Affairs, is actually a Bill which was prepared as a result of the re-enactment process. Bill No. 15 is identical to Bill No. 10 which was brought forward in the last Session, and its object is to replace The Wheat Board Money Trust Act with an Act which is more intelligible and coherent.

The Wheat Board Money Trust Act was passed in the 1920s when the federal Government transferred to the provinces some monies which the Wheat Board had accumulated. The Province of Manitoba at that time chose to invest the money in Government of Canada debentures and to use the income from those investments to promote cooperative organizations. The Board has, under one name or another, functioned continuously since that time and, though the debentures matured 34 years ago, the proceeds were immediately reinvested by the Department of Finance and continue to be held in trust. There is now approximately \$300,000 held in trust and the board disburses about \$30,000 a year in grants to help people to set up cooperatives, to finance studies of cooperatives and similar work.

It was the judgment of the previous Government, on the advice of the office of Legislative Counsel, that The Wheat Board Money Trust Act was so obsolete and its language so archaic and convoluted that it was better to rewrite the Act and present it to the Legislature for its consideration as a separate Bill, and I agree with that assessment.

I will be providing to the Opposition House Leaders a detailed clause-by-clause explanation of the changes in the legislation. My honourable friend, the House Leader for the New Democrats from Churchill (Mr. Cowan), reminds us that I have already done that for him and I appreciate that confirmation on his part.

At this stage, at second reading, of course we are really just to discuss the broad principles of this Bill. It is intended solely to make the legislation governing the operations of the Cooperative Promotion Board easier to read so that all persons who deal with that board or believe that they have a project which falls within that board's mandate may check the legislation and learn from that legislation what is required.

I commend Bill No. 15 to the House, and I hope that this Bill and all of the other Re-enactment Bills can be given early and speedy attention by all Honourable Members in this House. These Bills, certainly Legislative Counsel Office would be very relieved and I think everyone would be relieved if we could get on with the process set down by agreement, but by the Supreme Court. I am asking Honourable Members to perhaps find a way—and I am sure House Leaders will get together and discuss this—to get all of our re-enactment Bills through just as quickly as we can.

Mr. William Chornopyski (Burrows): Mr. Speaker, I move, seconded by the Member for St. James (Mr. Edwards), that debate be adjourned and that this Bill—oh, I am sorry.

Mr. Steve Ashton (Thompson): I have some comments on Bill No. 15, Mr. Speaker, and I believe the Member for Churchill (Mr. Cowan) does too, so perhaps the Member may wish to take the adjournment following those comments.

Mr. Speaker: Would it be agreeable with the Honourable Member for Burrows (Mr. Chornopyski)?

Mr. Chornopyski: Agreed.

Mr. Ashton: I want to indicate from the outset that, as the critic for the Co-op Development Department for the New Democratic Party caucus, I have no difficulty with the principles of this Bill. In fact, when I saw that this Bill was before the House, I got a feeling of *deja vu*. When I looked at the context, I had another feeling of *deja vu*, because it is basically the same Bill that the previous Minister for this department had presented to our caucus.

It had been planned to be introduced in this House by the former Minister, in fact, was introduced by the Member for Churchill (Mr. Cowan). So I certainly do not have any great difficulty with the Bill itself, and one of the reasons that the Member for Churchill wished to introduce this Bill, as Co-op Development Minister, was the fact that he placed a great deal of priority on the cooperative sector in this province. I want to get to in a few minutes just how much of a priority was placed on the cooperative sector, and the results that we had seen in a very short period of time from the policies that were introduced by the New Democratic Party and were initiated, I might say, by the Member for Churchill, who was a strong believer in the cooperative system and, I think, demonstrated very much his commitment to that sector while he was a Minister, and continues to be a strong supporter, I might add. I know he plans to speak on this Bill and express his views on the direction this Government is taking in terms of the cooperative sector.

Now essentially what this Bill does is it broadens the objectives quite significantly from the previous Bill to include all the cooperatives. Under the original phrasing, the basic focus of this Bill is on cooperative organizations, and particularly natural product cooperatives. I am pleased to see in this Bill that there is reference to the development of cooperative

organizations as being the prime object of this board, cooperative organizations in general. There is a reference to encouraging cooperation among cooperative organizations and, once again, this is general organizations, not strictly natural product cooperative organizations.

I am pleased to see that there is examination that will be undertaken by this Board of Cooperative Organizations, and the laws relating to cooperative organizations in Manitoba and elsewhere, and that also there is reference to a more general goal of promoting the general welfare of the cooperative organizations in the province and promoting the general welfare of rural residents in the province. I wanted to state that because I think it is important that we take a broad view of the cooperative sector in this province.

Sometimes I think one of the problems the cooperative sector has is that people identify it with the one type of cooperative that they are aware of. Most people tend to be aware of, for example, the cooperative stores that have been a feature in many communities, particularly in rural communities, I know my own constituency of Thompson where we have a cooperative food store which has been established for quite some time and is quite successful as well. But there are many other forms of co-ops. One that the previous Minister saw great potential in was the direct charge co-op system that led, in the case of my constituency in Thompson, to the establishment of the best initiatives taken by the cooperative sector in many years, and that was the Co-op Gas Bar.

Incidentally, the Member for Churchill (Mr. Cowan) was one of the original members, is still a member of the Thompson Gas Bar Co-op. I recently delivered his dividend cheque to him at his office here at the Legislature. He still keeps in touch with that co-op, and it was from his experience at being a member of that co-op, prior to even his entering public life in the Legislature, that he recognized the advantage of people joining together in cooperation to provide service to their community, in fact in this particular case, to the entire region of northern Manitoba.

What we have seen is very interesting as a result of this co-op in Thompson. We have seen the price of gas brought down by this co-op to the point where, on a number of occasions, there was a 10-cents-a-litre difference between the co-op in Thompson and the retail stores in the same community. That is 10 cents a litre, a very dramatic difference in the price. In fact, it took the co-op to capture what I would estimate was something like 75 percent of the market in Thompson, to force the private oil companies to give support to their local dealers, to bring in the first gas war just over a year-and-a-half ago. That led to the price of gas generally being decreased in Thompson for the first time, certainly in my memory in Thompson and actually in the history of the community.

It took the co-ops to get the price of gas down. In fact, the previous Minister had taken that form of co-op and was implementing it, was promoting it through his department as a model for other communities, starting in the North in remote northern communities where the price of gas is horrendous. I know the

Member for The Pas (Mr. Harapiak) is well aware of that from his contacts in communities.

* (1500)

We often find that the price of gas is 70 cents, 80 cents, \$1 a litre. It is just astronomical when one looks at that. That is because there is not the cooperative infrastructure in place. People are faced with paying a monopoly price that is charged by the private sector. What co-ops can do is they can bring a network of people working together. They can bring advantages that come from bulk purchasing, from economies of scale, and bring that to bear to decrease the price. That was exactly what that Minister was doing in northern communities, using the cooperative sector.

I would venture to say that, within the next few years, we are going to see the fruits of that particular policy and we are going to see the price of gasoline drop significantly in many isolated communities. I think what it will do is it will force the private oil companies in those communities to either compete by dropping their price and giving some support to their dealers, as they have done in Thompson, or at least did do on a temporary basis, or else it is going to result in the co-op providing that service and of course, if the co-op provides that service, we know that the price will be far less in those communities.

So there were many initiatives that were being taken of a different kind. As I said, we tend to identify strictly with the types of cooperatives we are familiar with personally.

But there are other initiatives that were being taken. I know one particular initiative of the New Democratic Party was to seriously talk for the first time about the advantages of workers' cooperatives in this province. Workers' co-ops are not a new concept. Anybody who has looked at the cooperative history will find that workers' co-ops have been around for many decades. There are examples in Spain with the Mandragon (phonetic) system where there is a workers' cooperative in the Basque area that provides a multitude of services, manufactures a multitude of components, that provides many advantages economically to people in that region.

There is another misconception with workers' co-ops as well. In Canada, those are normally associated with plants that are bought out by employees following a failure of that company, a bankruptcy or a threat of closure. That actually is, I think, a relevant approach. Many plant closures that I have seen take place could have, instead of having the plant close, been operated by the workers.

I am actually pleased that in some areas—there are a number of particular examples in Quebec, where plants have been taken over by workers. An interesting thing is the examples of plants that have done better under workers' cooperative ownership, have made money when they had lost money when they were privately owned. So if anybody suggests that co-ops cannot work, they are wrong based on that experience.

The experiences show that one does not require that there be a takeover of failed industry for a workers'

cooperative to be successful. In fact, the majority of workers' co-ops in Canada have been introduced in areas where there has been no previous failure. They have been introduced as new businesses.

Mr. Speaker, the interesting thing is that statistics show that workers' cooperatives have been quite successful. I suspect it is because of a number of factors including the direct sense of ownership the employees have and that is obvious, I think. The very structure itself is based on the concept that the workers in that plant, under a cooperative structure, own that particular industry. They own it equally. They have an equal say in the operation of that particular firm. So workers' co-ops, I think, benefit from that.

In addition to that, one of the advantages of workers' co-ops has been the fact that there is a complete change in the industrial relation psychology that takes place. It is not hard to see why. When you own the plant yourself equally with other workers, obviously in essence you are both management and labour at the same time. What we have seen take place is that workers' co-ops have been able to succeed where, as I said, in other cases private business have in some cases not been able to succeed. It is because of the fundamental change in the type of structure that is involved.

There are different kinds of co-ops. I have mentioned the consumer co-ops, I have mentioned direct charge co-ops, I have mentioned workers' co-ops and there are even more as well.

One of the areas I think of greatest potential, and particularly in our rural and northern communities, is in the area of community development corporations. It is not traditionally seen as a co-op, per se, but in essence I believe that the community development corporations are in fact cooperatives. If one looks at how they have functioned, they functioned in the United States in the Black ghettos, they functioned in the East Coast in Nova Scotia. There are a number of community development corporations that have done very well. They are built on the cooperative tradition and been able to develop further in community development corporations. We have seen that they have been able to establish a variety of businesses that have been very successful.

I would encourage Members to look at the examples of those other provinces, because I think there is real potential here in Manitoba. I will give you a few examples. In our Native communities, there is a different economic philosophy. I have had the opportunity, for example, to teach in Universities North in Cross Lake, and, I can tell you, I learned as much from the students in terms of their attitudes toward economics as I was able to impart to them.

What was particularly apparent, for the Minister of Native Affairs (Mr. Downey) who may not be aware of this, is the fact that Native communities have a tradition of cooperative economic ventures. In fact, one will find in Native communities that often the economic focus is on the Band or some other community-based structure, and I think that is important.

When I am talking about community development corporations, what I am talking about is communities

having greater control over their own economic development, having the resources to invest in enterprises in their own community on a community basis.

I really believe that there are enterprises that can be initiated in any community. In fact, there are clear examples in many Native communities, many very isolated communities, where community development corporations which, as I said, are akin to a cooperative structure, have been very successful. One of the factors that has always occurred with community development corporations is that, in order for them to be established initially, there has to be a base of support in the community. The Native communities, given the different philosophy, the different approach, there has been a particular support for community-based ventures. I would really recommend it to the Minister, to anybody who is seriously interested in economic development in Native communities, because I think it is important.

It is not strictly the Native communities where it can work. It can work in northern communities, single-industry communities as well. If one looks at the situation, for example, in Thompson or Flin Flon, many other communities in northern Manitoba, The Pas, they are all based in many ways on a single industry. While the current prospects in Thompson, for example, are certainly good, there will come a time when we will no longer be mining nickel. I think what we have to be doing now—and I have said this in my community and I have encouraged the Thompson Industrial Commission, for example, to be looking at this. I have said it to many people individually and I have said it as a candidate, as a private citizen. What we need to be doing is working now, I would say, through a community development structure to develop the financial base to develop the information base so that we can move ahead with that.

I am glad the Minister of Northern Affairs (Mr. Downey) asked what the NDP was doing because one of the major initiatives of our Budget, which was defeated by his Party, was the establishment of a resource fund which built on the previous fund, the Mining Reserve Fund which was established, I might add, by the Schreyer New Democratic Government in the 1970s. The Member says it took us six years. Well, it took them less than six months to hatchet it from the Budget. One of the things that was missing in this most recent Budget was, guess what? The fund for northern economic development. Now I think that is shameful. I think that fund could have provided the funding so that we could take initiatives, whether it be in the private sector or in the public sector or, as I have been talking about now, through cooperative forms as well, whether it be with community development corporations or the more normal co-ops.

I am surprised that the Minister of Native Affairs (Mr. Downey) is not aware of what his Government has done to the prospects in the North. One of the best developments in Northern Manitoba in many, many years, I think, in terms of future potential is something that has been replaced by this Government that has been put on the back burner.

Hon. James Downey (Minister of Northern Affairs): I wonder if the Member would submit to a question.

* (1510)

Mr. Ashton: I am always willing to submit questions at the end of my remarks if there is time remaining or if the House wishes to offer leave at that point.

As I was saying, I think there is real potential, and I hope all Members of this House, including the Minister of Native Affairs (Mr. Downey), will recognize that. I hope that he will go back to his colleagues and make sure that the funds are available to make sure that, whether it be the co-op sector or the private sector or the public sector, Northern Manitoba communities, whether they be remote communities or single-industry communities, will have the opportunity for further economic development. There has been substantial improvement in the last number of years but, so long as those communities are based on a single industry or in many of the remote communities with no industrial base at all, there will continue to be that uncertainty and that is what we need to work towards now, particularly when times are good.

I think the time, for example in Thompson, to be planning economically is now. We have never seen the price of nickel at such a height. We have never seen the economy so good, certainly not in the last number of years in Thompson, because initiatives were taken by the New Democratic Party in terms of Limestone, because of the improvement in the nickel market. Now is the time when times are good to be planning for when times are not good. I would hope that the Member would take reference of that.

As I said, there are many types of cooperative vehicles and I think one of the problems is that we tend to be restricted in not seeing the potential of that. I think that has been the problem of this Government. You know, I find it ironic that this Government has introduced an Act, this Act, The Cooperative Promotion Trust Act, that talks about—and I mentioned it before. I would just like to repeat and emphasize what they talk about in this Act. They talk about promoting the general welfare of cooperative organizations in the province, promoting the general welfare of rural residents. It talks about encouraging cooperation amongst cooperative organizations and assisting the development of cooperative organizations.

In this Act, they talk about doing that but, in the Session, in the Budget that was introduced only a few days ago actually, less than two weeks, this same Government brought in a Budget that eliminates the Department of Cooperative Development as a separate department and basically buries that department in the department of the Minister responsible for Consumer and Corporate Affairs (Mr. McCrae). I think that is incredible that in this Act they would talk about improving the cooperative sector, but in actual fact they would be burying that cooperative sector. I find it incredible because the cooperative sector has been very successful these last number of years. In fact, I am sure the Member for Churchill (Mr. Cowan), when he makes his comments in this House, will be pointing to the number of incorporations of co-ops in this province.

There has been a dramatic increase that has taken place since 1981 in this province, and I do not think

it is any surprise to anyone who knows anything about the philosophy of the New Democratic Party that, under the New Democratic Party Government, there was the greatest number of cooperative incorporations in history. There was a substantial increase over the number under the Conservatives.

What I am afraid of is that, notwithstanding this Act which was originally brought in by the New Democratic Party, the real agenda of the Conservative Party in regard to the cooperative sector is one that is going to give it very little attention, very little resources, very little funding, and it is going to result in the clock being turned back in yet another area to the days of the Sterling Lyon era when, as I have said, the cooperative sector was ignored by the Government of the Day and where the cooperative suffered as a result. All the fine words in this Act, which is an excellent Act, will not take away from the fact that this Government has shown clearly that it does not give the priority to the cooperative sector.

You know, as I said, it should not be a surprise to anyone who knows anything about the New Democratic Party that we are concerned about co-ops. Our roots, as a Party, go back to the Cooperative Commonwealth Federation. In fact, many cooperators were at the founding convention at the CCF in the 1930s. They saw in the cooperative sector, working together with the public and private sectors, a way for this country in the middle of a depression, at a time of tremendous economic uncertainty, they saw a light at the end of the tunnel. They saw, through cooperation, that we would be able to succeed in this country and rebuild the country.

I think the CCF, while it never formed Government nationally, was able to make substantial improvements.- (Interjection)- I am not sure if we -(Interjection)- well, we do not have quorum at this particular time so I assume that—I would ask you, Mr. Speaker, if we have quorum, because obviously I cannot proceed if we do not have quorum.

Mr. Speaker: The Honourable Member has brought to my attention that there is no quorum. I would ask that the Clerk would count. Order, please. I would ask that the Clerk would count the Members. Order, please; order, please. I requested the Clerk to count the Members. There is a quorum.

The Honourable Member for Thompson (Mr. Ashton), to continue with his remarks.

Mr. Ashton: I will continue, and I hope that the Members would not be leaping at the seats out of their embarrassment but the fact is they cannot run a Government. They should realize, they are in Government now, they should have Members in this Chamber, they should be responsible for keeping the operation going. I consider it quite unfortunate that Members now want to interrupt my remarks and continue with their own statements out of embarrassment.

Mr. Speaker: Order, please. The Honourable Minister of Urban Affairs (Mr. Ducharme).

Hon. Gerald Ducharme (Minister of Urban Affairs): I would like you to notice that there is one Member from the NDP here.

Mr. Speaker: Order, please. The Honourable Member is out of order.

An Honourable Member: There are two.

Mr. Ashton: We will give the Member counting lessons later.

I hope that Members will realize as they are in Government, and I am referring here now to the cooperative sector, and I would hope they realize their actions speak largely for their ignorance of this particular area. It is a subject that is not particularly surprising because, as I said, the CCF built the base for the New Democratic Party and it was built on the basis of cooperation.

The Government of Saskatchewan in 1944 set up the first separate Department of Cooperative Development.- (Interjection)- I am not sure whether I can continue with the revolving door and musical chairs of the Conservatives. Either we have a quorum or we do not in this House.- (Interjection)- I will perhaps let Members settle down before I continue with my remarks.

Mr. Speaker, if Members could contain themselves, I would appreciate being able to continue with the debate on this Bill.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please. I believe the Honourable Member for Thompson (Mr. Ashton) has the floor.

Mr. Ashton: I can indicate, I would hope that there is a proper quorum in the House for me to continue and I certainly understand the situation you are placed in, Mr. Speaker, in ensuring our Rules are enforced.

What I stated was that the CCF established the first—if the Member for Springfield (Mr. Roch) can allow me to continue. Order, Mr. Speaker, order. I am not even going to repeat the remarks that the Member for Springfield just made from his seat. I wonder if the Member for Springfield would care to get on his feet and say what he said from his seat. The Member for Springfield obviously does not have the guts to repeat his obscene comments.

Mr. Speaker: Order, please. The Honourable Member for Thompson (Mr. Ashton), would you kindly withdraw that remark?

Mr. Ashton: I will withdraw that remark if the Member will withdraw the remark he made from his seat.

Mr. Speaker: Thank you very much.

Hon. Donald Orchard (Minister of Health): I am having a great deal of difficulty listening to the remarks of the

Honourable Member for Thompson (Mr. Ashton), from substantial comments from his House Leader, etc., and I am deeply interested in hearing his contribution to debate.

Mr. Speaker: The Honourable Minister does not have a point of order. The Honourable Member for Churchill.

Mr. Jay Cowan (Churchill): On a new point of order. Perhaps the Minister of Health (Mr. Orchard) can have a discussion with his Whip who came into this Chamber and from his feet as he was walking to his seat made a very vulgar statement, which we do not want to put on the record, but perhaps he can use his influence with his Whip to ensure that he does not disrupt debate in this House.

Mr. Speaker: Order, please. The Honourable Member does not have a point of order.

Mr. Ashton: I am glad at least the Minister of Health (Mr. Orchard) on the Conservative benches is interested in listening to my remarks and not indulging in the kind of obscene remarks referred from some Members.

I would hope that we would be able to debate a Bill such as this civilly. In fact, I realize I am the first speaker on this Bill but, since it is something that obviously interests Members greatly, I would encourage them to participate in the debate, whether it be the Member for Springfield (Mr. Roch) or any other Member of this House, and state their comments on the record so that we all might hear it.

* (1520)

As I was saying, the CCF has been committed to cooperative development. The CCF in Saskatchewan established the first Cooperative Development Department in Canada in Canadian history. It was involved in a number of very significant ventures in Saskatchewan that broke the cooperative sector into many new ventures, including the insurance sector, Mr. Speaker. It has been something that has been at the heart of the philosophy, both of the CCF nationally and the NDP both here in Manitoba and across Canada since that time. It should be no surprise that we, as Government, gave a top priority to that particular department.

A lot of people said that the Government House Leader was given a minor portfolio to accompany his House Leader's duties when he was the Minister of Co-op Development. I would say the portfolio may have been minor when the Conservatives were in office, but that Minister, the Member for Churchill (Mr. Cowan), made it a major portfolio. Unfortunately now, the Conservatives are in office again are doing their utmost to return it to the previous state, which is one where the co-op sector takes a poor second and third place in this province. I think it really goes back to the basic underlying economic philosophy that we saw from Sterling Lyon, and I think we are going to see again from this Government.

I believe this Government believes solely in the private sector, whereas New Democrats have shown in

Manitoba that the private sector and the public sector and the cooperative sector, by working together, by working cooperatively, can provide the economic results that we need in this province. We have seen that the last number of years when some of the major initiatives have been taken by the public sector, for example, the Hydro development, the North of Portage development. That has had a significant impact on our economy in this province. I am concerned that we have seen some major increases in unemployment in this province these last number of months and that there has not been a response by this particular Government. I suspect that is because their response is essentially a do-nothing response. They believe that the private sector is the one and only mechanism to be used for economic development. That is their philosophy and I do not begrudge them that. I do not think it would surprise Manitobans. They know that is the philosophy of the Conservative Party but I, quite frankly, think that most Manitobans are quite reasonable in their approach and, rather than adopt the ideological position of the Conservatives, would like to see the public sector and, yes, the cooperative sector play a more important role in our economy here in Manitoba.

I would in fact ask the Minister who introduced this Bill—in fact I wish he—I will have to phrase it carefully, Mr. Speaker—was getting the full impact of my comments right now more than he is because I really think that, if he was to look at the spirit of this Act, he would have gotten up today and said that he had reconsidered his move of burying the Cooperative Development Department and said, in the spirit of this Act that he himself introduced, that he will be announcing when his Estimates are brought down in this Legislature over the next few months, that in fact the Cooperative Development Department will be re-established and it will receive the kind of funding that is necessary to live up to this Act.

We on this side are pleased with this Bill but unhappy with this Government when it comes to the cooperative sector. We believe it is because of their right-wing ideology. In fact we feel that they perhaps think the cooperative sector will be overlooked by Manitobans because what we are seeing is a general strategy by this Government to bury their ideology wherever possible. We have seen it in the Estimates. I do not think anybody for one minute believed that the Conservatives would have done what they did in some departments if they were in a majority Government position. I know my constituents certainly do not.

We saw the Finance Minister (Mr. Manness) talk about cutting expenditures by 2.5 percent before when he was in Opposition. We then saw him turn around and maintain funding in most departments. What we are seeing is the way they think they can get away with it. There are a number of portfolios that I am directly aware of, such as the Department of Labour—we are seeing that this Government is cutting back in funding in areas that do not fit in with its right-wing political philosophy. Obviously, this is one of those areas. I think the people of Manitoba realize that the Conservative Party just really does not believe in the potential of the cooperative sector. They did not when they were in Government before. They did not act at that particular

time to promote cooperatives. It was seen once again as being a back order, economically, of something that had a very restricted nature.

It took the New Democratic Party, it took the previous Minister of Cooperative Development, the current Member for Churchill (Mr. Cowan), to actually act and actually show the full potential. In fact, the Member for Churchill can correct me if I am wrong, but I believe we saw increases in the nature of 200 percent, 300 percent and 400 percent in terms of the total number of incorporations, in some instances in some years, more than 400 percent and 500 percent increase under the New Democratic Party. I can say that I, as Cooperative Development critic for the New Democratic Party, will be watching very carefully to see what happens in this province to the cooperative sector in response to the kind of moves we are seeing from this Government. I will be seeing if in fact we see the return to the previous period when there was virtually no activity in the cooperative sector during a time in which the cooperative sector really was not given even the time of day by the Lyon Conservatives.

I will support this Bill. I know our caucus will be supporting it. We had introduced it ourselves so obviously we will be supporting it, but we will be doing so with the realization that the spirit of this Bill is not being lived up to by this Government, that their actions in so many other areas in regard to co-ops show that they clearly have a right-wing ideological bent they are allowing to be put loose on this particular department. Quite frankly I am puzzled because, since they are in a minority position and since they have moved away and tried to bury their ideology in so many areas, why could not they have done that in the cooperative sector? If they can bring in initiatives in other departments which we were planning on bringing in, which they had talked about cutting when they were in Opposition, if they can now turn around and say, in a minority position, that they are going to keep those initiatives, why cannot they keep the initiative that we took in the cooperative sector?

How can you have a more effective result than having an increase in incorporations of something in the neighbourhood of 500 percent under the New Democratic Party as compared to the previous Government? It is not as if we had a department that was not doing anything. It was not as if we had a department that did not have the corporations in the cooperative sector—we did. Is this the type of logic we are to expect from the Conservatives when they look at a department that has been one of the most successful departments, dollar for dollar, in the entire Government, is to be wiped out and amalgamated with another department? It is going to be swallowed up by the other department? Is this the kind of logic we are going to see? If it is, Mr. Speaker, I am really concerned as to what the next steps will be in other areas.

I am concerned what will happen to the cooperative sector generally. They buried it into the Department of Consumer and Corporate Affairs. Is the next step to eliminate it totally, to give no assistance in promotion to cooperatives? If that took place, it would be a sad

day for Manitobans because we need to maintain the cooperative sector but we need to be expanding, whether it be in terms of the gas co-ops that have worked so successfully in Thompson, expand it to other northern communities, expand it to other rural communities because rural Manitobans are paying too much for gas. Expand it to urban areas because Manitobans in urban areas are paying too much for gas. There is so much potential in that area.

I mentioned the potential in terms of cooperative development in the community development corporations. There is potential in the North, in the Native communities. There is potential among women, there is a very successful CDC, as they are called, in Minneapolis, which has shown that women, by working together, can have economic development.

We need development in the inner city. I would suggest to this Government that one vehicle that would be an excellent vehicle is the community development corporations. There is so much potential out there. Even in the sectors where the cooperative sector is well established, such as the retail sector, there is so much potential out there. All that is needed from Government in a lot of cases is a helping hand, not the direct financing because co-ops finance themselves, not the work and the initiatives because the cooperators will work and do the initiative themselves.

What is needed is just some assistance from Government. Surely, is that not when Government works best, when it works cooperatively with people in communities, with the communities themselves? That was the philosophy of the CCF, is the philosophy of the New Democratic Party. I find it unfortunate that it is obviously not the philosophy of the Conservative Party in Manitoba. I know my comments will probably fall on deaf ears but I really hope that they will follow up on this Bill, that they will reinstate the Department of Cooperative Development and give the co-op sector in this province a chance. Thank you, Mr. Speaker.

Hon. James Downey (Minister of Northern Affairs): The Member indicated that he would respond to a question. The question that I have for the Member for Thompson (Mr. Ashton) is: Why did he and his Government, if he is so anxious to create economic development and so strong on community economic development, withdraw the Community Economic Development officer from Thompson?

Mr. Ashton: If the Minister would care to check his files, he would find that was proposed by CEDF. It was put on hold by the previous Government. If he has gone ahead and done that, that will be to his disadvantage. I am glad that he has raised the issue, because I could tell him right now that CEDF officer should be maintained in Thompson. If he now saying that he is going to make sure there is a CEDF officer in Thompson, I am in full support of that.

I thank the Member on behalf of the people of Thompson for that support. Thank you. This may sound strange to my constituents, me actually thanking the Minister of Northern Affairs (Mr. Downey) but, if he is going to put the CEDF office in Thompson and keep it there, thank you.

Mr. Darren Praznik (Lac du Bonnet): I have sat in my seat here for the last while listening to the comments of the Honourable Member for Thompson (Mr. Ashton) speak about his impressions of this side of the House and the Conservative Party's attitude towards cooperatives and how we would appear to be so dogmatic that we would not support the cooperative movement.

I had to really think hard about what he was saying because I think it is very far indeed from the truth. If anything, I would suggest that the real dogma, the real carrying on of one's Party's philosophy to the extreme, comes from the Members of the New Democratic Party and certainly not from the Members of the Progressive Conservative Party.

* (1530)

In my own constituency of Lac du Bonnet, I can tell you that cooperatives play a role not only in the provision of groceries and hardware in the Town of Beausejour but also in the financial sector of the credit union. In fact, I am a member of the South Interlake Credit Union and my account as an MLA, my constituency account, is held by the South Interlake Credit Union. My mortgage is held by the South Interlake Credit Union, and I am proud to say that I am a member of that credit union and supportive of that movement, because they offered to me a lower mortgage than the banks. They offered to me a better service than the local banking institutions, and so I certainly took them up on that offer and became a member. Many of my constituents of all stripes, Conservative, New Democrat and Liberal are supporters of the cooperative movement. I think the piece of legislation that we have before this House that the Attorney-General (Mr. McCrae) has introduced certainly is evidence of the support for the promotion of the cooperative movement.

If we go back a little bit in history—and I would like to do that because the Member for Thompson (Mr. Ashton) spoke at some length about the CCF, the roots of the CCF in the Depression, and the cooperative movement that came out of it. I would like to remind the Member for Thompson at this time that it was a Conservative Government in the same period that created the Canadian Wheat Board, that created the Canadian Broadcasting Corporation. It was a Conservative Government, I believe led by a Manitoban, Sir Arthur Meighen, that created the Canadian National Railway, all of which are publicly-owned corporations created to fulfill a specific need. In the case of the Wheat Board and the CBC, they came out of the same era as the CCF, the Depression era. They were Government's reaction to fulfill certain needs that could not be fulfilled by the private or the cooperative sectors, and so Government, Conservative Governments, met that need.

I think the history of Canada, indeed the history of Manitoba if one looks at the history of Crown corporations in this province—hydro, telephones, Government telephones—all of them came out of Governments that were certainly not New Democrat or CCF. Those fine public utilities came from Liberal

and Conservative Governments in the history of this province. The Member for Elmwood (Mr. Maloway) talks about a certain variety of Conservatives. I think if the Member for Elmwood took some time and spent a little time with the Members of this Party, he would find out that our Conservative Party, under the leadership of Gary Filmon, is a very progressive Party and certainly not stuck to any particular right-wing ideology that his colleagues would have the public believe for their own political purposes.

Just on the note of the Member for Elmwood's (Mr. Maloway) reference to my colleague, the Member for Lakeside (Mr. Enns), I would have that Member note that it was a former Conservative Minister of Agriculture, Mr. Hutton, who gave us organized marketing in the vegetable industry, something that we have had in this province for well over two decades now.

I think, if you look at the cooperative movement, there is certainly a role to play. In my former role as an assistant to a federal Cabinet Minister, I had the privilege of working with a number of groups in the North in developing co-ops. As well, I attended several openings of co-ops, and there you saw communities coming together where there was a need, cooperating, joining together to fulfill that need in a commercially sound way so that their community could be serviced with reasonably priced groceries or reasonably priced fuel. I commend and congratulate those communities on those efforts. I think it is an affront to them and to those people who have worked very hard in the cooperative movement for the Member for Thompson (Mr. Ashton) to stand and speak in this House as if it is only his Party that is concerned and caring about cooperatives. I am sure the Members on the other side of the House in the Liberal Party share my sentiments when I say that we, too, as Members of this House, are supportive of that movement.

The Member for Thompson (Mr. Ashton) made reference to community development corporations and how Members on this side would not be supportive of those types of institutions. Mr. Speaker, leave everything to the private sector is the way he described their Party.

Well again, as a Member of this House, I have worked very closely in my constituency with the Winnipeg River Brokenhead Ventures Incorporated which is a community-based development committee program to assist entrepreneurship and economic development in the community. I should tell you that the funding for that particular program came not from the former New Democratic Party administration. No, they were not putting money where their mouth was. It came from the federal Conservative Government. A lot of money has been put into rural communities in Manitoba by that particular program, the Community Futures Program, to bring about economic development to assist groups and individuals.

I think all of us who think about the issue for a moment would realize that there is a role in our society for a Government enterprise in certain areas, for private enterprise in certain areas, and certainly for cooperatives. But the rule of thumb that we should all apply is "what works, use what works." I do not think for a moment, Mr. Speaker, anyone on this side would

advocate us turning over public utilities, such as hydro or telephones, to the free market. It simply would not work. Services in the most profitable areas would be serviced and those that were not so profitable would not be; just as well that I do not think any of us would advocate turning or running all grocery stores or corner stores in the province by Government enterprise. If it will not work, it will be a mess.

So I think the rule of thumb that we, as a very pragmatic people and a pragmatic Government, have to follow is "what works, use what works." I would think that the kind of attack that the Member for Thompson (Mr. Ashton) made on Members on this House with respect to philosophy and ideology is just blatantly wrong. I think if he would look over the history, the true facts and not his particular impression of them, one would find that has been borne out by Governments of all stripes across this country supporting various types of enterprises, whether it be private, public or cooperative to achieve certain ends.

I can say, Mr. Speaker, in my constituency and I know in the ridings of many of my colleagues, when groups come to us with a problem or they are not being served well by existing business or industry, we are very supportive in encouraging them to act cooperatively if that is the method that works.

I would be somewhat hesitant to say that we should just accept that type of cooperative development holus-bolus. If it does not work, if it has to be subsidized by vast amounts of public dollars on an ongoing basis and there are more efficient ways to deliver the service or sell the product, then that is in fact the route we should go. I got the distinct impression—I may be wrong—from the Member for Thompson (Mr. Ashton) that, as long as we are promoting cooperatives whether they have to be subsidized or not, that was okay. In fact, again I think it comes back to my initial remark that ideology on that side of this Chamber is far greater than it is, I think, on either of the other ends of the Chamber. So it is with some regret that I listened to the Member for Thompson, because I think he has to spend a little bit more time learning about how this Government operates and the philosophy and attitudes of the Members who sit in it.

In conclusion, I would like to indicate my full support for this piece of legislation. I think it is a good piece of legislation, no matter where its origins are. I join with all Members of this House who will be supporting it in saying cooperatives have a role to play and we are pleased. I am pleased as a Member of this Legislature to offer my support to this piece of legislation which will be used, no doubt, to encourage and assist cooperatives in this province.

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

* (1540)

Mr. Jay Cowan (Churchill): I would like to participate in the debate on this Bill because I think, as the Member for Thompson (Mr. Ashton) has said, it is an important debate, a debate that revolves not so much around

the Bill itself, although I can assure you I will be confining my remarks to the Bill and the impact that it has generally on the cooperative sector in Manitoba, but a debate that revolves around this Government's approach to cooperation and the cooperative movement in Manitoba.

I listened with some care to the comments that were just previously spoken by the Member for Lac du Bonnet (Mr. Praznik) in respect to his Government's, the Conservative Government's, commitment to the cooperative movement in this province. Having sat in this House for a number of years and under a series of different Governments, I would like to share with him some of the things that I saw over the course of those years with respect to the cooperative movement in Manitoba. I think he will understand then why it is we have grave concerns about how the cooperative movement will fare under this Government.

We believe that the Conservative Government in the past in Manitoba has been bad for the cooperative sector and the cooperative movement and we believe that this Conservative Government, given their actions and lack of actions to date, will be equally bad if not worse than the previous Lyon administration was.

The Act itself, Bill No. 15, in laying out the objects of the board, states, and I quote Section 3:

"The objects of the board are:

- a) To assist in the development of cooperative organizations;
- b) To encourage cooperation among cooperative organizations;
- c) To examine cooperative organizations and the laws relating to cooperative organizations in Manitoba and elsewhere and to report thereon with recommendations to the Minister;
- d) To promote the general welfare of the cooperative organizations in the province; and
- e) To promote the general welfare of rural residents of the province.

A lot of those objectives, if not all of them, are objectives that are paralleled by—Mr. Speaker, with some regret I have to correct myself—it is objectives that were paralleled by the Department of Cooperative Development, because there is no longer a Department of Cooperative Development.

While the Government is bringing in this Bill, which is exactly the same Bill word for word, comma for comma, subsection for subsection, as was brought in as Bill. No. 10 in the previous Session, we support the Bill for that reason. But when speaking to the Bill, we have to express our deepest concern and our deepest regret that the Government has, at the same time as proceeding with this Bill, disbanded, eliminated, torn down, torn apart the Department of Cooperative Development.

Why does that concern us? It concerns us firstly from the sheer fact that they did in fact eliminate a department which was one of the four priority economic development departments in the previous administration. I will come back to that point later in my comments. It bothers us for that reason.

Secondly, it bothers us because we know what happened to the cooperative movement from 1977 to 1981 in this province. Perhaps to put it into its full context, for the Member for Lac du Bonnet (Mr. Praznik) and other Members who perhaps did not see that transpire, here is what happened generally. In the early Seventies, the Department of Cooperative Development was established. Previous to the early Seventies, the function of the department was subsumed within the Department of Agriculture. The Department of Agriculture had, as part of its delivery responsibilities, to work with the cooperatives throughout the province.

It was a New Democratic Party administration, the Schreyer administration, that established a Department of Cooperative Development. We did that because we felt that the cooperative movement in Manitoba was of such importance and provided so much potential for economic development and the development of social services in this province that it demanded a special focus unto itself. The way that a Government provides a special focus in arranging its administration is to develop a special department, so what it did was establish a Department of Cooperative Development. At that time, incorporations in the Province of Manitoba were running about, on average, 15 incorporations a year. I direct these remarks specifically to the Member for Lac du Bonnet (Mr. Praznik), because I think he will note from the statistics why it is we are so concerned about what has happened recently. It might have been 12 in one year; it might have been 17 in another year, but the average generally for '73, '74, '75, '76, '77 was about 15 co-ops per year.

It was then that the Lyon administration came in, in '77, and in '78 their first full year, that number dropped off immediately to less than 10. By their third year—these are new incorporations, and the one way that you can judge the health of any economic sector in the province is to determine how many new entities within that sector are being established.

Mr. Downey: Jay, you are threshing old straw.

Mr. Cowan: The Member for Arthur (Mr. Downey) says I am threshing old straw. That is exactly what they believe the cooperative sector to be in this province. They do not see the cooperative sector as having potential for the future of this province. They do not see it as a viable economic sector within this province. They do not see it as being able to provide services, jobs and opportunity to Manitobans all across this province. The Members on the opposite side, the Conservative Members of this House, from the words of the Member for Arthur, from his very own mouth, see it as old straw. We do not see it as old straw, but perhaps that explains why it was—

Mr. Speaker: The Honourable Minister of Northern Affairs (Mr. Downey), on a point of order.

Mr. Downey: The Member for Churchill (Mr. Cowan) continues to try to put on the record things that are not factual. I did not say that the cooperative movement was old straw. I asked him the question: Why was he threshing old straw of the Lyon years? That is the

reference, no reference to the cooperative movement in any way, shape or form. I would ask, with the greatest respect, from the Member for Churchill for an apology for that outrageous, incorrect statement.

Mr. Speaker: Order, please. The Honourable Minister knows a dispute over the facts is not a point of order.

Mr. Cowan: Mr. Speaker, I understand why he is sensitive about going over the record of the Lyon administration because, when it comes to the cooperative movement, it was a disastrous record. What happened is they went down, for the Member for Lac du Bonnet (Mr. Praznik), from 15 down to below 10. They bottom out in one year with one new incorporation in the entire Province of Manitoba of a cooperative, one new cooperative in that entire year. They hovered around five and six in other years.

Mr. Praznik: Remember the recession.

Mr. Cowan: The Member for Lac du Bonnet (Mr. Praznik) says "remember the recession." We all remember that Tory times are tough times in the Province of Manitoba. We all remember that. But I would ask the Member for Lac du Bonnet to look at what happened in other jurisdictions that had a cooperative sector within them because they were not dropping at the same alarming rate. No, they were maintaining a level of incorporations. That drop was isolated to the Province of Manitoba, and I believe—they may disagree—it was because of a lack of commitment on the part of their Government, a Conservative Government, the Lyon Government, to the cooperative movement and the cooperative sector in Manitoba.

Then in 1981, we assumed Government under the Pawley administration and the incorporations went back up for a couple of years to about 15 per year. Then in 1983 we took what, at the time, was a very important step in ensuring greater development of the cooperative movement in Manitoba by prioritizing the Department of Cooperative Development as one of the four economic departments in the Government. Employment Services and Economic Security was one; the Department of Industry, Trade and Technology was another one; the Department of Small Business Development and Tourism was another one; and the Department of Cooperative Development was the fourth one. It was the first time in the history of this province that the Department of Cooperative Development had been given such a ranking within the Government's order.

* (1550)

The Government also indicated at that time that economic development was its priority objective. So it took a department that had been established in 1972 and prospered fairly well until the Lyon administration—it suffered under the Lyon administration. It was starting to get to its feet again under the first couple years of the Pawley administration. We took that department and said, it is going to be one of our priority departments. What happened? The next year we did

not have 15 incorporations, we had 30 incorporations. So we almost doubled. The next year we did not have 30 incorporations, we had 40 incorporations. Last year we had over 60 incorporations, more incorporations in those last three years than in any other similar period in the history of the Province of Manitoba when it comes to cooperatives. That is the record.

It is very clear that -(Interjection)- the Member for Fort Rouge (Mr. Carr) said I was the Minister responsible at that time. Yes, I was, but I want to tell in all modesty to the Member for Fort Rouge that it was not because of me that those incorporations occurred. It was not because a particular person, any person, was the Minister, and you will note that, when I said the cooperative movement and the cooperative sector suffered under the Conservatives, I did not suggest that it suffered because of a particular Minister. I said it suffered because of the attitude of the Government.

I believe conversely so, following the line of logic, that when it prospered under our Government, it was not because of the work of one individual. It was because of the work of the Government as a whole and the priority that the Government gave to cooperative development in this province. I also believe, more importantly, that it was because of the work of hundreds of thousands of individual Manitobans who, throughout the province, were working together to develop cooperatives to provide jobs, to provide economic opportunities, to provide services to their own communities and to their families and friends.

I want to get into some of the specific programs if I have time later on in my speech. The Member is going to have to help me out with this constituency.-(Interjection)- I heard the Member for Assiniboia (Mr. Mandrake) doing exactly what he was getting so agitated about during the Question Period, heckling from his seat. I am not going to raise my voice to the heights that he did. I am not going to pound my table in the way that he did. I am not going to become as agitated as he did. I am going to ask him a question. Where does the Liberal Party stand on this Bill? I guess either he does not know where the Liberal Party stands in respect to this -(Interjection)- Well, now he says he does know. Perhaps he can enlighten us. Where does the Liberal Party stand on Bill No. 15? -(Interjection)- I only wish the Member for Dauphin (Mr. Plohman) was here to see this complete turnaround.

However, Mr. Speaker, I digress back to the subject of what this Government, the Conservative Government, means to the cooperative sector in Manitoba. We had increases in the number of incorporations. The increases in the number of incorporations is not really the important point here. The important point is the increase in the number of Manitobans who were looking to cooperation as a way to solve some of their problems and to meet some of their needs.

For example, we established under our administration a Co-op HomeStart Program. The Cooperative HomeStart Program was, at the time of its introduction, the only provincial assistance program of its kind to provide that sort of assistance to housing co-ops, the only one of its kind in the country. A New Democratic Party Government started it and, as a result of that,

in the last couple years, we have had more incorporations of new housing co-op units on a per capita basis than any other province in the country. That means—because again it is not the statistics that are the key here, it is the effect of what that progress meant for Manitobans. That means that there were more Manitoba families, particularly working poor families, that had an opportunity to upgrade their housing and not only to upgrade their housing but to do so in a way that allowed them to exercise democratic control over their own housing and to have housing available to them that was decent and affordable.

So that prioritization by the Government of using cooperatives as a way to meet needs, that specific program—well, the Member for Assiniboia (Mr. Mandrake) is laughing now—oh, I am sorry, he is not laughing at this.

Mr. Ed Mandrake (Assiniboia): I am not laughing at you, Mr. Speaker. It is just that you seemed to be looking at me and it is not my day for boys.

Some Honourable Members: Oh, oh!

Mr. Cowan: You know, Mr. Speaker, I find that remark offensive and I find that remark offensive not because I take it personally, but I find it offensive because I think it reflects upon Members of our society in a negative sense who should not be reflected upon in that way. I am not going to repeat the remark. I am not going to deal with it in this forum, but I certainly would hope that we would not see any more of those sorts of remarks during the course of debate in this House.

That program, Mr. Speaker, was only one of the new innovative and special programs which the New Democratic Party Government brought forward as part of its commitment to the cooperative movement in Manitoba.

Another program that I would like to speak to is the Employment Cooperative Program. The Employment Cooperative Program was started several years ago to help Manitoba workers create new jobs and save existing ones through worker co-ops. At the time that program was started, there were no worker co-ops. There may have been one working informally in the province, no worker co-ops or employment co-ops in the Province of Manitoba.

Today there are over 40 employment cooperatives and they are helping individual Manitobans earn a decent wage while building a stronger province. They are helping Manitobans find work in their own communities that benefit those communities and, at the same time, work that helps them earn a wage to be able to provide for their families, helps the community grow stronger and helps build a stronger provincial economy, again an innovative program. Manitoba was the second province to start such a program. As far

as I know, right now, it is still only one of two provinces, Quebec being the other province that has that sort of special assistance program for employment cooperatives.

Utility co-ops across the province—and the Member of Lac du Bonnet (Mr. Praznik) talked about how co-ops helped smaller communities, and he is absolutely correct in that observation. Utility co-ops, again started under the New Democratic Party Government, were established to help rural residents who lived in larger municipalities but in sections that were not serviced by water and sewer to be able to band together, to put their money together, to put their work together and, through sweat equity as well as their own financial resources, to provide their communities with water and sewer. There are a couple dozen now that are in effect and, because of them, the smaller communities, families, children, and their neighbours have access to water and sewer services which all too many of us take for granted. That was another area that the Government, through an innovative program because it had a commitment to cooperation as a way of dealing with problems, was able to work with Manitobans to build a stronger cooperative movement.

There are a whole list of others that I can go on to speak about and perhaps if I have the time at the end of my comments, I will. But just to mention them briefly, there were day care co-ops that are providing what is most crucial to Manitoban families, particularly those who have two parents who have to work, and that is an opportunity to have their children enrolled in child care facilities that are democratically controlled, non-profit and democratically controlled.

* (1600)

There are in my own constituency—they play a very prominent role—fishing co-ops. There are over two dozen fishing co-ops in the province that allow for commercial fishermen to increase their return on their work and to be able to, through their own efforts, provide for a stronger and healthier fishing industry throughout the province. So there are all sorts of co-ops that expanded under the previous New Democratic Party Government.

What saddens me most then is the recent announcement by this Government that they were going to disband the Department of Cooperative Development. I may stand corrected on this, so I will put it out as a question, but it seems to be my recollection—and I would ask for confirmation from any of the Members of the Liberal Opposition sitting here that their Leader at one time, either just previous to the last election or during the last election, suggested as well that the Department of Cooperative Development would be one of those departments that they would disband if they were the Government. I believe that is a matter of the record. I would ask if any of the Members here have been made familiar with that particular statement by their Leader previously.

An Honourable Member: We will check it out.

Mr. Cowan: The Member for Assiniboia (Mr. Mandrake) says he will check it out, and I think you will find that in fact there was such a statement.

What does that mean? It means, No. 1, that the department is gone; No. 2, that without the department, there is going to be less of an ability to focus on cooperative issues that the Government must deal with, so they are going to deal with those issues less effectively; No. 3, it means that window for the cooperative sector. Remember, when we talk about the cooperative sector in Manitoba, we are talking about hundreds of thousands of Manitobans and their families. We are not talking about some sort of amorphous entity out there without any substance or being. That sector, that movement, is made up of Manitoba individuals and their families, and what the elimination of the department does is remove an easy window for them to relate to Government on cooperative issues. Our concern about the elimination of the Department of Cooperative Development is also based on some historical premises.

Again to the Member for Lac du Bonnet (Mr. Praznik), who suggested that we should be looking at historical references when entering into this debate, I would just like to read to him something that is now several years old and comes from the Western Producer. I imagine that he reads the Western Producer. He may have in fact read this article when it appeared in the Western Producer.

The article is entitled, "Disperse Cooperation Department." I will read it in its entirety. It will be quite short so I hope you will bear with me. It says: "Announcement by the Saskatchewan Government that it plans to disperse the Department of Cooperation and Cooperative Development will be viewed with regret by people in the cooperative sector. This Department established in 1944 with Lachlan J. MacIntosh as its first Minister has provided a useful supervisory, regulatory and extension function in the ensuing 43 years. The regulatory and supervisory functions will still be there but will be split between the Departments of Tourism, Small Business and Cooperatives and of Consumer and Commercial Affairs."

Now this is what is interesting, because why did this Government indicate it was going to eliminate the Department of Cooperative Development and why was it that the Liberal Leader suggested that the department should be eliminated? It was because they were fixated with the deficit. In Saskatchewan, going back to the article, and reading directly from the Western Producer, it was stated that "the move was made as part of the Government's efforts to reduce a burdensome deficit. There is no question that the deficit has to be reduced." -(Interjection)- Well, the Member from Lac du Bonnet (Mr. Praznik) says the same administration.

I want him to know that there was no deficit in the Province of Manitoba when the Conservatives took power several years ago, and that burdensome deficit, that deficit that has skyrocketed, is as a result of Conservative years, not as a result of New Democratic Party years.

In fact, the New Democrat Party Government in Saskatchewan, when they left Government, left them with a balanced Budget and no deficit. So the burdensome deficit that we are talking about here is one of Conservative making. But that is not entirely germane to the point I am trying to make.

Reading on from the article, "Undoubtedly it was difficult for a Government dedicated to encouraging business development in the province to single out cooperatives for special attention. However, there are opportunities for development through cooperatives that are not so readily achieved with other instruments, and these should be kept front and centre."

This next point I am going to read should be one of special note to Members opposite. And again quoting, "not the least of these various modes is farming cooperatives. Useful reductions can be achieved in farm costs through joint use of farm machinery, through grazing cooperatives and through cooperatives for building community facilities. In this time of economic hardship there are numerous ways farmers and, indeed, urban people can pool their financial and labour resources and gain useful ends through cooperatives. These require advice and supervision. Supervision and advice will be available in the future, but the level of service that helped turn Saskatchewan into Canada's banner cooperative province will be curtailed for those cooperatives who have been lobbying for years for a stronger cooperative administrative body at the federal level, this decision by the Saskatchewan Government will be regarded as a setback."

In fact, the cooperative movement in Saskatchewan did take great offence to the elimination of the Department of Cooperative Development in that province. They are on record as having indicated that they thought that the elimination of the department would, No. 1, reduce the ability for Saskatchewan residents to form co-ops; No. 2, make it more difficult for existing co-ops to relate to the Government and more difficult for the Government to relate to those cooperatives to build a working relationship; and No. 3, that it would be to the detriment of the cooperative sector generally in Saskatchewan, and in fact that has been the case.

Well, those are exactly the same complaints that we are making today, that the New Democratic Party Opposition is making today about the elimination of the Department of Cooperative Development by the Manitoba Conservatives. These Members opposite hold the Devine Government up, the Conservative Government in Saskatchewan up as a role model, and as a guiding light so often that you think not only would they be able to look at what they think has been positive that has been accomplished by that Government, but they would also be able to learn from the negative lessons of that Government.

We believe, and the cooperative sector of Manitoba believes, that the elimination of the Cooperative Department in Saskatchewan was a bad move. The New Democratic Party Opposition—and we have not heard from the Liberal Opposition on this change yet, but given what I seem to recollect as the Leader's position previously, I believe they will favour this move by the Government, the elimination of the Department of Cooperative Development.

We believe that the move to eliminate the department will mean fewer cooperatives; will mean a weaker cooperative movement in Manitoba; will mean more hardship for those wanting to form day care co-ops,

Manitoba families and working parents; more hardship for those in northern Manitoba who wanted to form cooperatives to provide better services for their communities; more hardship for workers who wanted to form cooperatives, employment cooperatives to provide stable jobs and income for them and their families; and more hardship for the sector generally.

While we appreciate the Bill that is before us, we believe that the Bill is not enough to overcome the devastation that has been visited upon the cooperative movement in Manitoba by the decision of the Conservative Government under the previous Minister of Cooperative Development to eliminate the department.

* (1610)

We will fight that move. We think it is ill-considered. We believe it to be ill-advised. We believe it to be wrong-headed. We believe it to have a negative impact on hundreds of thousand of Manitobans. We believe, and I have been told this, that the cooperative sector and the cooperative movement generally disagrees with the elimination of the department. We have seen what has happened in Saskatchewan. We have seen what has happened under the previous Conservative administration. All that, quite frankly, concerns us deeply for the future of the cooperative movement in Manitoba.

So we are going to ask our Liberal counterparts, who sit beside us on Opposition benches, to think very carefully about this Bill and, more importantly, to think very carefully about what it is the Government has done by eliminating the Department of Cooperative Development. We believe that, if you do in fact support the cooperative movement in Manitoba, if you do in fact support the credit union system, if you do in fact support the caisse populaire system, if you do in fact support the hundreds of cooperatives that exist all across this province, you will stand with us against a Conservative move to weaken that movement that will have that negative impact on so many individuals. So think carefully about the situation that now confronts the cooperative movement.

I wanted to spend a few moments, as I indicated earlier—and I will ask you how much time I have left remaining.

Mr. Speaker: The Honourable Member has 10 minutes remaining.

Mr. Cowan: I could probably take a bit longer than that, but I sense that I would not get leave today.

Hon. Donald Orchard (Minister of Health): Absolutely correct.

Mr. Cowan: That has been confirmed by the Minister of Health (Mr. Orchard). As a matter of fact, Mr. Speaker, I would assume that there would be very few days during which I would be granted leave, but that is an aside.

I will then try to use the last 10 minutes as productively as I can. I am going to use them to explain why I believe the Government has to reverse that decision that will

have a negative impact on the cooperative movement, reinstate the department and work with hundreds of thousands of Manitobans and their families to build a stronger cooperative movement in Manitoba. We cannot go back to the days of the Lyon administration when it was lucky if we had a half-a-dozen new cooperatives incorporated in the province in a given year and where, tragically, it was one year where we had only one new cooperative incorporated.

We must continue on with the record that was established over the last three years of increasing cooperatives each year, and 60 incorporations of new cooperatives under the previous administration in the last year. We must continue that record. Why must we?

I want to give you some personal examples. When I was Minister, I had the pleasure and the opportunity to work with literally thousands of Manitobans as they sought to build better community through cooperation. I want to share some of those experiences with you. I know I can stand up here and indicate my commitment to the cooperative movement and that would be expected. I know that any Member in this House, such as the Member for Lac du Bonnet (Mr. Praznik) did, can stand up here and suggest that they too support the cooperative sector, even though his Government's actions run contrary to that support. That is to be expected. I think what is important that we not forget is the impact that cooperatives have on individuals.

A group came to me, as Minister responsible for cooperatives, and said that they had just learned that their business, the business for which they worked, not their own business, was going to be going out of business. Their boss had just told them that he was going to be shutting down the operation, and there were a dozen jobs at stake there.

Now what did those jobs mean to those individuals? Some of them had those jobs for years, some up to 10 and 15 years. It meant that they could provide for their families. It meant that they could feel good about themselves, have value for themselves, their own self-value because they were working productively, building a better province, building better communities, working to provide decent wages for their families. It meant that their time was occupied. It meant that they were not on welfare. It meant that they were not on other forms of assistance. It meant that they were productive human beings, and that is all any of us want to be in this world, I would suggest, is a productive human being, doing things which we think produce for the benefit of society. We all have different visions of what produces for the benefit of society, but I think that basic underlying goal is what drives all of us.

They came to us and they said, what do we do. We have heard about this Employment Cooperative Program. Can it help us? We had a Department of Cooperative Development so they knew where to go in Government. They went to that department. We had staff there who knew that program very well, who were assigned specifically for that program.

Those staff sat down with them. They went over the books of that operation. They went over the business plan that the employees would have if they were to

form a co-op. They suggested to them that they look at other forms of business organization, other business entities. They did that and they came back and they said, we want to start as an employment cooperative. In fact, they put money out of their own pocket into the establishment of an employment cooperative and, in some cases, it was a significant amount of money. In some cases, it was upwards of over \$10,000.00. In some cases, I am certain they had to mortgage their house in order to come up with that sort of capital on short notice. In other cases, I am certain they had to totally eliminate their life savings in order to come up with that sort of capital on short notice.

They did it because they wanted a job and they believed that they could keep that business going. In fact, they did establish an employment cooperative. That employment cooperative is functioning today. They have not only kept their own jobs, but they have provided jobs for other Manitobans who are now part of that employment cooperative because they joined, and they are producing wealth for this province and incomes for their families. Those are the people who are going to suffer when this Government eliminates the Department of Cooperative Development.

Another group from northern Manitoba came and said that they did not have any jobs and they wanted to try to create their own employment through an employment cooperative that would sell handicrafts. So they sat down with again staff in the department, worked on developing a co-op, and they are in the process of developing a co-op that is going to provide for them and their families jobs but, more importantly, is going to provide new economic opportunities for northern Manitoba. Those are the people and that is the region that is going to suffer when this Government eliminates the Department of Cooperative Development.

Let them not think that they are dealing only with a deficit. We know that they are a bottom-line Government. We realize that what motivates them is their fixation on the deficit, fixation on fiscal matters. What they tend to lose sight of in that headlong rush to bring the deficit down is the needs of Manitobans, the aspirations of individual Manitobans, the need for Government to participate in building a stronger province through creating new economic opportunities and new forms of economic development across the province. That is what they forget and that is what we have to, as Opposition Members, remind them of on every occasion that we have the opportunity to do so.

The record of the Lyon administration is one that gives us concern. The decision by this Government to eliminate the Department of Cooperative Development enhances and intensifies that concern. Let us not let them do again to the cooperative movement what was done from 1977 to 1981. Let us not let them take away that which has been gained by hard work, by individual Manitobans, and by Government employees over the past six years. Let them rethink their decision. They say that they are a Government that emphasizes economic development and wants to work with Manitobans to ensure that jobs are created and to ensure that economic opportunities exist for all Manitobans. Let them put some substance behind those fine-sounding words.

* (1620)

When they do that they then have to either reinstate the Department of Cooperative Development, or they will have to say that they do not consider the cooperative movement to be a strong third sector in Manitoba's economy, a strong third sector alongside the private sector and alongside the public sector. Of course, this is a Government that has always prided itself on relying upon the private sector to fuel the growth in the economy, to rely upon, as Mr. Lyon said: the private sector as the engine that drives the economy. There is more than just the private sector. There is the public sector that plays an important role and there is the cooperative sector, the cooperative movement, that has grown to play an increasingly important role in the last number of years, but has not yet reached its full potential. What they have done is they have cut off that growth by their elimination of the Department of Cooperative Development. They have turned their back on hundreds of thousands of Manitobans and their families. They have said that they do not care.

Mr. Praznik: It is not true.

Mr. Cowan: The Member for Lac du Bonnet (Mr. Praznik) says "not true." I guess the only way that we can tell whether or not it is true is by looking at the record in years to come. But let us not have to go through the experience that we did from 1977 to 1981, and see the great fall off in development of cooperative development in this province. Let them rethink their decision now. Let them reinstate the department. Let them work with cooperators to ensure that we have a strong cooperative movement in this province.

Mr. William Chornopyski (Burrows): I move, seconded by the Honourable Member for St. James (Mr. Edwards), that debate be adjourned on this Bill, being Bill No. 15.

MOTION presented and carried.

ADJOURNED DEBATE ON SECOND READING

BILL NO. 8—THE COURT OF QUEEN'S BENCH SMALL CLAIMS PRACTICES AMENDMENT ACT

Mr. Deputy Speaker, Mark Minenko: Resuming the adjourned debate on second reading of Bill No. 8, The Court of Queen's Bench Small Claims Practices Amendment Act; Loi modifiant la Loi sur le recouvrement des petites créances à la Cour du Banc de la Reine, standing in the name of the Honourable Member for St. James (Mr. Edwards).

Mr. Paul Edwards (St. James): Thank you, Mr. Deputy Speaker. I first looked at this new Act and was very pleased to see that it was early on the agenda of the Government. It is a very important area for all Manitobans, and I certainly respect and support the job that it attempts to do for Manitobans who are involved in litigation that does not involve large sums

of money, Manitobans who are perhaps wary of the legal system, and with good reason; Manitobans who want speedy justice, which is a thing that I have spoken of many times, and I know that the present Attorney-General (Mr. McCrae) supports as well.

I want to then confirm our support among the Official Opposition for the general thrust of this Act, which is accessibility to the court system, getting rid of the \$3,000 maximum, and taking it up to \$5,000 in order to increase the number of cases that can go to Small Claims and the speedier proceedings under the present Small Claims Act and the theme of getting rid of the automatic right to bump a matter up to Queen's Bench.

That right is one that I must confess, as a litigation lawyer, I have used on many occasions in an attempt to find out if the defendant is serious or not. By bumping the matter up to the Court of Queen's Bench, what you in effect do is require that litigant to hire a lawyer because I think any practitioner in the city will tell you the Queen's Bench rules mandate a level of expertise and knowledge about the legal system that even an educated person in this province who does not have legal expertise cannot do alone.

This particular ability to bump a matter up to the Court of Queen's Bench has certainly been abused, and I do not think there are many practitioners in this province who would disagree with that.

To recap this, the Official Opposition certainly agrees with these themes behind this Act. Quite facetiously, in dealing with this whole area, a member of our caucus suggested to me that what we really need to do in this province was import Judge Wapner at all cost and that he should come to Manitoba because he is certainly well-known for his meting out of swift justice; he does every case in 15 minutes.

That type of justice I am not sure we want to import from California, but I think the popularity of that show and, in fact, the recent trend in this country to private dispute resolution, private practitioners getting into setting up services whereby litigants can come together and present their case without the very formal, very lengthy discovery and pre-trial procedures, simply put their case before someone with legal training. The growth of that industry, if you will, in Canada—and we understand it is coming to Manitoba—I think tells us something about our legal system. I think it tells us something about the justice system and how alienated the general public has become from the civil side of that system. I think that is certainly one of the themes presented in this Act and dealt with by it. I have some concerns about the way the Act deals with it.

Let me first reference, with respect to my concerns, a copy of a letter that I received from Mr. Knox Foster, Q.C. Mr. Foster is a very well-known and well-respected lawyer in this city and in this province and he is a very experienced court barrister. He wrote a letter to the Attorney-General dated August 8, 1988, and I thank him for sending me a copy of that letter in which he expresses some concerns about this Act. He states that in fact the rich and the poor, by getting rid of the bumping rights, are subject to a decision-making process where the judge is not legally nor judicially trained.

And that is true. We know that the Small Claims Magistrates are clerks, and I do not mean to demean them or criticize them for the work they have done. Many, if not all of them, have done extremely laudable work in the Small Claims Courts. The fact is, however, that they are not legally trained. They are not generally, in my experience anyway, extremely receptive to arguments based on precedence, based on the case law which has been developed in our common law jurisdiction. That, in my view, is unfortunate, even though the people who bring the case to court may not perhaps have had the expertise to look up what that case law says. The person who decides the issue should be aware of case laws, should be aware of what the law has said.

* (1630)

Let us not forget that a case may be over \$3, it may be over \$300 or \$3,000 or \$3 million. The legal issues involved can be identical. They are often very complex. I think that rich or poor litigants, while the process should change, the level of justice that they receive in respect to the training of the decision-maker should not be different. I do not think they should get second-class judges. I think that the clerks who have been promoted to magistrates, while, as I will say again, having done extremely laudable jobs, and it is not an easy job, simply do not have the background to deal with some of the issues that come before them. I thank Mr. Foster for raising that to my attention. That is not to say that I support the bumping rights. I think there is another way to deal with this which I am going to talk about later.

Mr. Foster goes on in this letter to point out that in most other jurisdictions in this country—he and I both are not aware of the exact number of provinces that have legally trained persons decide these claims. I know for a fact that in Ontario, they are legally trained. Manitoba has clung to the old system of promoting clerks to magistrate status.

Mr. Foster goes on to state finally that the appeal procedure does no more than complicate the desire to have matters dealt with expeditiously. He is speaking of the appeal procedure which is put into this new Act which says that they get rid of the bumping rights but they allow an automatic right of appeal up to the Court of Queen's Bench and that is supposed to compensate for the inability to bump to the Court of Queen's Bench.

However, he points, and I think it is correct, that if the objection is cost, if that is what is attempted to be dealt with in this new Act, the small claims process could be empowered to award full solicitor-client costs in an appropriate case where an objection to the jurisdiction of that court has been made; and that the appeal process, if it is used regularly and often, surely does take up the cost.

Then one has to go not only through a small claims procedure, but if rough justice is dealt and an appeal is taken, the cost will be as high as if the whole thing had been done through the Queen's Bench and the whole purpose behind the Act is lost.

Let me go on to speak about the new trend towards private practitioners, which I have referenced already,

entering the field of dispute resolution. This has already come up in Saskatchewan. There apparently are private practitioners there doing this. Manitoba does not, to my knowledge, have people entering this field yet, but there are certainly some considering it. That was referenced, I believe, in the Winnipeg Free Press recently.

This movement, in my view, is testament to the need to do something significant and far-reaching with respect to the small claims process in Manitoba and, indeed, in Canada. We have to increase the effectiveness of this court in dealing with the themes that I have previously outlined. The real costs of litigation today are extremely high. The exhaustive discovery procedures and the now-mandatory pre-trial conference procedures certainly escalate these costs. The new trend in the rules as we have seen in the Province of Ontario—I understand that the new rules in Manitoba which the Rules Committee has been working on, in fact bring that new process to Manitoba—those new rules have a trend towards greater discovery ability than we have already and, as a result, I think that we will see increased pre-trial costs for litigants.

I guess I have to admit at this point that I am a lawyer who likes to get to trial. I think, and I sense this in the clients that I deal with and I am sure I would have many who agree with me, that trial is where the litigants see that justice is done. They feel their case has been heard. Win, lose or draw, when you have gone to trial you know you have brought your case to a judge.

You get the opportunity to cross-examine the other witnesses, which you do not have in the discovery process. You get to bring in any witness that can say anything relevant about the matter and the discovery process in this province only does deal with the litigants themselves. You cannot get into other witnesses.

The trial is dramatic and relatively swift dealing with a matter between litigants. I think we have to remember that, that the public perception that you can sort of go to a lawyer, get to court and get the thing done with, just is not true. It takes months, often years, to get these things to a trial. It frustrates litigants to no end and I am here to tell this House that it often frustrates lawyers to no end.

That is not to say that the \$2 million or \$3 million case should not go through all these procedures because oftentimes you want that. The issues and the amounts involved warrant the full and complete discovery process but it has come to the point in my experience where not just up to \$5,000 but up to \$20,000—even more, the exhaustive pre-trial procedures do not serve litigants.

The cost of lawyers and the cost of going through all of those means that the trial is often not gotten to, and why? Why is it not gotten to? The whole purpose behind the pre-trial procedures—and I certainly recognize them and I appreciate them—are to facilitate settlement. You go through exhaustive discoveries of documents of people. You go through a pre-trial conference.

The whole idea is to settle this if you can. If you can settle it, it is to the advantage of everyone but in my

experience, when cases are even in the \$10,000, \$20,000, \$25,000 range, the pre-trial procedures, the exhaustive need to go through all these procedures, means that the single most important incentive to settling is that your legal costs are getting close to the amounts involved.

You say I cannot afford to take this thing to trial anymore because I have already gone through days of discovery. I have gone through all kinds of interlocutory motions and now I do not even have my day in court. My costs are meaning that I have to take a business decision and cut this thing off and settle it. That is unfortunate in my view and so as I will get into that later.

I have some suggestions with respect to how the small claims system can be better set out to allow these claims in that range—the \$5,000 and \$20,000 range—to be dealt with where the case warrants less pre-trial procedures.

While I am on that subject, and I go back to my love of getting to trial, I think I can sympathize with many of the litigants who—that is all they want to do—want to get to trial. They want to have a hearing and good, bad or ugly, they want to have their day and cross-examine their foe, if you will. Let me say, and it is not a unique sentiment that trials are the greatest thing that the British ever contributed to the common law world. While I am also fully aware of the need to minimize trial by ambush, I think as I have said before, in many cases in that mid-dollar range, if you will, it serves society and enhances the reputation of the judicial system to have speedy trials.

I understand that the new rules, which the Rules Committee has been working on and which will no doubt be following the passing and proclamation of the new Queen's Bench Act, upgrade and streamline summary proceeding procedures and allow a referee or a judge to dispense with the costly and time-consuming discovery and/or pre-trial proceedings where that particular case warrants.

In my view, rather than force yet another motion on litigants and open up the area to the need for time to set precedence—and it is going to take that time for judges to come up with cases wherein they decide what allows you to get out of the pre-trial proceedings. Rather than wait that time, rather than force another motion on the litigants, I suggest and I hope that the committee that deals with this Act will consider broadening the small claims system to include these claims, perhaps up to \$15,000 or \$20,000 with the opportunity of a defendant to apply to a referee to bump the matter up to Queen's Bench for claims between \$5,000 and \$20,000.00.

That is, I would shift the onus rather on the defendant in those mid-range cases to show that the case has to be dealt with in the Queen's Bench, rather than the way it is going to be with the new rules apparently, whereby if you want the matter to be dealt in a more summary fashion, then you as the plaintiff have to apply and have that put into place. I think that shifting of the onus would mean that many, many more cases in those mid-dollar ranges would be less open to abuse

of one party by simply dragging another party through the court system.

This type of thinking on this Act led me to consider the report of the Manitoba Law Reform Commission of 1983 on the Small Claims Court in Manitoba. I read that report with great interest, and I recommend it to the Attorney-General (Mr. McCrae). If he has not already read it, then I recommend it, and I hope that it will be considered when considering this Act in the Committee Stage.

Initially, when I read this new Act, I had some concerns about the constitutionality of getting rid of rights to bump the matter up to the Court of Queen's Bench. I am somewhat familiar with the line of cases on Section 96 of the Constitution which states that you simply cannot take away matters from a superior court which were there in 1867 when the country was formed. Section 96 creates superior courts, the province is given the right to create inferior courts, and the province cannot take from a superior court what was theirs in 1867 and give it back to the province. So Small Claims Courts are in a bit of limbo land because they deal with civil matters and traditionally civil matters were dealt with at the Superior Court level. Of course, small claims in this province being dealt with by magistrates and not even real judges, if you will, I think puts our Small Claims Court in even more jeopardy in this respect.

* (1640)

This new move to eradicate the rights to bump the matter up, I had some concern, would take this matter out of the province's jurisdiction all together in that a litigant could not exercise the option to bump it to a superior court.

I do note that the automatic rights of appeal to the Queen's Bench may in fact eradicate this concern, and I look forward to hearing from the Attorney-General as to whether or not he solicited a legal opinion on the constitutionality of this new Act in that respect.

The report of the Law Reform Commission, which I have previously referenced, in fact references a paper by Professor Gibson of the University of Manitoba, a well-known and well-respected constitutional law expert in this province and in this country. However, from what I can gather from the report, I am not sure that his paper dealt with the issue of conflict with Section 96 of the Constitution Act. Perhaps that paper by Professor Gibson should be made available to the committee at the committee stage, because I think certainly that issue of constitutionality of these amendments should be looked at. We certainly, as legislators, must make every effort to make sure that everything we enact is within the bounds of constitutional law.

Going then to the report itself—which I want to reference fairly extensively because I do think that it represents a significant achievement by the Law Reform Commission in canvassing the common law world with respect to small claims, and I think there are many, many very important recommendations which it comes up with. It starts by putting quite aptly, I think, the objectives of Small Claims Court which are that it

provide a simple, accessible and effective form for resolving certain kinds of legal disputes in accordance with the rule of law, as indeed should all other courts.

The report then goes on to state that for a Small Claims Court to be effective, users must be confident as well that a judgment is worth receiving; and I hearken back to my comments that should we not be having legally trained people make these decisions? Why should poor litigants—poor people who have smaller cases—why should they not get a real judge?

The answer to that and the concern about that is that a real judge would not understand people's law, would not understand the non-prepared litigant who comes to court. That is not true. I think that our judges can be adequately sensitive, adequately flexible to deal with the small claims process and take on the inquisitorial stance, if you will, and the active stance in a court to deal effectively with small claims litigants.

This report, in fact, recommends this and states in particular that—it poses the question: How can a Small Claims Court be seen to be dispensing the same quality of justice as the others if the qualifications of its adjudicators are considerably less stringent? Again, why should the poor litigants, who have smaller claims, not get the same level of legal expertise assessing and adjudicating upon their cases?

Going then to the specific recommendations of this report, the recommendation, No. 1, is that the adjudication of small claims continue to be heard by a court rather than administer of tribunal, mediator or arbitrator. I certainly agree with that.

I think referencing, as I have, the provinces in which private mediators have gotten into the field, I think that we do not want that. It is important that the justice system be able to deal with all legal matters. It is important that it not be taken out of the realm of our judicial system and put into the private sector if we can avoid it.

Let me just say that I am not convinced that we have been totally successful in streamlining certain areas of law like labour law where we have appointed labour boards and brought in a system of mediation and arbitration. I know from experience that those can be more arduous and more time consuming and more costly than going to court.

So I think that we should protect the role of judges in our society. I think that we should protect their high ranking and protect their reputation and ability to be the justice dispensers in our society.

Another recommendation of this report which I recommend for consideration by the Attorney-General (Mr. McCrae) and by the committee is that instead of the present structure and instead of the present Act, why not take this to the Provincial Court and create a Civil Division of the Provincial Court? This is the recommendation, in fact, of the Law Reform Commission in their report in 1983.

That report points out that the Provincial Judges Court has many more hearing centres throughout the province than the Queen's Bench and therefore would

certainly be more accessible than the Queen's Bench, especially in the rural and northern regions of this province. Furthermore, the Provincial Judges Court system has more experience in dealing with matters speedily despite the high volume of cases which come before it. This comes from their experience in the Criminal Division.

We all know that the bulk of justice in this province is dealt out through the Provincial Court Criminal Division. More Manitobans will go before that court and will have justice dealt out than certainly in the Queen's Bench and definitely in the Court of Appeal. The Provincial Court is where Manitobans experience justice. I do not think that it would be ill-advised to create a Civil Division of that court and I do not think they would be able to accommodate a Civil Division.

The report then goes on to carry on with that theme and make specific recommendations with respect to the setting up of a Civil Division in the Provincial Court, and states, as I already have, that they think that provincial judges could certainly be flexible, be sensitive, accommodate themselves to the realities of litigation over smaller claims. I agree with that.

I have had lots of personal experience with provincial judges and I know that in the criminal matters, in fact, oftentimes people are without legal representation. Go to Traffic Court in the city any day and you will see dozens, if not hundreds, of ordinary Manitobans before the court without legal representation. My experience is that most, if not all, of those judges are extremely effective in dealing with those litigants without legal representation, as I say, taking a pro-active stance in the courtroom and justice is seen to be done and done quickly.

The Law Reform Commission Report does point out that it is important to be able to get to the Queen's Bench if the litigants consent to that, and certainly the right where the parties consent to go to the Queen's Bench should be protected.

* (1650)

The report goes on to state that in the view of the Law Reform Commission, where a defendant pleads a set-off or a counterclaim, any party should have the right to apply to the new Civil Division of the Provincial Court for a transfer of the action to the Queen's Bench on the grounds that the set-off or counterclaim involves a matter beyond the jurisdiction of the new court.

I think that is also a good recommendation, where a defendant in fact reacts to a statement of claim in a way that completely changes the aspect of the litigation, you have to protect the right to get to the Queen's Bench where you need it.

Another recommendation of this report is that the court be allowed to deal with any action of replevin where the value of property distrained, taken or detained does not exceed—and they suggest \$3,000.00. I would suggest that it would be \$5,000 certainly today and that replevin should be included in the rights of a new Provincial Court, Civil Division.

It was kept out of the small claims proceedings, precisely because the magistrates were not felt

competent enough to deal with the replevin matters. That is an extremely important remedy that a litigant has. Replevin is swift; it is generally done ex parte and it freezes assets or documents. Therefore, magistrates were not thought competent to deal with it.

A new Provincial Judges Court, Civil Division, would certainly be able to deal with that matter. I think it is important that the replevin ability be at the small claims level, because replevin is often a remedy which litigants require, regardless of the sums of money involved.

Another recommendation of the Law Reform Commission is that there be trained clerks in the Small Claims Office to help potential litigants come up with the proper arguments, if you will, advising them as to who their witnesses should be and things like that, without getting involved in the merits of the case, simply to advise on the process and help people to take their case to court in the most effective way. I certainly support that. I think this is a proper venue for that kind of pro-active approach on the part of the court and the clerks.

I note that in the Provincial Courts of this province there, in fact, are those people already, with respect to the criminal matters, advising people who come before that court on the processes. Although the processes are simple I think we have to remember and realize that oftentimes a person who goes to court, in particular on a civil matter, may have never been to court before. It is very important that he or she be given all the help necessary to put the case before the court, even though it is the small claims procedure.

The court is a very intimidating place, and I think we have to remember that. I am one who is prone to forget it but it is very intimidating. We have to remember that people come before the court oftentimes, in my experience, expecting the worst. Let us give them the best. Let us make it as unintimidating as possible and let us allow them to see and feel that justice is done, and justice is done swiftly.-(Interjection)- My honourable friend, the Member for St. Norbert (Mr. Angus), echoes my comments that justice must be seen to be done and that is true. It is very true. That is a key aspect of the judicial system, both criminal and civil. In order to maintain the integrity and the reputation of the courts of this province, it has to be seen to be done. We all know of many examples where that has not been the case. It is my view that an enhanced provincial court, by including a Civil Division, would add to this reputation of justice in the province, and while the small claims system has certainly not been a failure, it has had problems, and I would suggest that, by putting real judges into place, the system can only be enhanced.

Another interesting recommendation of the Law Reform Commission is that the Small Claims Court be outfitted with a mediations branch, a mediation service very, very un-intimidating, if you will, and it would be organized in a way that would simply act as a preparatory stage before getting to Small Claims trial. It suggests that mediation centres be tried out on a pilot basis and perhaps in an urban centre where there would be a fairly high level of small claims that it could be tried out on. I would suggest in this regard, Brandon. It seems to me that Winnipeg would probably have too

high a volume to try out a pilot project like that. Brandon would appear to be the mid-size centre that could perhaps serve as the pilot project base for that kind of mediation experiment.

Another recommendation of this commission was that the rules of evidence not be strictly applied in the anticipated new Provincial Judges Court, Civil Division, and I certainly agree with that. I know it is important that litigants not be held to the intricacies of evidence and the rules of evidence. I know from personal experience that it takes a full year in law school and it takes years afterwards to even learn those rules, and oftentimes you find that lawyers do not know them anyway. The most common breach in any court of law is a rule of evidence and judges are often quick to point that out.

Finally let me highlight another recommendation of this book of the Law Reform Commission, in that it recommends, in Recommendation No. 17—that the new Provincial Judges Court, Civil Division—have the authority to order an Examination for Discovery and a Discovery of Documents for any action within the jurisdiction of the court where the court is satisfied that the special circumstances of a case make it necessary in the interests of justice to do so. I think that is a valid point if this Provincial Court, Civil Division, were to be set up. You would certainly want to protect the ability of that court to order the discoveries, where necessary, and perhaps part of the discoveries and not the rest. I think that would mean that the Provincial Court would hear many, many more cases and save litigants the cost of a Queen's Bench trial where they did not desire it, where it was not necessary.

I have gone over some of the more important recommendations of the Law Reform Commission and, as I have said before, recommend this highly to the Attorney-General to review, and I look forward to reviewing it in the committee stage because I think there are many, many interesting recommendations that it makes. I think the basic thrust is a better one in the proposed Act, which is that there should be real judges dealing with these matters. Rich or poor, the quality of justice should not be any different. That is the thrust behind the creation of a Civil Division of the Provincial Court and I support it. I think that the Attorney-General and the present Government has hit on exactly the right themes in its proposed Act.

* (1700)

However, I do not think they have gone about it in the best way for Manitobans. I think that our Law Reform Commission in 1983 took a very far-reaching, broad-minded approach to this and I think they came up with a very, very good idea. The Provincial Judges Court would be fully capable of handling this kind of new Civil Division and, as I have said before, it has the locations in this province, unlike the Court of Queen's Bench. I am completely confident that provincial judges could show the necessary sensitivity to litigants to deal with small claimants.

Lastly, and this fits in with the recommendation that the clerks be given full training in advising potential

litigants as to how to best put their claim across, and without getting involved in the details of the claim, how to help people who have never in a court of law . . .

Mr. Speaker: The Honourable Member's time has expired.

Ms. Judy Wasylycia-Leis (St. Johns): I assume it is Private Members' Hour and—oh, I am sorry, I will wait.

Mr. Speaker: I assume this is going to remain open then? Is it going to stand in anybody's name? It is going to stay open? Okay. Time for Private Members' Hour.

PRIVATE MEMBERS' BUSINESS
RES. NO. 2—HALT TO NUCLEAR
SUBMARINES (ARMS REDUCTION)

Mr. Speaker: On the proposed resolution of the Honourable Member for St. Johns, the Honourable Member for St. Johns.

Ms. Judy Wasylycia-Leis (St. Johns): Thank you, Mr. Speaker. I am very pleased on behalf of my NDP colleagues to move the following resolution, the resolution being seconded by the Member for Concordia (Mr. Doer):

WHEREAS Manitobans strongly value peace and have demonstrated their commitment to peace through their participation in seven annual Walk for Peace marches held in Winnipeg and other Manitoba communities; and,

WHEREAS by such actions Manitobans continue to state their desire to end the nuclear arms race; and,

WHEREAS it was for these reasons that in 1985 Manitoba declared itself as Canada's first Nuclear Weapons Free Zone; and,

WHEREAS it is imperative that Manitobans act to ensure that Canada does not contribute to the arms race; and,

WHEREAS the purchase of nuclear submarines will not enhance Canadian economic or defence interest; and

WHEREAS the minimum \$10 to \$12 billion could better be spent enhancing the health care system in Canada; and

WHEREAS Canada's record of subscribing to and encouraging international nuclear safeguards will be jeopardized by the purchase of these submarines; and

WHEREAS the proposed nuclear submarines purchase contradicts recent international efforts to denuclearize the world; and

WHEREAS all Manitobans desire a lessening of world tension and a removal of the threat of nuclear annihilation;

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the Government of Canada to halt plans to purchase nuclear submarines; and

BE IT FURTHER RESOLVED that this Assembly ask the Government of Canada to commend the United States and the Soviet Union for recent steps taken in their arms agreements and request they intensify and redouble their efforts to extend the recent arms reduction agreement to all nuclear arms; and,

BE IT FURTHER RESOLVED that, as an expression of the concern Manitobans have, this Assembly direct the Clerk to forward a copy of this resolution to the Government of Canada.

MOTION presented.

Ms. Wasylycia-Leis: I am very honoured and privileged to be acting on behalf of my NDP colleagues in introducing this resolution, very honoured to be able to debate this critical issue here in this Chamber.

In my view this issue, the question of nuclear disarmament, of worldwide peace, is clearly one of the most important issues facing us everywhere. If we can put aside some of the day-to-day concerns and some of the day-to-day bickering that happens in this place, I think there is not a person in this Legislative Assembly who would disagree with that statement, who would disagree with the fact that this is the bottom-line reason for all of us being here. We have struggled hard in our electoral constituencies. We have gone to the people of Manitoba to seek their support, to represent their interests and their concerns. No concern can be greater than that quest for peace and international security right around this world.

Mr. Speaker, it is an area where I—and I say this with all honesty and firm conviction that we will be able to receive unanimous support from this Chamber. Surely on this question of a quest for peace and on the question of the leadership role that Manitoba has to play in this area, surely we can come together from all sides and agree to support this resolution, agree to send our sentiments to Ottawa, agree to spread the conviction that we have here in this Chamber right around the country and indeed right around the world.

For me, on a personal note, it is one of the most bothersome issues and concerns that faces me on a day-to-day basis and I do not think, as a parent, those feelings and sentiments would be different from any other parent in this Chamber or grandparent for that matter. I think our concern is what kind of society, what kind of world we will be handing over to our children and our children's children to come. We know from studies, from comments, from outcries of our young people everywhere that this issue of peace and disarmament stands at the top of their list, is the issue that bothers them on a day-to-day basis, and an issue that we have an incredible responsibility to address here and now.

I am pleased that there has been to date an incredible record of achievement around peace-related matters here in Manitoba, pleased to see the kind of support that Manitobans have shown in participating at the annual Peace March, the seventh annual Peace March having been held this past June; pleased to see the fact that Manitoba became the first province in Canada

to declare itself a nuclear weapons-free zone; pleased to see that the issue gets raised on a continual basis by organizations like the Winnipeg Coordinating Committee on Disarmament, like many of the women's groups throughout Manitoba.

In that regard, I think it is important for all of us to single out that the role that women have played, not to undermine the sincerity with which this issue is treated by all men here in this Chamber and throughout the province and indeed the country, but to single out the special efforts that women have played in terms of raising this issue and bringing it to the forefront of all of our attention. As I said, I do not want to single out one particular sex in terms of being more committed to this issue, but I think that concern about one's own children has certainly characterized women's involvement on the issue.

* (1710)

I am very pleased that my son is here today in the gallery, Nicholas. Although he may not understand every word that I am saying and understand the importance of this message, I know that in a few year's time he will appreciate the efforts that all of us have put into fighting around this question and fighting for international worldwide peace.

There is a saying that all of us have heard many, many times. That saying is: "Would it not be wonderful if our day care system had all the money it needed and the army had to hold a bake sale to buy its weapons?" I think that old saying is something that we need to bring back today, and we need to think about in the context of the upcoming purchase, the potential purchase of nuclear submarines, and the very reason for this resolution and the reason for its urgency.

The submarine purchase is not, and I hope all Members will agree with this, in the Canadian tradition and will compromise our position as a leading nation in the fight to stop nuclear proliferation. We have a record of achievement here in Manitoba, and now we have a responsibility to take that record of achievement and to ensure that Canada is not a party to any proliferation of nuclear arms. We have a responsibility to send a message to Ottawa to stop the purchase of these nuclear submarines, which are not in the interest of our traditions, and certainly not in the interests of preserving and fighting for a decent future for our children and our children's children.

It has been estimated that this purchase of nuclear submarines will cost a minimum \$8 billion. That is only a minimum. We heard last night on the news that the federal Government is becoming more and more concerned about this whole initiative and, I think, coming to grips with the incredible additional costs to that original \$8 billion purchase. It will be interesting to observe how this scenario, how this issue unfolds, given the kind of costs that are projected not by Members on this side of the House, but by the federal Government, by other organizations, many of whom I am sure Members of the Conservative Government will not disagree with.

For example, the Canadian Business Council on National Issues estimates a minimum of \$12 billion being

required for the purchase of these nuclear submarines. The Canadian Centre for Arms Control and Disarmament has estimated up to \$14.8 billion. Realistically, it is clear that the range that we can expect to be faced with as taxpayers and as politicians, in terms of dollars to be spent on this purchase of nuclear submarines, is really in the neighbourhood of \$12 billion to \$20 billion.

Now if we can say, what if day care had all the money it needed, which is much less than \$12 billion to \$20 billion, and the army had to hold a bake sale to buy its arms, then let us look at what we can do with \$12 billion to \$20 billion. Twelve to \$20 billion injected into our health care system would be an incredible injection of support in a very important area. But we can go much beyond that, \$12 billion to \$20 billion would in fact deal very concretely with that issue, that red herring that has been thrown out with respect to the need for purchasing these nuclear submarines. That is, it would guarantee Arctic sovereignty, would guarantee that the North was surviving from both an economic and a defence point of view. It is without question, and I do not believe for a moment that there is a Member in this House who again will disagree with the notion that, if we injected even some of that money, even some of the \$12 billion to \$20 billion from the purchase of these nuclear submarines into the North, we would be able to diversify the economy, build up any necessary defences, ensure patrol from East to West, ensure protection, ensure economic independence and self-sufficiency for decades and decades and decades to come.

I appreciate that my time must be running short and, in the interests of keeping within the Rules of the Chamber, let me summarize my remarks by saying it is critical for the future of humanity that every nation do what it can to lessen world tension and the arms race. We have before us an issue that we can act upon that will uphold that tradition, that will ensure we are living up to our commitment and responsibility to do everything that we can as a provincial Legislature, everything that we can do as a group of Legislatures in this great country of Canada to lessen world tension, to contribute to the reduction of the arms race, to ensure that we are building a future of peace and security for our children and our children's children. Thank you, Mr. Speaker.

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): Mr. Speaker, firstly, I may say that the Member for St. Johns (Ms. Wasylycia-Leis) hit the real premise at the start of her address. The real premise is the question of world peace. It is a question of nuclear disarmament across this whole world. It is a question of all countries on our planet coming together to say, look, we have a very dangerous situation facing us. We have human frailties with their fingers poised that ultimately could destroy all life on this earth or certainly make whatever is left after a nuclear attack not worth living. I think the basic premise, the premise of world peace, the premise that we all should be striving toward world peace, is very sound, and I compliment the Member for St. Johns for that.

However, I have a problem, and the problem is that the resolution and the premise of the resolution that

a nuclear submarine somehow is a nuclear weapon is wrong. I find some difficulty with that. Nuclear-powered submarines are not nuclear weapons.

The proposal by the Canadian Government, as I understand it and as I have read various reports on, does not intend to be armed with nuclear weapons, either torpedoes or missiles. The fact of the matter is, it is a propulsion unit that is no different than Atomic Energy of Canada's operations basically at the Whiteshell Nuclear Research establishment. To say that a nuclear submarine is a weapon that is going to cause world annihilation or is going to cause an escalation in the arms race is saying something no different than, quite frankly, saying that the Whiteshell Nuclear Research Establishment does the same thing. The fact of the matter is it does not. It is a propulsion system only.

Canada has no nuclear weapons. Canada does not plan on buying any nuclear weapons. It does not plan on employing any nuclear weapons, according to the 1987 White Paper on National Defence. It says that the role of the Canadian Armed Forces is one of defence and on occasion—and quite well done, I might add, and a credit to our country—is the fact that our armed forces from time to time serve peacekeeping roles throughout the world when nations have trouble getting along with one another.

* (1720)

Mr. Speaker, is really a nuclear submarine without missiles any different than a CF-18 fighter without an atomic bomb under its wings? That CF-18, quite frankly, when the repair question came up in this province, the former Government and the former Premier certainly made out that it was very important for Manitoba to have that CF-18 aircraft maintained and repaired here in Manitoba. At that time, if you would have heard the former Premier of the province, you would have thought it was the latest Disneyland ride, not a weapon of death and destruction that it was intended to be. I have a little trouble in accepting the premise that a nuclear submarine is going to be a nuclear weapon.

Let us not be hypocritical, let us be practical. Canada wants to maintain Arctic sovereignty. The only way it can maintain Arctic sovereignty is to be able to patrol that area both above and below the polar icecap. You cannot do that with a conventional submarine. It must be nuclear-powered in order to maintain being submerged for an extended period of time, sufficient to go underneath the polar icecap.

During the free trade discussions that we have had over the past any number of months and years, we have heard much from the Members opposite, both the Liberals and the New Democrats, with regard to Canadian sovereignty, the fact the Free Trade Agreement is going to trade away Canadian sovereignty. All of a sudden, we are going to be become Americans. Yet, on the hand, when we want to try and assert Canadian sovereignty in the North, all of a sudden nuclear submarines are not any good either even though that is the only way that we can do it under the polar icecap. So, Mr. Speaker, I think we need to be a little

practical for once. While I support certainly the principle of world peace, the principle of nuclear disarmament right across the face of the earth, I think that is really the issue we ought to be talking about and not pretending to try and suggest that nuclear submarines are, all of a sudden, some kind of an offensive weapon.

Let me say this first of all, with respect to the comparison between a diesel and a nuclear submarine, nuclear submarines have a higher speed capability. They have greater endurance and certainly they have a lesser need to surface, to carry on extended periods of time under the water. That is the only way again, as I said earlier, we can maintain patrols under the polar icecap where, quite frankly, both our friends and those who may or may not be our friends from time to time travel.

Our Navy has been a laughing stock. The Navy of this country has been the laughing stock of the free world for a very, very long time. The former Liberal Government under Mr. Trudeau had decided that they were not going to fund the Armed Forces to any great extent at all. They would maintain a token force but give them no equipment, both the Navy, the Army, and the Air Force for that matter. The Liberal defence policy, quite frankly, and the spending cuts that they implemented over time virtually have forced us out of any kind of a competitive role in NATO at all and in support of our allies across northern Europe and North America.

The NDP position federally is that we should get out of NATO. We should get out of our commitments to our allies. We should abandon them and suggest that we, on a continental situation, could simply exist on our own or would expect the United States to defend us in the event of any kind of hostilities breaking out.

I think what we have here is an aim at modernization. It is not a change in traditional role at all. It is accepting technology that is going to bring us into the 20th Century. It will strengthen peace by giving us a credible contribution to conventional deterrence, something we have not had for a very long time. There are a lot of people who have fought and died for this country to maintain the freedom that we enjoy today. I think it is important that the Government of Canada recognize the need for conventional deterrence. I am not suggesting we build missiles, I am not suggesting that we have nuclear weapons at all. I think a conventional deterrent is important for this country to maintain, important to contribute to our allies in the NATO Convention. The cost of nuclear submarines is going to be one-fifth of 1 percent of all of the social program expenditure in this country, while the dollar values themselves—\$10 billion approximately over a 15 year or 20 year period—sounds like a lot of money when you put it up front, and it is a lot of money. But in terms of the overall expenditures, one-fifth of 1 percent of all of the total social spending in this country, I do not think that is a very major drawback from those social program expenditures.

The federal Government proposed to spend \$16 billion in terms of upgrading our Armed Forces—\$16 billion including nuclear submarines. The NDP defence critic proposed in the House of Commons that their defence strategy, a mixed vessel naval strategy for

Canada, as a matter of fact, proposed to spend \$17.9 billion and without any nuclear submarines.

So they talk about trying to save money for day care when, in fact, their critic in Ottawa said that they wanted to spend more money and have no nuclear submarines, no capability of defending our sovereignty in the North, no capability of going under the arctic icepack. They are still spending \$2 billion more than was proposed under the 1987 White Paper on National Defence. That is their commitment, Mr. Speaker.

We have some economic benefits to Manitoba as well. We have some potential economic benefits to Manitoba as a result of the acquisition of nuclear submarines by the Canadian Armed Forces. We have high-tech manufacturing in Manitoba. We have the ability to compete for a number of the component parts of those vessels.

It is estimated that between \$210 million and \$350 million of economic benefits can accrue to Manitoba from that particular program; an average of \$300 million of economic benefit to Manitoba, jobs for Manitobans and still complying with the essence of nuclear disarmament, non-proliferation and still maintaining a credible deterrent as a contribution to the NATO Convention.

We have the transfers of those technologies available to Manitoba industries which will double that kind of income figure by the time you count the spinoffs as a result of that technology transfer. So there are economic benefits for Manitoba out of this situation as well.

But, Mr. Speaker, I want to go back to the original motion. In fact, probably most of the Member for St. Johns (Ms. Wasylycia-Leis) address was on the question of world peace and that is the real question that we ought to be discussing in this House today, not whether some other Government in this country should be buying or not buying submarines or anything else. The question is world peace. Are we supportive of world peace? Do we really mean what we say, or are we attempting to try some political ploy to embarrass another level of Government?

I think, quite frankly, and the Member for Concordia (Mr. Doer) tends to agree with me now, I understand, that the real issue is world peace. The real issue is nuclear disarmament, so let us say that is the issue. Let us not fool around with some attempt at a political ploy. Let us talk about the issue itself. Let us talk about the question of world peace.

I propose to amend the resolution, and I move, seconded by the Member for Arthur (Mr. Downey), that the 4th, 5th, 6th, 7th and 8th "WHEREAS" clauses be deleted in their entirety; and, too, that the first "RESOLVED" be amended by deleting all of the words after "Canada" in the 2nd line therefor and substitute the following: "to use its best efforts to bring about the reduction and the eventual elimination of nuclear weapons from all countries on this earth."

* (1730)

MOTION presented.

Mr. Jay Cowan (Churchill): It is difficult to address whether or not our remarks to the Chair, in respect to whether or not this amendment is in order or out of order, without a copy of the amendment in front of us.

My initial inclination, from having heard it, is that it is out of order on several grounds, but if we could have copies circulated to both Opposition Parties, it might be helpful for us in being able to provide any advice that you might wish to seek on this matter.

Now having the resolution before me, I wonder if the Member who proposed the resolution might be amenable to discussing how we might include the statements which he has brought forward in the original amendment, in the original motion, as an additional amendment and that way it would be considered a friendly amendment.

However, if that is not the case, I would have to suggest to you that the amendment is out of order on at least several grounds, as noted in Section 773, subsections (1) through (11), in Beauchesne. So that, perhaps, if the Member could agree now that we would alter his amendment, by leave, to delete the first part of his amendment entirely and to allow the second part to be an add-on to the first "THEREFORE BE IT RESOLVED," we would certainly be agreeable to that because we think it would be in keeping with the intent of the amendment and would strengthen it. Otherwise, we have a grave concern that it is in fact contrary to the original motion and for that reason would be out of order. It tends to negate the intent of the original motion.

Maybe I should wait to hear from the Member, but it may be if he does not agree to that, that perhaps you could take that under advisement and report back at a future sitting.

Mr. Ernst: Mr. Speaker, on the point of order. While I appreciate the intent of the Member for Churchill (Mr. Cowan), that is not the intent of proposing the amendment.

The intent of proposing the amendment was to get to the real issue, the issue that is cited in the first "WHEREAS" of the motion, which says: "WHEREAS Manitobans strongly value peace and have demonstrated their commitment to peace," etc. Mr. Speaker, that is the issue. The issue is not whether some other body buys, or does not buy, a particular piece of hardware. The issue is peace, Mr. Speaker.

I think my amendment to the motion gets to the bottom of the issue, gets to the point that says, "What are we really debating, what are we concerned about; are we concerned about whether somebody else does something with a piece of hardware, or are we concerned about peace in this world?" That is the issue and I am not prepared to delete any portion of my amendment because I think it clearly now focuses the resolution on the real issue.

The real issue is not whether the Members opposite wish to deal with trying to tell somebody else how to conduct their affairs that have nothing to do with nuclear war, that have nothing to do with potential for nuclear

disarmament or anything else. It is totally irrelevant. You get to the bottom of the issue, the amendment clearly focuses that issue, puts it clearly into perspective, and I think all Members should be supporting it and there should be no argument with respect to a piece of hardware or otherwise.

Mr. Cowan: On the point of order. Well, the Minister of Industry, Trade and Tourism (Mr. Ernst) makes my point for me. In fact, in his comments he has indicated that what he is recommending in his amendment is a different issue than the issue which was intended by the first resolution.

We would have absolutely no objection; matter of fact, we would allow it, on this side at least, to proceed, by leave, tomorrow or any day in the near future in Private Members' Hour if the Member wanted to bring forward a resolution that called upon the Government of Canada and indeed all Governments to use their best efforts to bring about the reduction and the eventual elimination of nuclear weapons from all countries on this earth.

That is a separate resolution, it is a separate issue, as the Minister of Industry, Trade and Tourism just confirmed in his own advice to you, and that is what we are saying, exactly, that we have no objection to the amendment if it were proposed as a motion, a separate motion, because it is a separate issue; but it does not address itself to the issue of the motion that is currently being discussed in the House.

The motion that is currently being discussed in the House is with respect to the purchase of nuclear submarines. To take out of that resolution, by amendment, any reference to nuclear submarines at all is to totally negate the intent of the original motion and the amendment would be entirely out of order for that reason, and the Minister of Industry, Trade and Tourism has made that very point when he stood a few moments ago and spoke to changing the issue.

* (1740)

Mr. Ernst: Mr. Speaker, a point of order again. I want to draw the attention—

Mr. Speaker: We are not into a debate here, but the Honourable Minister of Industry, Trade and Tourism on the point of order.

Mr. Ernst: Mr. Speaker, I am not wishing to enter into a debate on the issue at all, but rather on the point of order.

The point of order is this: If Members here take out their resolution and read the second "RESOLVED," coupled with those "WHEREASes" that have been left in as a result of my amendment, but even disregarding that, let us deal only with the second "RESOLVED," and the second "RESOLVED" is the issue and does relate to the amendment very, very clearly.

It relates to nuclear disarmament, it relates to world peace; and on that basis, I am of the opinion that my amendment clearly is in order and ought to be accepted

so we deal with the real issue, the real concrete problem and it is dealt with right there in the resolution itself.

Mr. Speaker: I would like to thank all Honourable Members for their input. The issue of the content and relevancy of amendment is one that has arisen many times in this House. There are many Speaker's Rulings on the subject.

In particular, I would like to refer Honourable Members to the ruling of Speaker Walding in 1983, wherein he stated: "While our rules are silent on the matter of content of amendments, it is clear that considerable latitude has been permitted in the content of amendments during Private Members' Hour."

Mr. Speaker Harrison, in 1959, ruled on the admissibility of an amendment and stated that the law of relevancy of amendments is that if they are on the same subject matter with the original motion, they are admissible. The same principle concurred in by subsequent Speakers has confirmed the practice in the Manitoba Legislature of giving wide interpretation to Beauchesne's guidelines.

I would also quote Madam Speaker Phillips from 1987: "In comparing the two 'RESOLVED' clauses which, of course, are the operative part of any resolution regardless of the arguments presented in the 'WHEREAS' clauses, the two 'RESOLVED' clauses do not contradict each other but are indeed different propositions or alternatives as outlined in Beauchesne, Citation 425."

The amendment to the resolution is therefore in order.

The Honourable Member for Fort Rouge.

Mr. James Carr (Fort Rouge): I am very pleased to be given the opportunity to participate on a debate that rises above the fray of local and regional politics to discuss the issue of peace, national policy and international policy, and I think that it is a wonderful opportunity for Members of this House to add their voices to international debate which has been with us for many years and will continue to be.

Let me start by saying that we should look at the policy itself, and the best way of looking at the policy is to quote the words of the Minister of Defence who said, and I quote: "To exercise effective control, there must be a capability to respond with force against incursions." Well, the Minister of Defence, Mr. Speaker, is talking about our ability to show force in the Arctic; and to show force against whom? To show force against the Soviet Union or the United States, our NATO ally? So are we to assume that these nuclear-powered submarines cruising underneath the polar icecap, coming upon a ship, friendly or unfriendly, will say: "Stick 'em up, we have gottcha!"

Hon. Albert Driedger (Minister of Highways and Transportation): What? What?

Mr. Carr: The Honourable Minister of Highways asks, "What, what?" I say what are we going to do? Are we going to say "stick 'em up" when it comes time to look at these incursions into our own water in the North?

It obviously does not make any sense. The motivation of the Canadian Government here is not to put a gun at the head of the United States or the Soviet Union so that we are going to flex our muscles—and the Minister of Defence said that. The Minister of Defence said that the reason we needed these nuclear-powered submarines was so that we could take the U.S. to court—we could take the United States to the world court. Well, we know that the United States is on record, not accepting the judgment of the world court, and Members opposite will remember the mining of Nicaragua as a recent case in point.

(Mr. Deputy Speaker, Mark Minenko, in the Chair.)

First of all, we can see that the policy itself is wrong-headed. The logical continuation of the policy does not make any sense vis-a-vis our NATO ally. Also, if we are looking for some expert opinion on this wrong-headed policy of the Government of Canada we look no further than Mr. David Foquette (phonetic), who is the European Editor of the London-based James Defence Weekly, who said: "Some people in NATO definitely fear that Canada might potentially be wasting a lot of money on a prestige venture." Now this at the same time when we are threatening to take our forces out of Norway in case of an emergency. So on the face of it, Mr. Speaker, just looking at the Minister of Defence's own rationalization for the policy, it does not make any sense.

I think we also have to look at the opportunity cost. We are not sure how much is at stake here—some say \$6 billion; some say \$8 billion. I have heard estimates as high as \$15 billion or \$18 billion. The Honourable Minister of Tourism (Mr. Ernst) makes light of it because he applies some percentage against Canadian social programs, but let us apply it against what could be used with that money.

My friend, the Honourable Member for St. Johns (Ms. Wasylycia-Leis), talks about the day care system. We can use other examples. Why do we not use examples that relate to northern Canada or northern Manitoba? How could \$12 billion or \$15 billion or \$18 billion be used for the infrastructure of the North? The Member for Arthur (Mr. Downey) says we could build the submarines at Churchill. If he wants to make that the policy of his Government, we look forward to the ministerial statement that should come in the next few days or next week.

We can also talk about the opportunity cost of using \$12 billion or \$15 billion increasing our ability to use the North for tourism. We could talk about \$12 billion or \$15 billion in the context of drought assistance to farmers in Manitoba, Saskatchewan and Alberta.

If the Canadian Government is looking for ways of spending \$15 billion, I am sure it could find many positive suggestions from Members on this side of the House. (Interjection)- One of my colleagues says how about debt reduction. We see through this very simple argumentation that the policy itself as announced by the Minister of Defence is wrong-headed, that the policy is not implementable because the United States does not want to take into consideration judgments of the world court anyway, and we see that we can spend \$10 billion, \$12 billion or \$15 billion in a much more effective way.

* (1750)

I would like just for a moment, Mr. Deputy Speaker, to talk about Canada's role in the world as peacekeeper and the wonderful reputation that we have enjoyed these many decades. I want to, for a moment, talk about that role and contrast it against this need to exercise macho muscle with nuclear powered submarines in the North that have no effect and no root in public policy.

Maybe I could start by talking about Lester Pearson and the Nobel Peace Prize that he won in the Suez crisis affair of 1956. Maybe I could talk about Canadian peacekeeping efforts in the Middle East, as recent as today. As we sit and debate this resolution, Canadian soldiers are distinguishing themselves in keeping the peace in the Iran-Iraq war, to cease fire, which is now in effect. May I also say, just to take this international debate and bring it closer to this House, that there are Winnipeggers currently keeping the peace on Canada's behalf in the Middle East.

Canada's role has not been traditionally the role of a superpower looking to enhance its credibility in the international forums of the world by buying the latest technological equipment. Canada has exercised its influence and its role in the world through the art of persuasion, through its diplomatic skill, through its commitment to international forum, such as the United Nations. May I say parenthetically that I had the honour of being a delegate to the Commonwealth Conference for Young Leaders that was held in September in Ottawa. There were delegates there from 37 countries of the world representing North America, Asia, the South Pacific, Africa, the Caribbean. What I learned as a delegate on behalf of Canada is that we are respected par excellence by the world community of nations as a people who understand the importance of peacekeeping, of diplomacy and the art of persuasion. Never did I hear anybody from Kenya or from Jamaica or from Fiji talk about Canada as a nation which exercises its military muscle in order to make a point of its policy in the world community.

I think that the Government of Canada has got it all wrong. I cannot for a moment begin to understand why it would take \$12 billion or \$15 billion out of this economy and spend it that way.

Let us talk a little bit about what we can do as a Legislature. I look at the WHEREAS clauses and I agree with many of them, but I have to give the Honourable Minister of Tourism (Mr. Ernst) credit for making one point. This issue is not an issue of the nuclear arms race. This is a nuclear powered submarine and I accept his point and I accept his distinction which does not make this debate any less important. But I think it should be on the record that we are talking about nuclear-powered submarines here, and not about an arsenal of nuclear weapons for Canada. That distinction should be made clear.

The clauses of the resolution itself, the RESOLVED clauses are very difficult not to support. How can we not support that this Legislative Assembly urged the Government of Canada to halt plans to purchase nuclear submarines? We have made the arguments that we

cannot afford them; they have no role to play. Even if they did have a role to play, the United States is on the record saying it is not interested in what we have to say at the International Court at The Hague.

The second "RESOLVED" talks about the Government of Canada, this Assembly urging the Government of Canada to commend the United States and the Soviet Union for recent steps. I would like to make a comment on that. I can remember growing up in Winnipeg, that I lost sleep over the spectre of nuclear war. The thought of the destructive capacity contained in the world at that time and still today was something that frightened me. I can remember teaching a group of students at the university last year, and I asked them the question: How many of you lose sleep over the prospect of nuclear war? Mr. Deputy Speaker, not one took their hand and raised it, not one. So in the course of one generation the world has become a safer place to live.

Let me just cite a few examples. The recent leadership shown—and this is historic, because you will never again hear me say a kind word about the current President of the United States—but President Reagan and Mikhail Gorbachev have taken a giant step forward in reducing tensions between the superpowers of this world. They have done it—let us not talk about motive—through a gradual reduction of armaments in this very dangerous environment within which we live. I give them credit for that. I do not think that ideology has much to do with what we are discussing. I think it has to do with—(Interjection)—

In spite of the fact that the United States over the last eight years has undergone unprecedented military spending, the President of the United States has been a partner in a reduction of tension between the superpowers, and for that we give him a credit. As we look around the world, we see that the Iran-Iraq war is now in cease-fire. As I mentioned a few minutes ago, Canadian peacekeepers are there to ensure that cease-fire continues. We can see the tensions in South America and in parts of the Caribbean and in Africa have been reduced. We see a gradual trend away from dictatorships and fascist regimes. There are more democracies in the world today than there ever has been in the history of the globe.

So there is reason to be hopeful. There is reason to believe that the leaders of the most powerful nations

in the world believe strongly enough in making the globe a safer place to live, that they are prepared to commit their nations to arms reduction. There is reason to believe in the developing world that the lust and hunger for peace is powerful, and that the political leadership is beginning to develop, so that nations of the world will ensure that peace prevails in spite of the tensions and the conflicts which arise between people, that peace will prevail.

So in the context of a global community which is becoming less tense, in the context of a world which is becoming more conscious of its obligations to sustain the peace, I find it difficult to understand why the Government of Canada, the Government of a people which has consistently and historically been a leader in keeping peace and using the art of negotiation, diplomacy, tact and the skill of words, and our role as a nation, as a middle power, that we now are on the verge of a decision which flies in the face of that historical tradition which is not a partisan one, which is a tradition that has been supported by Conservative Prime Ministers in Canada. I mention Lester Pearson because we on this side of the House are particularly proud of his accomplishments as a peacekeeper in the world, in the Middle East, but why we as a nation would take a decision which flies in the face of that tradition, makes no sense to us. So we on this side of the House have no difficulty in supporting the spirit of this resolution, the spirit of the three resolved sections of it.

I appreciate the opportunity to stand up and for a few moments rise above, as I said at the beginning of my remarks, the fray of day-to-day politics to spend a moment or two talking about the issues that really count, the issues of peace and security on our planet. Thank you.

Mr. Gary Doer (Leader of the Second Opposition): Is it the will to call it six, and I would maintain my place to the further debate on this resolution?

Mr. Deputy Speaker: Agreed? (Agreed)

Mr. Doer: Thank you.

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