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Second Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

40 Elizabeth II

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

LIB - Liberal; ND - New Democrat; PC - Progressive Conservative

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	LIB
ASHTON, Steve	Thompson	ND
BARRETT, Becky	Wellington	ND
CARR, James	Crescentwood	LIB
CARSTAIRS, Sharon	River Heights	LIB
CERILLI, Marianne	Radisson	ND
CHEEMA, Gulzar	The Maples	LIB
CHOMIAK, Dave	Kildonan	ND
CONNERY, Edward	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	ND
DOER, Gary	Concordia	ND
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	LIB
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Clif	Interlake	ND
EVANS, Leonard S.	Brandon East	ND
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	ND
GAUDRY, Neil	St. Boniface	LIB
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	ND
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	ND
LAMOUREUX, Kevin	Inkster	LIB
LATHLIN, Oscar	The Pas	ND
LAURENDEAU, Marcel	St. Norbert	PC
MALLOWAY, Jim	Elmwood	ND
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	ND
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	ND
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	ND
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	ND
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	ND
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	ND
WOWCHUK, Rosann	Swan River	ND

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, July 16, 1991

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

MATTER OF PRIVILEGE

Mr. Edward Connery (Portage la Prairie): Mr. Speaker, I rise on a matter of privilege.

Mr. Speaker, in the last few days, we have been offended by the remarks of the member for St. James (Mr. Edwards). To make my case, I have to read a paragraph, quoting the Leader of the Liberal Party (Mrs. Carstairs), and it says: She also questioned whether groups of volunteers from individual communities can be relied upon to provide clear-eyed judgment about a project's viability.

This is dealing with the Rural Development Bonds.

You do not usually find people in rural Manitoba with broad experience in evaluating these kinds of things, she said. These people tend to gravitate to the city. There are people who specialize in those kinds of things, and they usually do not live in rural Manitoba.

Mr. Speaker, I want to read to you then the remarks made in committee on July 12, in the Industrial Relations Committee, by the member for St. James (Mr. Edwards), and he said: "Thank you, Mr. Chairman. Just to clarify what the member for Portage (Mr. Connery) said the Liberal Leader said. What she said was there was no one from rural Manitoba in the Legislature who was too bright"—meaning all rural members who are not within the Perimeter Highway are not too bright. Now that is the member for St. James drawing in and making assumptions on his Leader's comments.

Mr. Speaker, then yesterday in Question Period, the same member for St. James once again said: "Mr. Speaker, I was referring specifically, and I was speaking specifically to the rural member who is sitting across from me, the member for Portage la Prairie (Mr. Connery)."

Those comments, Mr. Speaker, are grossly contradicting. Therefore, I move, seconded by the member for Lac du Bonnet (Mr. Praznik), that the member for St. James (Mr. Edwards) be required to apologize to the Legislature and to the people of Manitoba for maliciously and deliberately misleading both in committee on July 12, 1991, and in this Legislature yesterday, July 15, 1991.

Mr. Steve Ashton (Opposition House Leader): I think this will probably be a first, Mr. Speaker, but I think that I, as House leader, and our caucus agree with the member for Portage on this matter of privilege.

Sometimes matters are said in jest back and forth between members. I suspect that the member for St. James perhaps did not realize how offensive the comments might be taken by some individuals. I took offence when the comment was made in committee. I suppose, as a northern representative, I would be considered rural by definition, so it certainly was referred to myself.

We have many rural members, and I do not think it is a comment appropriate in this Legislature, certainly not a comment I would make against members of the government from rural areas, because they are indeed honourable members and bring their own perspectives to this Legislature. I think the unfortunate part of comments such as this—and I am not focusing strictly on the member for St. James—is it does bring disrepute to this Legislature.

The number of times I talk to people who comment of the sort of kindergarten nature of some of the comments that go back and forth I think is unfortunate. We are losing some of the respect for the parliamentary tradition. It is something we should all consider.

I would suggest, in this particular case, the appropriate thing for the member for St. James to do would be to apologize for the comment and withdraw that under our rules in terms of matters of privilege. It would therefore end the matter.

I think, Mr. Speaker, it is a good opportunity for all of us perhaps to be a little bit mindful of the need to be careful in the kind of comments we make,

because while at the time they may seem pretty appropriate in terms of some of the back and forth comments, the heckling that takes place, I do not think that type of comment is positive for the Legislature.

I do believe, by the way, that members from rural Manitoba will be insulted by those types of comments, because the members in this House from any area of the province, whether it be rural or other, indeed represent people of those areas. So any comments on members affect the people who elect them to represent them in this Legislature.

I would suggest to the member for St. James that he apologize, and we perhaps make a greater effort, all of us, to avoid such comments in the future.

* (1335)

Mr. Paul Edwards (St. James): Mr. Speaker, in the last six weeks in this Legislature, I have been called by the Premier (Mr. Filmon) of this province both sleazy and smarmy. My comments, which were recounted by the member for Portage la Prairie (Mr. Connery), were comments not directed to people in rural Manitoba other than members of this House. To the extent that they reflected on members of this House dishonourably, I am willing to withdraw them.

I ask for the same consideration when it comes to comments made not just by other members but by the Premier and by members of the cabinet of this government. I ask for exactly that same sanction to be applied against them in those circumstances, because I, too, have suffered, I believe, accusations which reflect dishonourably on myself and indeed on all members of this House. Thank you, Mr. Speaker.

Mr. Speaker: I would like to thank all the members for their advice on this matter. I believe the remarks of the honourable member for St. James were quite specific, that the honourable member did withdraw. Therefore, this does conclude this matter.

PRESENTING PETITIONS

Mr. Daryl Reid (Transcona): Mr. Speaker, I beg to present the petition of Cynthia Devine, Mukhtiar Singh, Ronald McLean and others requesting the provincial government to withdraw provincial funding for The Pines project.

Mr. George Hickes (Point Douglas): Mr. Speaker, I beg to present the petition of Violet

Simmons, Beverley Gail Johnson and others requesting the withdrawal of funding in the prevention of construction of The Pines project and to prevent projects similar in nature from destroying the community.

* (1340)

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Mr. Marcel Laurendeau (Chairman of the Standing Committee on Industrial Relations): Mr. Speaker, I beg to present the Second Report of the Committee on Industrial Relations.

Mr. Clerk (William Remnant): Your Standing Committee on Industrial Relations presents the following as its Second Report:

Your committee met on Tuesday, July 9, 1991, at 8 p.m.; Wednesday, July 10 at 8 p.m.; Thursday, July 11 at 10 a.m.; and 7 p.m. Friday, July 12 at 1 p.m.; and Saturday, July 13 at 10 a.m., in Room 255 of the Legislative Building to consider bills referred. Your committee elected Mr. Penner as Chairperson at the 10 a.m. meeting of Saturday, July 13, 1991.

Prior to consideration of public presentations, your committee passed the following motion at its Tuesday, July 9, 1991, meeting:

THAT presenters should be called in the order as shown on the list; if they are not in attendance, their names will drop to the bottom of the list and be eligible to be called on one further occasion.

Your committee also passed the following motion at its Saturday, July 13, 1991, meeting:

THAT the Standing Committee on Industrial Relations hear Mr. John Lang on Monday, July 15 at 10 a.m. and after his presentation, begin clause-by-clause consideration of Bill 70.

Your committee heard representation on Bill 70, The Public Sector Compensation Management Act; Loi sur la gestion des salaires du secteur public as follows:

Joan Sellar, President, and Judy Darcy - Manitoba Division of CUPE
Lillian Boudelique - Private Citizen
Ron Rudiak - Private Citizen
Susan Hart-Kulbaba - Manitoba Federation of Labour
Peter Olfert - Manitoba Government Employees' Association

Vera Chernicki - Manitoba Nurses' Union
Ron McLean - International Brotherhood of Electrical Workers, Local 2034
Bill Featherstone - Private Citizen
Robert J. Dooley - International Brotherhood of Electrical Workers, Local 435
Robert N. Kotyk - Private Citizen
Jacques Samyn - Private Citizen
Judy Bradley - Manitoba Teachers' Society
George Bergen - Private Citizen
Blair Hamilton - Canadian Union of Public Employees, Local 3551
Clyde Huff - Private Citizen
Harry Mesman - Private Citizen
Robert Olien - Private Citizen
Doug Shattuck - Private Citizen
Joan Lyons - Private Citizen
Bruce Mackay - Private Citizen
Hugh Connelly - Private Citizen
Ken Guilford - Private Citizen
Annette Maloney - Private Citizen
Bruce Buckley - Private Citizen
Anne Gregory - Private Citizen
Shirley Lord - Private Citizen
Paul Moist - Private Citizen
Richard Lennon - Private Citizen
Shirley Denesiuk - Canadian Union of Public Employees, Local 998
Martin J. Stadler - Private Citizen
Marie Clow - Private Citizen
Nancy Webster Cole - Telecommunications Employees Association of Manitoba
Elaine Zadorozny - Private Citizen
David Sesak - Private Citizen
Mary Johnson - Private Citizen
Ray Erb - Private Citizen
David Thurlbeck - Private Citizen
B. M. Hykaway and Larry Pelzer - Amalgamated Transit Union, Local 1505
Bonnie Korzeniowski - Public Service of Canada - Health Care Professionals, Deer Lodge Centre
Jan Marie Graham - Public Service of Canada - Nursing Group, Deer Lodge Centre
John Doyle - Private Citizen
Larry Brown - National Union of Provincial Government Employees
Rick Park - Private Citizen
Lisa Bukowski - Private Citizen
Jean Altemeyer - Private Citizen
Leslie Brook - Private Citizen
Jim Pringle - Private Citizen
Alan DeJardin - Private Citizen
Mike Gidora - Private Citizen
Don V. Sullivan - Private Citizen
Bob Clague - Private Citizen
Ken Emberley - Private Citizen
Rob Altemeyer - Private Citizen
Val Kellberg - Private Citizen
Bernice Bryans - Private Citizen
Sheila Gordon - Private Citizen
Cynthia Devine - Private Citizen
Lorne Morrisseau - Private Citizen
Cindy Terry - Private Citizen
Buffy Burrell - Portage Labour Committee
Jim Silver - Private Citizen
Kevin Dearing - Canadian Federation of Students - Manitoba Division
John Loxley - Private Citizen
Clarence Giesbrecht - Private Citizen
Rosemary Miguez - Private Citizen
Zully Trujillo - Private Citizen
Ed McCollm - Private Citizen
Barbara Jones - Private Citizen
Elaine Ducharme - Private Citizen
Steve Rosnowsky - Private Citizen
Robert De Groot - Private Citizen
Maggie Hadfield - Communications and Electrical Workers of Canada
Emile Clune - Private Citizen
Gary Ewen - Private Citizen
Sidney Green - Manitoba Progressive Party
Ted Yorke - Private Citizen
Harry Paine - Private Citizen
Joanne Maciag - Private Citizen
Louis Lapointe - Dauphin and District Co-ordinating Committee
Arden Campbell - City Workers of Portage la Prairie
Bruno Zimmer - Private Citizen

Dennis Atkinson - Private Citizen
 Charles McCormick - Private Citizen
 Julie Antel - Private Citizen
 Dennis Moser - Private Citizen
 Andrew Couchman - Private Citizen
 Brian Havelock - Private Citizen
 L. Bouma - Private Citizen
 Len Kolton - Private Citizen
 Al McGregor - Manitoba Association of Crown Attorneys
 Rob Hilliard - Private Citizen
 Jan Chaboyer - Private Citizen
 Wade Cudmore - Private Citizen
 David Fleury - Private Citizen
 Patrick McDonnell - Private Citizen
 Allyn Taylor - Private Citizen
 Lynne Bobier - Private Citizen
 Gerald Joyce - Private Citizen
 Linda Keeper - Private Citizen
 Barry Wadsworth - Private Citizen
 Donna Finkleman - Private Citizen
 Jeffery Dunn - Private Citizen
 Barbara A. Featherstone - Private Citizen
 Steve Hamon - Private Citizen
 Jane Ricketts - Private Citizen
 Ernest Gallant - Private Citizen

Written Submissions:

Al Pitt - Private Citizen
 Leona McEvoy - Private Citizen
 Harold Thwaites - Private Citizen
 John Lang - Confederation of Canadian Unions
 Laura Steiman - Private Citizen
 Neil Harden - Private Citizen

Your committee has considered Bill 70, The Public Sector Compensation Management Act; Loi sur la gestion des salaires du secteur public, and has agreed to report the same with the following amendments:

MOTION:

THAT section 1 be amended in clause (g) of the definition of "employer" by striking out "any employer" and substituting "any public sector employer".

MOTION:

THAT section 5 be amended:

(a) by re-numbering it as subsection 5(1); and
 (b) by adding the following subsection:

One year application

5(2) For greater certainty, no collective agreement shall be extended by or under the authority of this Act for more than one 12-month period.

MOTION:

THAT subsection 8(1) be amended by adding "between the Government of Manitoba or an agent thereof and association" after "agreement".

All of which is respectfully submitted.

Mr. Laurendeau: I move, seconded by the honourable member for Fort Garry (Mrs. Vodrey), that the report of the committee be received.

Motion agreed to.

Mrs. Louise Dacquay (Chairman of Committees): Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the honourable member for Sturgeon Creek (Mr. McAlpine), that the report of the committee be received.

Motion agreed to.

MINISTERIAL STATEMENTS

Hon. Eric Stefanson (Minister of Industry, Trade and Tourism): Mr. Speaker, I have a ministerial statement I would like to make.

On Wednesday, I will be attending a federal-provincial meeting of Trade ministers. One of the items on that agenda will be the Canada-Mexico-United States free trade agreement. As you know, my department has undertaken a broad-ranging consultation on this issue, and while our consultations will be ongoing, our government is now able to take a position that will reflect the concerns we heard.

Mr. Speaker, I believe virtually every member in this House is for increased free trade, given a level playing field. Most members recall the former NDP Premier, Howard Pawley, endorsing the concept of Canada-U.S. free trade when he signed a Western Premiers' communique in 1985 which stated: the Western Premiers today proposed a comprehensive common market arrangement between Canada and the United States.

As well, free trade was Liberal policy in Canada throughout most of the century. Of course, the NDP and Liberals with them later opposed the final free trade document, but it was an opposition based on the details of the agreement, not an opposition based on the principle.

This government believes in the principle of increased free trade as well. We are not opposed in principle to the idea of a Canada-U.S.-Mexico agreement. We also recognize the danger of a bilateral agreement between the United States and Mexico. That outcome would allow the United States to establish a hub and spoke trade system for companies that wished to obtain the best access to the largest total market and which would locate in the United States rather than Canada.

However, this government is not prepared to give the federal government a blank cheque on these negotiations. We will not support a Canada-United States-Mexico free trade agreement unless it meets the following six conditions.

First, trilateral negotiations must not result in a renegotiation of the current Canada-United States Free Trade Agreement. Canada negotiated a number of important provisions which safeguard important areas such as Canada's cultural industries, and these must not be given up in any trilateral negotiations.

Second, Manitoba believes that Canada must seek assurances that under any free trade agreement, labour standards in Mexico will improve in line with Mexican prosperity and will be adequately enforced. For free trade to be of benefit to Manitoba, we need a level playing field. We will not accept lowering of our own labour standards, so we must ensure that Mexico raises its own.

Third, Manitoba believes that negotiations between Canada, the United States and Mexico must encompass a broad coverage of issues with respect to environmental standards. Manitobans are concerned that Canadian environmental standards may gravitate to the lowest common denominator, low Mexican standards or, if the current divergence in standards continues, pollution intensive industries will be tempted to relocate to Mexico unless some agreement on environmental standards can be reached.

Manitoba believes that we must strive to develop an agreement among the three participants on a common set of base-level environmental standards

which all three countries would be required to meet. We think a trilateral agreement should be an opportunity to raise standards, not an incentive to lower them.

* (1345)

Fourth, Manitoba calls upon the federal government to ensure that comprehensive and adequately funded adjustment measures be provided to ensure that Manitoba and Canada are equipped to capitalize on the opportunities provided by trade liberalization. In addition to the ongoing adjustments associated with the globalization of the world marketplace, rapid technological change, changing consumer demands and normal adjustments within the labour force, a North American free trade agreement will necessarily entail further adjustments within the Manitoba economy. It will be vitally important for comprehensive and adequately funded programs to be in place to handle all of the adjustment needs of Manitobans.

Fifth, Manitoba stresses the need for consistent policies throughout the federal government to reinforce the efforts and needs of Manitoba businesses in adjusting to trade liberalization within a globalized world market. Consultations with a wide range of business groups in Manitoba have confirmed Manitoba's view that federal monetary policy over the past three years has operated to deny Canadian businesses the full advantage of the Canada-United States Free Trade Agreement and, indeed, has led to severe pressure being placed on a number of sectors due to increased imports from the United States, largely as a result of an overvalued Canadian dollar.

It is fundamentally wrong for the federal government to implement a major trade agreement involving fundamental restructuring of the economy and then to deprive businesses of a fair opportunity to adjust. For Manitoba's and Canada's businesses to prosper under a liberalized North American trading regime, enhanced access must be reinforced through supporting domestic monetary and exchange rate policies, as well as a comprehensive labour adjustment program.

Sixth, Manitoba urges the federal government to follow through on its commitment to involve provinces in developing the Canadian mandate and objectives and to implement full provincial participation throughout these negotiations.

International trade negotiations frequently involve areas which are neither under direct provincial jurisdiction nor are of significant economic interest to the province. In this context all provinces in Canada have called for the federal government to establish a formal federal-provincial agreement outlining the mechanisms for federal-provincial co-operation in this area.

Mr. Speaker, those are our six conditions. There are not many of them, but they cover a lot of ground. If they are met, we will have free trade on terms we can live with. If they are not met, I will oppose the agreement.

Naturally Manitobans will look to the federal government's record on our current Free Trade Agreement to assess their commitment to these conditions, and that record will give rise to some concern. When you weigh the costs and benefits of the United States Free Trade Agreement in Manitoba, as groups like the Canada West Foundation have done, there is no question that on balance we have gained. However, if the federal government had implemented the conditions we have now set for the North American free trade agreement upon completion of the Canada-United States Free Trade Agreement, there is no question that the cost would be less and the benefits greater.

The federal government can and should take immediate action in a number of areas. First, they can deliver on the adjustment programs they promised in the Canada-United States negotiations and set out in the de Grandpre Report and elsewhere. Second, they can change their monetary and exchange rate policies which limit the ability of Canadians to secure the benefits of the United States Free Trade Agreement. Third, they can live up to their commitment to work with the provincial governments in the implementation of the current Free Trade Agreement. Problems have emerged over the past several years in securing meaningful provincial participation, especially in the dispute settlement mechanism. Canada is a complicated country with powers and responsibilities divided between the two levels of government. We must work together effectively if we are to live up to our responsibility to the citizens we both serve. Those are three areas the federal government can move on now to convince us to support them later.

Let me summarize our position briefly. We will not support a North American free trade agreement

unless all six conditions are met. It is that simple; it is that firm. If the federal government accepts our conditions, we believe we will have free trade we can live with and they will have our support. However, these conditions are our bottom line. Any agreement that fails to meet any one of these concerns is an agreement we will oppose.

Thank you for your attention.

* (1350)

Mr. Jerry Storie (Flin Flon): Mr. Speaker, I, first of all, want to thank the minister responsible for Trade for tabling the government's position on free trade with Mexico prior to his attending the Trade ministers' meeting tomorrow in Ottawa.

We have been asking for some time for the minister to table the Manitoba position, and prior to that, we have been asking this minister to consult with Manitobans. In fact, many months ago we asked the minister to establish a task force to assess the implications of the Free Trade Agreement with the United States.

It will come as somewhat of a surprise to Manitobans today to find the government finally acknowledging, at least in part, that Free Trade Agreement has not worked for Canada nor for Manitoba. Unfortunately, there is not a significant recognition of the negative impacts of the Free Trade Agreement, nor is there significant understanding, it appears, of the ongoing implications of that agreement for our economy, particularly our manufacturing and our industrial sector.

Mr. Speaker, the shortcomings within this statement are many. First, there has been no broad consultation with the establishment of these six so-called principles. Why does the government not take this opportunity to go now to meet with a broad array of groups to discuss what potential flaws there might be in a free trade agreement with Mexico. The six principles were designed by the Minister of Industry, Trade and Tourism (Mr. Stefanson) in his office. They were not designed in consultation with the broad array of Manitobans, and they were not discussed with members of the Legislature.

Mr. Speaker, the six conditions which he laid out are in and of themselves significant. They are important conditions that I hope we would, at a minimum, attach to our agreement to be a party to any discussions with respect to free trade with Mexico, but there are some glaring omissions in this.

The most obvious, I believe, is the question of energy. We have lost control of our energy, our oil, our gas and our electricity, our hydro-electric energy. In fact, the minister of commerce from Mexico has made it very clear to the Americans that oil and gas will not be on the free trade agenda, under no circumstances. I would urge this minister, as one of the conditions, one of the principles that we establish is that, under no condition, will there be any further erosion of our energy position, because of our abundance of energy, through any of the agreements.

Mr. Speaker, in fact, we should be going the other way. In my opinion and the opinion of many, the principles that are established with respect to cultural industries are very real. There is not an acknowledgement at this point, certainly by the federal government, that in fact our cultural industries are under attack. Everyone in this Chamber knows that, with the cutbacks to the CBC and the difficulties being experienced by media, both print and broadcast media across this country, our industries are in jeopardy. There is no mention of water in this agreement. Manitoba has the privilege of having at its disposal a vast amount of fresh water. There is no mention of our position as a water resource rich province. I think Manitobans would want that to be protected as well.

Mr. Speaker, it is interesting that we have seen somewhat of a conversion. The First Minister in the televised debate in September of 1990, prior to the election, said unequivocally that he was opposed to free trade. We are now seeing reneging on that position. They are not opposed to free trade with Mexico. With all due respect to the Minister of Industry, Trade and Tourism (Mr. Stefanson), and I respect his integrity, sitting down and negotiating with a federal government that does not share, certainly, the respect of the vast majority of Canadians is not going to give anybody any comfort about Manitoba's position. I would like the minister to undertake to flesh out the details of the six principles and add at least three more, dealing with culture, dealing with energy and dealing with water.

Then I would like the minister to finally table information for public edification about the real impact of the Free Trade Agreement thus far on Manitobans and their economy, because we cannot get into, even with these six principles, another free trade agreement until we understand what the implications of the last agreement were. I think that

would be folly, Mr. Speaker, and if the minister proceeds to take any other position to Ottawa, it will be a mistake.

Mrs. Sharon Carstairs (Leader of the Second Opposition): What we seem to have here today is the beginning of the conversion on the road to Damascus. Unfortunately, the conversion does not go all the way. If the government of the day had taken these principles into the original U.S.-Canada Free Trade Agreement, they would not have accepted such blind faith as they accepted it out on the campaign trail in this Legislature hour after hour after hour.

* (1355)

They have said in this presentation today that the Liberals and indeed the New Democrats had supported the concept of free trade in the past. Well, I cannot speak for the NDP and will not, but I will say very clearly that, yes, we have supported the concept of free trade. We certainly did not support the U.S.-Canada Free Trade Agreement as enunciated by one Brian Mulroney and Ronald Reagan because there was nothing about a level playing field in that agreement, and that is what was fundamentally wrong with it.

I think it is important that we go through his six points and indicate the difficulties that we have with them. First, they indicated that trilateral negotiations must not result in a renegotiation of the current Canada-U.S. Free Trade Agreement. Well, perhaps that is not the spot for it to be renegotiated, but certainly, the Canada-U.S. Free Trade Agreement must be renegotiated because it is not working in the best interests of Canadians.

There are two very significant things which Mexico and the United States are not putting on the table in terms of this agreement that they certainly had on the table with regard to the negotiations with Canada. One of them is energy and the other is water. Now, there is not a great abundance of water in Mexico, but there certainly is an abundance of oil. They are an oil exporting country, and yet they have been able to completely remove this from the negotiating process. We have not been able to remove it from the Canada-U.S. Free Trade Agreement, even though it is not an appropriate issue in terms of our national sovereignty.

Secondly, they indicated that Manitoba must seek assurances that, under any free trade agreement, labour standards in Mexico will improve and will be

adequately enforced. When is that improvement going to take place, after all the industries have already moved to Mexico, after they have already moved to southern United States where there are already minimum wage laws considerably below the minimum wage laws in this country? Is that the kind of thing this government is going to accept?

Surely, if there is going to be an agreement in which labour standards will improve, then those labour standards improvements must be very directly tied to any implementation of any agreement whatsoever, and that is certainly not called for in the minister's statement today.

Thirdly, he said, they must encompass a broad coverage of issues with respect to environmental standards and goes on to say that they may gravitate to the lowest common denominator. We find that an interesting statement for this government to make in that they were quite prepared to have joint environmental assessments in this country that did gravitate to the lowest possible standards. So excuse us if we do not have a great deal of faith in what this government means by lowest common denominator standards.

They said that comprehensive and adequately funded adjustment measures be provided to ensure that Manitoba and Canada are equipped to capitalize on the opportunities. Well, is that not wonderful? They finally have learned the word "adjustment." We have a labour adjustment strategy in this province that allows us to spend 2 cents a worker as a result of the Canada-U.S. Free Trade Agreement. There has been no recognition that adjustment has been an essential component of any free trade agreement with any nation of the world. This government has simply opted out of their responsibility with respect to that kind of adjustment.

In the fifth and the sixth, they spend long words in developing the idea of how we have to help businesses adjust. Well, Mr. Speaker, we are deeply saddened that they have spent far much more time and energy in worrying about how businesses are going to adjust without wondering how those employees of those businesses are going to adjust, because it is the employees who are suffering as a result of the Canada-U.S. Free Trade Agreement.

We have seen a number of Manitoba companies do quite well south of the border. They have

exported jobs south of the border. That may have made their bottom lines as companies much more viable. It certainly has not improved the lot of workers in the province of Manitoba, and that is in part why we have the largest number of people on welfare in the city of Winnipeg in the history of Winnipeg welfare. It is the reason why we have the highest number of people on UIC claims.

In terms of the statements that the minister has made today, quite frankly, they are woefully inadequate, if this is what he is prepared to enter into, an agreement with Canada, U.S. and Mexico.

* (1400)

ORAL QUESTION PERIOD

Civil Service Appointments Investigation—Terms of Reference

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, today we learned that the federal government has fired Mr. Beirnes, dealing with the immigration scandal and allegations of conflict of interest. We have been raising questions in this Chamber for weeks now about the relationship in the immigration scandal with this government and asking for this government to come clean and have an independent inquiry.

We know that Mr. Paqueo was involved with the Premier's (Mr. Filmon) leadership. We know that Mr. Gajadharsingh was involved with the Premier's leadership. We know that Amarjeet Warraich was involved with the Premier's leadership, and we know that they all worked together with Mr. Beirnes.

We have been asking questions and getting no answers. Eight weeks ago we raised the conflict-of-interest issue with Mr. Gajadharsingh, and the government, a couple of hours later, in their damage control method, suspended him with pay and asked that the Civil Service Commission investigate that allegation. Mr. Speaker, it was the Civil Service Commission that agreed with cabinet to appoint Mr. Gajadharsingh to a \$63,000-a-year job.

My question is to the minister of the Civil Service Commission, and it has been a question that we have raised before: Where are the terms of reference that we asked for and you promised us in this House so that we know what you are investigating, and when can we expect the results of the investigation that the government said they would conduct on this political influence affair?

Hon. Darren Praznik (Minister responsible for The Civil Service Act): Yes, Madam Chairperson, as I believe the Premier (Mr. Filmon) has indicated in the—pardon me, Mr. Speaker. It has been a long week, and we have had a lot of Madam Chairpersons.

Mr. Speaker, as has been indicated in the House, the Civil Service Commissioner who has been charged with reviewing the situation with respect to compliance with The Civil Service Act, Mr. Paul Hart, is conducting that investigation, and I would invite the Leader of the Opposition, if he would like to contact Mr. Hart to find out when that report will be ready, that is Mr. Hart's purview. When he has completed it, then it will be available.

Mr. Doer: We get damage control, we get haughty answers from haughty ministers in this government, arrogant answers, Mr. Speaker, about very important questions. If the minister read the Premier's (Mr. Filmon) comments in Hansard, he would know that the Premier said that it was his clerk of cabinet that convened together the various senior officials of government to start this investigation, and the minister has not, for eight weeks, given us the terms of reference.

Civil Service Appointments Investigation—Terms of Reference

Mr. Gary Doer (Leader of the Opposition): A further question to the Deputy Premier (Mr. Downey): Does the Civil Service Commission have the ability to investigate itself, given the fact that they supported the Order-in-Council of Mr. Gajadharsingh? Does it have the ability to investigate itself in terms of the appointment that they agreed to, that cabinet made with that individual for the \$63,000-a-year job? Does it have the legal authority to investigate appointments made by cabinet, political appointments pursuant to the Orders-in-Councils that cabinet make? Does it have that authority? Is it conducting those investigations in this inquiry?

Hon. James Downey (Deputy Premier): Mr. Speaker, as the member is well aware, the Civil Service Commission have been requested as an independent review group to look at the whole question which has been raised by the member opposite. I would not, at this point, think that there was anything that they would be asked to investigate that would not be within their purview and within their ability to do so. I am sure, if that had

of been the case, the Civil Service Commission as an independent body would have reported back to the government and the Legislature if they had not had the ability to do so.

Michael Bessey Investigation

Mr. Gary Doer (Leader of the Opposition): First of all, the Deputy Premier does not know. Secondly, we have no report back from this government about the terms of reference or whether the terms of reference over the last eight weeks of the investigation include political influence. So we get stonewalled and whitewashed from this government when we have called for a public inquiry.

I would ask the Deputy Premier: Has the Civil Service Commission in the last eight weeks met with, interviewed and investigated one Michael Bessey, Secretary to the Treasury Board of Cabinet, a board that is chaired by the Premier?

Hon. James Downey (Deputy Premier): Mr. Speaker, I would take that question as notice.

Mr. Doer: Mr. Speaker, again, the government tells us that everything is under control, yet they cannot tell us what the terms of reference are and who has been investigated by the government.

Mr. Speaker, in documents tabled in the court yesterday, the RCMP has asked for notes, videos, pictures, other documents and copies of material from Amarjeet Warraich, Claro Paqueo, Seech Gajadharsingh, and Mike Bessey and on top of that, the Maple Leaf Fund, of course, which is well known to this government with Bob Kozminski.

I would ask the Deputy Premier why the government is not aware of whether Mr. Bessey has been investigated? Who will investigate Mr. Bessey, who is an Order-in-Council cabinet appointment that reports to the Premier (Mr. Filmon) of this province and therefore, obviously, should be subject to an independent investigation?

Mr. Downey: Mr. Speaker, I cannot quite understand where the Leader of the Opposition is coming from. It is an independent RCMP investigation that is being carried out. It is an independent Civil Service Commission inquiry that is being carried out. Now he is asking for the provincial government to be involved in that inquiry. He cannot have it both ways. It truly is an independent inquiry by the RCMP and by the Civil

Service Commission, no involvement by the government.

If he has additional information, Mr. Speaker, that either the RCMP and/or the Civil Service Commission should be aware of, he is quite free to do so. If he is unable to, we can advance that information for him. It is independence he has been calling for. It is independence that he is getting.

Mr. Doer: This government is just dealing with this issue the same way the federal Tories dealt with Al-Mashat, absolutely the same way, damage control, denial, whitewash. I mean it is just day after day after day, because the trail leads right into the Premier's (Mr. Filmon) office.

Civil Service Appointments Independent Inquiry

Mr. Gary Doer (Leader of the Opposition): I have a new question to the Deputy Premier.

On January 4, 1991, in the diary of Mr. Claro Paqueo, he had a meeting to discuss with Mike Bessey, Ron Beirnes, Seech Gajadharsingh and others' projects and getting ready for other business deals. Who is investigating that issue, Mr. Speaker?

Hon. James Downey (Deputy Premier): Mr. Speaker, as I have said previously, and I will say it again, the RCMP are doing a complete and independent investigation. The Civil Service are mandated to do a complete and independent review of all of the activities. That, I believe, is adequate to disclose, to show the whole activity of which the member is asking about, completely independent of government.

Mr. Doer: Why is this government afraid to have an independent inquiry? What are they hiding? All three of the individuals involved in the immigration scandal and allegations were appointed by this government. They were all involved in the Premier's leadership. How can we and the public be possibly sure that we have an independent inquiry when we have the most senior people in the Premier's (Mr. Filmon) office, who are now named in affidavits and documents before the courts and the government, cannot give us terms of reference, or it cannot give us any conclusions for any of their reports?

Again, on March 11, 1991, Mr. Bessey met at the Marigold Restaurant with Ron Beirnes, Seech Gajadharsingh and others to discuss Asian

Manitoba Investment Ltd. funds. Further, we have meetings and discussions between Mr. Warrach and Mr. Paqueo that have been documented in court documents. Again, I think the government owes the Winnipeg Sun a very big apology. Further, why will the government not give us an independent inquiry outside of the Civil Service? If they have nothing to hide, why can we not have an independent inquiry to which we are entitled?

* (1410)

Mr. Downey: Mr. Speaker, the member referred today to a document which was an investigation by a department of the federal government and action taken.

We are having carried out, by the RCMP and the Civil Service Commission, a complete and entire review of the activities of which the member is referring, complete independent review. We are not able to comment until information does in fact come from that review, either the Civil Service or the RCMP. If the member has information that should be provided to the Civil Service Commission and/or the RCMP, I invite him to do so.

Mr. Doer: Mr. Speaker, again the Premier (Mr. Filmon) is wrong. They are not documents that are filed by the federal government. These are documents filed by the RCMP in court. They are documents that lead right to the Premier's most senior person in his office, Mr. Bessey, the secretary to the Treasury Board of cabinet, a long-time confidant and the right arm of the Premier of this government.

We have been calling all along for an independent investigation outside of government. The Civil Service Commission and all the other people whom the Premier has appointed to deal with this issue have just damaged the control and it is a whitewash.

Will this government finally agree to the kind of process we have with the Hughes Inquiry? At least Bill Vander Zalm asked for Ted Hughes to come in and investigate himself. Why is this government afraid to have somebody like Ted Hughes investigate these allegations?

Mr. Downey: The document I referred to earlier was a department of the federal government that had done an investigation. That is the document he is referring to. As well, the information which he is talking about today is a result of inquiries taking place. I will repeat it for the member in case he does not clearly understand. There is a total and

complete RCMP investigation taking place. There is an independent Civil Service Commission review taking place, a commission which was in place during the NDP administration. I am telling you that we have been clearly explaining the process of which is being carried out and await the response of those two independent inquiries.

Immigration Consultants Mike Bessey Involvement

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, "... what a tangled web we weave, when first we practice to deceive!" The member for Inkster (Mr. Lamoureux) asked a very specific question—

Mr. Speaker: Order, please.

Point of Order

Hon. Clayton Manness (Government House Leader): Mr. Speaker, I am not quite sure where the question is leading or indeed what point the Leader of the Liberal Party is trying to make. I distinctly heard her use the words "practice to deceive." I would ask that you call the member to order and/or ask her to withdraw totally that statement.

Mr. Speaker: The word "deceive" does show up on unparliamentary language, and I would ask the honourable Leader of the second opposition party to withdraw the word "deceive."

Mrs. Carstairs: Mr. Speaker, I would withdraw, but I think it is the first time in parliamentary tradition that a quotation by Sir Walter Scott had to be withdrawn.

Mr. Speaker: I would like to thank the honourable Leader of the second opposition party.

* * *

Mrs. Carstairs: Mr. Speaker, in this House, the member for Inkster (Mr. Lamoureux) asked the Premier (Mr. Filmon) specifically whether his staff members had met with individuals such as Seech Gajadharsingh, Claro Paqueo, about issues affecting immigration and immigration investment. We were told that Greg Lyle had met only on issues affecting a civic election campaign and that no other staff had met on any other issues.

Can the Deputy Premier tell the House today how he can now explain that it is very clear that Mike Bessey has had these meetings?

Hon. James Downey (Deputy Premier): Mr. Speaker, again, let me reiterate that the government has the RCMP doing a complete and independent investigation. The Civil Service Commission are doing a complete investigation. When we receive that report, then we will be prepared to respond to that information that is in that report.

Mrs. Carstairs: Mr. Speaker, as young people would say today, get real.

Civil Service Appointments Independent Inquiry

Mrs. Sharon Carstairs (Leader of the Second Opposition): The situation is that the Civil Service Commission is reporting to a deputy minister. The deputy minister is an Order-in-Council position. How can this minister indicate that this is an independent inquiry when obviously the lines of authority that go right into the Premier's (Mr. Filmon) office himself cannot, under any guise, be considered independent when they report to a deputy minister who is in turn appointed by the Premier?

Hon. James Downey (Deputy Premier): Mr. Speaker, the information which is being used today by the opposition party has come from the RCMP work and work that has been filed in court, which these members are working upon. We are saying that there is an independent and complete report being done, and as that information is available, it will be dealt with. The very thing that they are questioning is providing them with information. I would hope that they would be responsible and not ask us as a government to get involved in an independent investigation. That is basically what they are asking for, is us to get involved in what is an independent investigation.

Mrs. Carstairs: No, Mr. Speaker, we are asking the Deputy Premier to clearly say that his investigation is a sham and that they will today call a genuinely independent inquiry.

Investigation Completion

Mrs. Sharon Carstairs (Leader of the Second Opposition): Will the Deputy Premier tell us today how the federal government seems to be able to complete its investigation by this point in time, and we have absolutely no idea when their sham of an investigation will be completed?

Hon. James Downey (Deputy Premier): I take strong exception to the Leader of the Liberal Party saying that the independent RCMP investigation and the independent Civil Service Commission investigation is a sham, an absolute, irresponsible statement of which I would think she would reflect upon and the people of whom she is now saying that this is not an independent investigation.

I would expect her to apologize to the RCMP and the Civil Service Commission who are in fact doing the work. Is she asking that we now become involved in the Civil Service Commission investigation, something that she is saying that we should not do from Day One, that we should have it as an independent investigation? That is what it is, Mr. Speaker, and we are not getting involved.

Mrs. Carstairs: Let us get the record absolutely clear. No one in this House had challenged the independence of the RCMP. We have indicated from Day One that their investigation is of a criminal nature, and it is fully and totally independent.

Independent Inquiry

Mrs. Sharon Carstairs (Leader of the Second Opposition): What we have also questioned from Day One is the reluctance of this government to do the right thing and appoint a truly independent inquiry, not one that reports to their deputy minister.

Can the minister of the House today give one reason, one, one reason, why they will not make this into a genuinely independent process?

Hon. James Downey (Deputy Premier): The information which has been talked about here today has come from activities that have already been worked on by the RCMP, by the federal government Department of Immigration. That information has been brought forward and is being used by the members of the opposition today. I have not seen one bit of evidence from the members opposite, other than that they are wanting us to get involved in the independence of the Civil Service Commission. The Civil Service Commission is independent of the government. The RCMP are independent of the government, and they are carrying on with their work activities.

Free Trade Agreement—Mexico Manitoba Interests

Mr. Jerry Storie (Flin Flon): The more one reads the minister's statements on the potential free trade

agreement with Mexico, the more you begin to understand that this government is finally beginning to appreciate the problems that the Free Trade Agreement with the U.S. is creating for us, including the question of a level playing field when it comes to labour standard and wages, environmental legislation and so forth.

The minister in his ultimate paragraph says that, if the federal government accepts these conditions, then we will have a Free Trade Agreement that, I quote, we can live with.

My question is to the Minister of Industry, Trade and Tourism. Does this minister trust the federal government, Michael Wilson in particular, to negotiate an agreement in the best interests of the province of Manitoba, let alone Canada?

* (1420)

Mr. Speaker: Order, please. The honourable member's question seeks an opinion, therefore is out of order. I would ask the honourable member to rephrase his question.

Mr. Storie: Mr. Speaker, my question to the Minister of Industry, Trade and Tourism is then: Can this minister indicate what aspects of the Free Trade Agreement with the United States, which are working to our detriment, he will ask Mr. Wilson to change should there be any agreement with United States, Canada and Mexico?

Hon. Eric Stefanson (Minister of Industry, Trade and Tourism): Mr. Speaker, I think, if the honourable member takes the time to read the entire text of the statement made this afternoon, he will see that we outline certainly that overall the Free Trade Agreement with the United States, as indicated by the Canada West Foundation, the Royal Bank and others, has resulted in a net benefit to Manitoba, but that the concerns we do have are outlined, the three concerns are outlined in the text primarily as they relate to the whole area of adjustments.

We feel that, unquestionably, the federal government has a responsibility. They have not lived up to that responsibility. By living up to the responsibility on adjustments, that could only enhance the opportunities that do exist under the Canada-U.S. Free Trade Agreement.

Opposition

Mr. Jerry Storie (Flin Flon): Mr. Speaker, I think most Manitobans are going to find it difficult to know

whether to trust this Minister of Industry, Trade and Tourism.

Mr. Speaker, the fact of the matter is that we have suffered under the Free Trade Agreement, and he refuses, after repeated requests to do so, to table any substantive information which would corroborate his suggestion that the free trade has helped Manitoba. Also, in Washington a few days ago, there was a Canadian study on the economic benefits of a free trade agreement with the U.S., Canada and Mexico which indicated, and I quote: concludes the only real gain for Canadians in North American free trade might be an influx of cheap Mexican goods.

In light of that conclusion, Mr. Speaker, will this minister now accept his responsibility and oppose unequivocally free trade with Mexico?

Hon. Eric Stefanson (Minister of Industry, Trade and Tourism): Mr. Speaker, again, I think, if the honourable member listened and reads the comments made today, we say unquestionably that free trade with the United States, with Mexico, can be very positive for Canada and Manitoba on a level playing field. We have attached six conditions that we feel will create that level playing field and will enhance the economic opportunities in Manitoba, along with the other initiatives that we are undertaking in the areas of taxation and improving the economic climate.

I want to correct the honourable member on a statement he made about consultation with Manitobans and with the public. We have consulted extensively with groups, with individuals, with organizations representing sectors, with labour, with academic organizations and so on throughout this province in terms of helping us come to the position that we have announced here today, Mr. Speaker.

So I do not want the honourable member to leave the impression in this Chamber and to Manitobans that it was done in isolation. It was done in consultation with Manitobans. As I have indicated in the statement today, those consultations will be ongoing, and our final position paper will be tabled fairly shortly.

Legislative Veto

Mr. Jerry Storie (Flin Flon): Mr. Speaker, I certainly and I believe my colleagues do not believe that this government is going to stand up to the set

of principles it established, that they are going to be negotiated away.

Therefore, I would ask this minister: Before this province sets its signature to this agreement, any set of principles which are about to be negotiated with respect to the Mexico-Canada free trade agreement, will this Legislature have the opportunity to veto such proposals?

Hon. Eric Stefanson (Minister of Industry, Trade and Tourism): Mr. Speaker, I want to outline—the honourable member expressed appreciation that this was tabled today in advance of the Trade ministers' meeting. The direction that Michael Wilson is looking for, his direction and support in terms of entering negotiations, we have gone further in terms of doing an analysis on a consultation, in terms of the agreement itself, and saying right up front, we might as well state that we have concerns with a potential agreement, and here are six very important conditions that should be attached. So we are a long ways from putting any signature to any potential agreement.

That certainly will be a decision that this government will make as we proceed ultimately through the negotiations on the principle and on the concept of free trade, which the Leader of the Liberal Party said she supports.

Shoal Lake Mining Exploration Ban

Ms. Marianne Cerilli (Radisson): Mr. Speaker, drinking water for many Manitobans is threatened, including the drinking water for some 600,000 Winnipeggers. This government has chosen to downplay the serious risks posed by many activities on Shoal Lake, especially mining. I am tabling a letter from the Manitoba Medical Association that was addressed to the Premier (Mr. Filmon), urging the government to take immediate steps to prohibit all mining activities in the Shoal Lake watershed and vicinity, including exploration, until such time as it can be proven that these endeavours will not place the integrity of Shoal Lake water supply under risk.

Will the Minister of Environment take this letter seriously, as it is a warning of potential health risks? Will he go beyond the 11 percent solution that he has proposed in the sensitive area regulations?

Hon. Glen Cummings (Minister of Environment): Obviously, I take any kind of comment of that nature seriously, regarding the Shoal Lake water supply,

but I would indicate that I have been aware of this letter. I believe that letter came about the same time as we released our sensitive area regulations. I still have a great deal of confidence that, if Ontario will impose similar regulations on their side of the Shoal Lake basin and impose the same controls, the same restrictions that Manitoba is prepared to impose, we will have a safe water supply for the city of Winnipeg.

Mining Exploration Ban—Ontario

Ms. Marianne Cerilli (Radisson): This government does not seem to understand the concept of a watershed, which goes beyond a kilometre of the shoreline around Shoal Lake. Has the minister received a response from Ontario to the regulations that he says will adequately protect Winnipeg's water supply from mining on the Ontario side of the watershed?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, I have been in contact with the Ontario ministry. As a matter of fact, the Ontario Minister of Environment returned a couple of my calls which—we have been unable to make direct contact in the last week, but it is my understanding that they are quite amenable to sitting down to talk about basin management. They have not responded formally to the type of regulation that we are putting forward, but I would hope that the members opposite, as well as the WPG and other groups in this city that are concerned about the water quality, would support increased regulation on the Ontario side, would support the type of initiatives that we are taking, and then we can guarantee the people that we will have safe drinking water into the future.

Bill 6 Amendments

Ms. Marianne Cerilli (Radisson): Mr. Speaker, people are asking, the public is concerned that we need to ban mining in the watershed. The government has had a few opportunities to do that. One was in Bill 6, in The Mines Amendment Act, where we proposed an amendment that would do that, and they defeated that amendment.

I would ask the Minister of Energy and Mines (Mr. Neufeld) if he will reconsider this amendment to ban mining on Shoal Lake and introduce that amendment in the third reading of Bill 6.

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, effectively, there is no mining that is about to or will take place on our side of Shoal Lake

today, because there are no further claims being allowed. There is one area where the City of Winnipeg could extract gravel. Those are the facts as they are to date. Those are the facts that the member opposite to us is conveniently ignoring.

* (1430)

Glenorchle Mobile Home Park Water Supply

Mr. Paul Edwards (St. James): Mr. Speaker, the importance of a safe and reliable water supply for all Manitobans for their public health can hardly be overstated. Therefore, it is with considerable concern that we learn that several residents of a trailer park in St. Francois Xavier have been without water for some 15 days. Public health inspectors in the Department of Environment are responsible for doing inspections under The Public Health Act, but they have no jurisdiction to actually enforce the act. This is done by the Health department.

My question for the Minister of Environment: The owner of the trailer park, Mr. Ron Orchard, has a history of not providing proper water services dating back to at least 1988. Given this record and a prior conviction under that act, why did his department wait a week before referring the matter to the Health department for action when people were without household water, obviously a health hazard, and when the owner was failing to take action to repair the water main break, but more than that, was not even providing an alternate water supply for the short term?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, there was some delay in that information being, first of all, brought to the attention of our department.

Secondly, the department has now undertaken with the Department of Health to develop a strategy to see if there is leverage we can use, regulations that we can use, to require Mr. Orchard to supply the quality water that the residents of his trailer court expect.

Frankly, I guess the real question is why there was not a better interim supply provided to the residents of that trailer court because it is not unusual either there or in urban settings to have a water main break. It is unusual, however, to have it last this long and for the residents to be left without any supply. We intend to move and use every bit of authority that

we have to make sure that they do get potable drinking water.

Mr. Edwards: I appreciate the minister's commitment of fast action now. The point is that his department delayed a week in getting that information to the Health department for enforcement, and I look forward to an answer to that delay.

My supplementary question for the same minister: What steps will his department be taking now to, in fact, ensure that the owner repairs the water main, and what steps will he take immediately to ensure that there is, as there is in urban centres and other centres around this province, a short-term water supply in the form of water storage tanks that are brought on trucks? Why has this trailer park not been given at least that short-term supply of water?

Mr. Cummings: Mr. Speaker, that is one of the questions that the officials of our department should have been asking Mr. Orchard. We intend to seek those answers and try to get the problem rectified as quickly as possible.

Public Health Inspectors Departmental Authority

Mr. Paul Edwards (St. James): Mr. Speaker, I look forward to a complete answer to these questions in due course when the minister knows what actually happened.

Finally for the minister: Manitoba is the only jurisdiction in the country where public health inspectors do not fall under the control of the Health department. The splitting of inspection and enforcement is indeed unique to Manitoba and appears to blur the lines of authority and perhaps slow the delivery of these services.

For the minister: Given that many of the people involved have advocated bringing both under the same authority, can the Minister of Environment tell the House why our system is still split between the departments of Environment and Health, and can he indicate whether or not there are any plans or any reviews being done to ensure that delivery occurs more speedily in the future and that there is not that blurring of the lines between the two departments?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, obviously, any slowdown in communication is not desirable and one which I do not believe is normal. The fact that I want to put on the record regarding this sharing of responsibility is

that, because the Department of Environment has access to, I believe it is, some 35 to 40 PHIs which also help enforce The Environment Act across the province, it allows for a multidisciplinary response from the single individual where we have small communities and cannot have a large work force on hand responsible for separate acts. I believe it is a very responsible use of taxpayers' money and a most efficient deployment of resources.

Because this one particular case has not proceeded as quickly as it should have, and I will get to the bottom of that, I want to assure you, Mr. Speaker, that we do believe it is a very efficient delivery.

Lake Winnipegosis Cormorant Population

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, my question is for the Minister of Natural Resources.

Mr. Speaker, in most cases, when people have a problem with animals or birds that are impacting on their ability to make a living, controls are put in place to help them. For example, when bears are impacting on the beekeepers, they are allowed the control. When beavers are impacting on municipalities, they are allowed the control. Mosquitoes, when they impact on the city of Winnipeg, are allowed to be controlled.

However, Mr. Speaker, the cormorant are having a devastating impact on the fishing stocks in Lake Winnipegosis. Fishermen have pleaded over and over again with this minister for assistance but have had no response.

Will the Minister of Natural Resources tell this House why he is ignoring this group of people and why is he reneging on his commitment that was made by both himself and his staff to control the cormorant?

Hon. Harry Enns (Minister of Natural Resources): Mr. Speaker, I would be certainly persuaded to move perhaps more diligently in this matter if the honourable member, the MLA representing the area, would ask me to do so, would ask me to—and a representative of the New Democratic Party would ask me to kill birds and species that are on the protected list, or would ask me to do something else to their eggs.

I am awaiting a spokesperson from the New Democratic Party opposition, and the member

particularly, to advise this minister as to what to do with the situation at Winnipegosis.

Ms. Wowchuk: Mr. Speaker, I am not an expert. The minister has all kinds of staff biologists, people who should be dealing with this problem, and he should know what the answer is.

Mr. Speaker, I would like to ask the minister, has there been an environmental study done on these birds as to what impact they are having on the fish, on the lake and on the islands surrounding it? Did he do this study, or did he just chicken out?

He should go out there and look at those islands because the islands are—

Mr. Speaker: Order, please. The question has been put.

Mr. Enns: Mr. Speaker, I am flattered that she acknowledges that I am an expert. I hasten to say I am a rancher. I am not an expert on wildlife matters.

I have good and dedicated expert advice in my department which does not seem to carry too much weight too often with honourable members opposite on other environmental issues having to do with the welfare of marshes, et cetera, and other measures of controls and things like that.

I ask again, is the member for Swan River specifically asking my department to carry out control measures, which means killing cormorants, in her area?

Ms. Wowchuk: Mr. Speaker, my question is to the same minister.

Will the minister prepare a plan from his department that allows us to see whether it is a good plan, and will he take steps to control these birds to help the people? There are many controls that can be done, a simple yes or no.

Mr. Enns: Yes, Mr. Speaker, to the honourable member, I will undertake to do precisely that. I would ask her to undertake to have discussions with the Manitoba Naturalists Society and other organizations, her colleague the member for Radisson, that an agreed-to solution to the problem would then be supported by her and her party.

Child and Family Services Volunteer Role

Ms. Becky Barrett (Wellington): Mr. Speaker, the Fight Back Against Child Abuse campaign has, since the advent of this government's Child and

Family Services superagency, lost one-half of its volunteers, largely, according to the co-ordinator of that program, because they do not feel part of an organization that fires 90 volunteer board members and takes away the community participation and ownership of services to children and families in Winnipeg.

In light of this massive decline in volunteers, not only in the Fight Back campaign but in every other area of the work of this system, what suggestions can the minister give? What plans has he formulated in light of his statement in the House on June 25 that he was encouraging the Fight Back campaign and other initiatives supported by volunteers to continue? What help does he have to give to those organizations, those initiatives?

Hon. Harold Gillieshammer (Minister of Family Services): Mr. Speaker, yes, we encouraged the Fight Back Against Child Abuse campaign, which is a community-based effort. We have given substantial funding to have that effort begin. It is a great campaign, and it is supported by government.

In her comments about the new agency, I would hasten to remind her that we have indicated that there will be four quadrants of the city which will have considerable input and advice that they can give to the new board and that they will have the capacity to elect board members to this new board. We welcome the input of volunteers, and the volunteer co-ordinators that were part of the old agency system have been retained as part of this new agency.

I would also point out to her that the new president of the agency, Ms. Helen Hayles, has worked many, many years developing volunteerism as executive director of the volunteer centre and strongly supports the use of volunteers to assist children and families across this province and certainly in the city of Winnipeg.

* (1440)

Ms. Barrett: Mr. Speaker, the volunteers of this agency are voting with their feet. Several child abuse workers and other full-time staff members of the superagency have been seconded to work full time on the Fight Back campaign in place of the volunteers who have left.

What plans does the minister have to guarantee that the needs of the abused children, whom these workers were working with before they were seconded, are met while their counsellors are forced

to sell buttons and T-shirts, a job done by volunteers just three weeks ago?

Mr. Gilleshammer: Mr. Speaker, the Fight Back Against Child Abuse co-ordinator has met with the executive director of the new agency and asked for some support, and that support has come by way of the fundraisers who were part of the existing agencies. The people who were working to develop—volunteers have agreed, the board and the executive director has agreed to work with this community group, the Fight Back Against Child Abuse, and there should be no impact on the service that is delivered by the agency to remedy the problems that are reported with children and families in the system.

Mr. Speaker: Time for Oral Questions has expired.

Nonpolitical Statements

Mr. Bob Rose (Turtle Mountain): Mr. Speaker, may I have leave to make a nonpolitical statement?

Mr. Speaker: Does the honourable member for Turtle Mountain have leave?

Some Honourable Members: Leave.

Mr. Speaker: Leave? It is agreed.

Mr. Rose: Mr. Speaker, it was my pleasure this morning, along with the Honourable Bonnie Mitchellson and the Honourable Jack Penner, to travel to Clearwater, Manitoba, where we had the honour of unveiling the historic sign and designating Highway No. 3 as the Boundary Commission North West Mounted Police Route along that portion of Highway No. 3 from Morden to the Saskatchewan border, and from Emerson to Morden.

As was pointed out in the House a week ago by the Honourable Jack Penner, the wagon train that makes this trek once a year began last week at Emerson and arrived this morning in Clearwater, which is more or less the halfway point on that historic trail. Clearwater is the only existing town which is still on the actual trail.

The Boundary Commission, as you know, was set up to survey the 49th Parallel, and the trail was followed later on by the North West Mounted Police association as they moved west to bring law and order to Alberta. Along this historic trail are 170 historical sites, 23 fur trading posts and eight Indian sites of special significance.

I believe that all honourable members will join me in congratulating the people responsible for the work

that went into the promotion and the preservation of this thing of a historical significance and also congratulate all those who were involved in having the highway designated and helped to preserve our history and our heritage. Thank you.

House Business

Hon. James McCrae (Minister of Justice and Attorney General): Mr. Speaker, I seek the leave of the House to move, seconded by the honourable Minister of Environment (Mr. Cummings), that the report of the Judicial Compensation Committee, tabled in this House on July 4, 1991, be referred to the Standing Committee on Privileges and Elections for consideration and report back to this House.

Mr. Speaker: Does the honourable Minister of Justice and Attorney General have leave that the report of the Judicial Compensation Committee, tabled in this House on July 4, 1991, be referred to the Standing Committee on Privileges and Elections for consideration and report back to this House? Does the honourable minister have leave?

An Honourable Member: Leave.

Mr. Speaker: Leave. It is agreed.

Motion agreed to.

ORDERS OF THE DAY

House Business

Hon. Clayton Manness (Government House Leader): Mr. Speaker, it is my intention to call bills for today. First of all, I would ask the members whether there is a willingness to waive private members' hour.

Mr. Speaker: Is it the will of the House to waive private members' hour?

Some Honourable Members: Leave.

Mr. Speaker: Leave. It is agreed.

Mr. Manness: Mr. Speaker, I would also like to serve notice that there will be a standing committee tonight, that being Law Amendments. It will consider these bills: Bill 2, if that passes today; Bill 45; Bill 47, and I will make a motion dealing with 47 moving it out of one committee back into another in a moment; Bill 61, if it passes in the House today; Bill 63, also if it passes in the House today; 64, which has passed second reading; Bill 71, if it does pass second reading today; and also Bill 75, if it passes second reading today.

Furthermore, Mr. Speaker, I would serve notice that tomorrow night, Wednesday, Law Amendments will sit to consider Bills 4, 51, 69, 73 and 50. Some of those bills have passed, but if the others would pass today, then they would be considered tomorrow night in Law Amendments Committee.

Also, I would serve notice that if Bills 35 and 68 received passage either today or tomorrow that possibly—well, I will call Municipal Affairs for tomorrow night at eight o'clock.

Mr. Speaker, all these committees to convene at 7 p.m.

Mr. Speaker: I would like to thank the honourable government House leader for that information.

Mr. Manness: Mr. Speaker, with respect to Bill 47, I move, seconded by the Minister of Highways and Transportation (Mr. Driedger), that Bill 47, The Highway Traffic Amendment and Consequential Amendments Act; Loi modifiant le Code de la route et d'autres dispositions législatives, be withdrawn from the Standing Committee on Public Utilities and Natural Resources and transferred to the Standing Committee on Law Amendments, by leave.

Mr. Speaker: Does the honourable government House leader have leave?

Some Honourable Members: Leave.

Mr. Speaker: Leave? It is agreed.

Motion agreed to.

Mr. Manness: Mr. Speaker, will you call Debate on Second Readings of the bills in this order: First of all, Bill 71, then Bills 2, 35, 50, 54, 59, 61, 63, 65, 69, 73, 75 and the last Bill 68.

DEBATE ON SECOND READINGS

Bill 71—The Mineral Exploration Incentive Program Act

Mr. Speaker: On the proposed motion of the honourable Minister of Energy and Mines (Mr. Neufeld), Bill 71, The Mineral Exploration Incentive Program Act; Loi sur le Programme d'encouragement à l'exploration minière, standing in the name of the honourable member for Dauphin (Mr. Plohman). Stand?

An Honourable Member: No.

Mr. Speaker: No. Leave?

An Honourable Member: No.

Mr. Speaker: No. It is denied.

Mr. George Hickes (Point Douglas): It gives me pleasure to speak to this bill today. In the past we had \$25 million under the mineral development agreement that was cost-shared between the federal government and the provincial government. Now we see where we have a new agreement that is coming in with \$10 million, which is a far cry from the \$25 million that we had for exploration. It is a decrease of \$15 million, and I guess if that is the best negotiation that the government can do, so be it.

We know that mining, oil and gas sectors are very important and vital to our economy in Manitoba, especially in northern Manitoba. When we have agreement and availability of \$10 million, which is shared 50-50, the good thing about this agreement is that all dollars must be spent in Manitoba, which will help some of the communities in the North; also it should hopefully find some resources in much needed areas.

* (1450)

When we look in the past through the lack of participation or lack of initiative from this government under exploration development, we have seen some mines close. We have seen Tartan Lake mine, Puffy Lake mine in Sherridon, and we have seen Lynn Lake almost become a ghost town. Lynn Lake at one time was one of the most thriving communities in all of northern Manitoba.

That is why it is very important when you have exploration agreement, you have dollars available for exploration, I hope the minister and the people who make these decisions of who gets the dollars to explore where, I hope that they will concentrate and look at some of the communities that have lost their economic base, and they will look at lending dollars to an exploration company that will look for orebodies in communities like Sherridon and especially Lynn Lake. It is key that if they find some new ore in Lynn Lake to try and revitalize that community, as some of the workers and community people are still trying to hang on to their homes, and some of the businesses are still trying to cling and hoping that they will find some form of ore and revitalize that community.

The other community I hope that they will concentrate on is the community of Leaf Rapids. Leaf Rapids has sort of been up, sort of down, up and down throughout the years. I hope that they will

find some orebodies to expand the economic base there also.

Also, Mr. Speaker, while we are talking about mining communities, some of the key mines and the mining communities in the North, you could look at Snow Lake, Thompson, Flin Flon. Those mines have been in existence for years and somewhere along the line the orebodies that they are mining now will be depleted, so they have to look for new orebodies now in order to continue the mining in those communities.

I hope when the minister approves some of these applications that he will get, that he will ask the committee to try and concentrate in saving communities, if they find a strike wherever that is good for the economy of Manitoba, because that will generate employment opportunities. When you say that the dollars are for exploration in Manitoba, I think the whole key will be who will ensure that happens. Who will make sure that the inspection is carried out and who will be reporting to the minister to ensure that the dollars that are used from the fund are spent in Manitoba?

I think that is going to be very important. The minister has to be aware, and I hope he will answer it in his response, what he has in place to ensure that there is no chance of abuse by exploration companies or individuals that could be using this money elsewhere and to make sure that adequate inspection is carried out. As we all know, this is a much needed concept for the 1990s. We have seen where the mineral activity has dropped in the past, and we need something in place to try and stimulate the economy.

A lot of the communities in the North depend on mining. I know a lot of the northern people have spent a lot of their time exploring for ore, oil and what have you. So you need those activities to stimulate the economy, to create jobs for Northerners and aboriginal peoples that go out and stake claims and do the drilling for whatever company it is. Those are important opportunities.

That is an opportunity that we welcome. It will be new monies coming in. I hope, on the other hand, with the \$10 million that will be available to exploration companies, if they do find new orebodies or new oil and gases and create some wealth for the North, that a lot of the wealth will stay in northern Manitoba and help the communities that

need the help the most at this time. I am talking about some of the remote northern communities.

Also, hopefully we will have a big discovery and we will have lots of jobs created. I hope that the government, in its wisdom, will not lower the mining taxes to offset the benefits to the corporations that will be running those mines, instead, keep it at the same level, use that money as a heritage base or to invest it back in the North for training and job opportunities that we have lost.

You can look at various programs, the ACCESS programs, the BUNTEP programs, the Northern Youth Corps, bursaries. Those were vital to northern Manitoba. If there are orebodies found and it creates additional revenues, I hope the government in its wisdom, will use those dollars to help northern people to upgrade their education and upgrade their training and job opportunities.

I do not really want to dwell too much on it because it is a good bill. The only thing I say is that a little is better than nothing, I guess, but when you go from \$25 million to \$10 million, it is quite a drop, and \$10 million hopefully will create employment opportunities.

Mr. Speaker, I thank you for your time, and we will support the bill.

Mr. James Carr (Crescentwood): I just want to put a few thoughts on the record on Bill 71, The Mineral Exploration Incentive Act. We have seen in this session of the Legislature probably more activity in the mining area than over the last number of decades. The minister finally tabled a bill that took some two years to draft which was an overhaul of The Mines Act which apparently had not been substantially changed in 40 to 50 years.

We were able at committee, and I should say about the way the committee worked, Mr. Speaker, that I think we may have established a precedent. After we had heard from a number of presenters and had determined that the government had 46 amendments to The Mining Act, we were then able to take a recess of the committee. After having heard the presenters, there were actually four or five days made available to members of the opposition to look at the amendments proposed by the government. So when we actually dealt with the amendments, there was a good chance for members to consult experts in the field.

It was a highly technical bill, and I think the whole process of making law in this Chamber was better

served by the way in which those amendments were introduced and studied by members of the opposition.

Bill 71 is a bill that seeks to initiate a commitment to provide exploration incentives, Mr. Speaker, through mining exploration. It builds upon the federal government flow-through tax credit mechanism. We suppose if the government believes that given mining's importance to the Manitoba economy, it should be promoting exploration. We agree with the government; it ought to be supporting exploration. Because it is a hit-and-miss proposition with a very low percentage of success, there is a lot of venture capital that is required, but tends to be very scarce.

* (1500)

We hope that it works, because it is important that there be more mining exploration, particularly in northern Manitoba. In that regard, we were disappointed to look at the new federal-provincial agreement that was signed on mining exploration.

As my colleague the member for Point Douglas (Mr. Hickes) has pointed out, the old agreement was worth \$25 million. The new agreement is worth only 10. This is true not only of this particular federal-provincial arrangement, but also others. Another example that I could use would be the tourism agreement. So the agreements that were signed between the former Government of Canada have been substantially whittled away by this government, and we see the consequences of that whittling away and the commitment to mining exploration in Manitoba.

We know that other jurisdictions have done a similar thing to what the minister proposes in Bill 71. We know that Ontario, Quebec, B.C. and Newfoundland have similar programs. Spokespeople in the Mines department say that Ontario and Quebec's program is still better than the one that we are implementing here in terms of investor attraction, but this is a positive step. It may not go as far as some, but it is better than nothing at all. The system has been tested, Mr. Speaker, and there have been no examples of tax credit scams as we saw in certain R&D initiatives a number of years ago.

So, Mr. Speaker, with those few observations, our party will support this bill. There will be no other speakers from our side, and we would encourage its speedy movement towards committee. Thank you.

Mr. Speaker: Is the House ready for the question? The question before the House is second reading of—

Mr. Leonard Evans (Brandon East): Mr. Speaker, I would like to just say a few words on this particular piece of legislation, Bill 71, The Mineral Exploration Incentive Program Act. I cannot disagree with comments made by the previous speaker or indeed the member for Point Douglas (Mr. Hickes). The opposition is not opposing this particular piece of legislation. As a matter of fact, we are supporting it.

I just would note then that what we are doing here is carrying on with some type of an incentive program that has been known to have occurred in the province in the past, not in detail, but the fact is that in the past, the previous governments have provided incentives to the mining industry in the province in order to maximize jobs in order to maximize economic activity.

I am sad to say that mining has declined in this province in significance over the years. I do not have the figures with me, but it seems to me that mining at one point was much more significant than it is today. This is unfortunate because we do need jobs badly in this province, particularly in northern Manitoba where unemployment rates are extremely high. Nevertheless, I would point out that, while the initiatives are fine, by and large, what determines the amount of activity in the mining industry in the province is what happens to international prices for those particular minerals.

I think a good example is nickel mining in the city of Thompson where we have seen a flurry of activity in that city, in that industry, over the last couple of years simply because the nickel prices have soared to all-time highs. So while we do not oppose the initiative of the government, we would like to see something positive happen from this particular initiative. I, for one, would suggest that probably the most determining factor is the international price of nickel, of copper, of zinc, whatever minerals that we happen to have that we happen to produce.

With those few words, I probably will see this pass and go to the committee.

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

Mr. Jerry Storle (Flin Flon): I am pleased to join the debate on Bill 71, and to satisfy the minister responsible for this bill, the Minister of Energy and

Mines (Mr. Neufeld), I too will speak in support of the bill.

Mr. Speaker, the fact of the matter is that mineral exploration has taken a nose dive in the province of Manitoba since 1987-1988. I guess the primary reason for that was the changes in 1988 to the federal-mineral incentive exploration program which eliminated some of the benefits under, what are called, flow-through shares. The fact of the matter is that the government of the day has also failed in its responsibility to support exploration through the Manitoba mineral development corporation.

MMR has continued, I will acknowledge, to support mineral exploration to the tune of approximately \$3 million per year. However, there are many who would argue that given the difficulties that have been experienced in places like Sherridon and Lynn Lake, the concerns that are present now in the communities of Snow Lake with the closure of one mine and the potential closure of another, Mr. Speaker, there could have been additional activity that would have been warranted.

However, Mr. Speaker, on this particular bill, I think the government is attempting to provide some additional support to the federal incentive program that already exists. To the extent that that will work to the benefit, particularly of junior mining companies, this bill is worthy of support.

Mr. Speaker, I only have two general concerns with this bill. One of them deals with the ability of the government to satisfy itself that any money that flows through this incentive program is or can be, I guess, quantified in terms of the jobs that it creates. We are all too familiar, and this government no less than any other government, with government incentive programs that have turned into boondoggles, that have expended taxpayers' monies through incentive programs without any offsetting benefit. Perhaps the most obvious example was the Scientific Research Tax Credit, which cost the Canadian economy some \$2 billion while it created virtually no additional jobs.

Mr. Speaker, we are all aware in Manitoba of a couple of very exceptional examples of rip-offs that used this program as a front. That is right, sugar from wood and some others.

Mr. Speaker I want to be assured, and I hope this minister can assure us when he closes debate, that the powers of the inspectors and that, in fact, there will be sufficient inspectors to make sure that any

work undertaken under this program, any benefits received can be translated into jobs created, mines developed, feet of exploration holes dug, development work undertaken, et cetera.

Finally, Mr. Speaker, I hope that the government will ensure that the support that can be provided through vehicles like MMR are also offered to companies looking to invest through this vehicle so there are a couple of ways, I believe, in which mining in the province of Manitoba can be supported through this legislation and that is why we will be supporting it. There are some cautions that need to be put in place, and I hope the minister will consider those cautions when he addresses the final debate on this bill, and I hope when the program is actually implemented the regulations will be such that we can assure ourselves that the taxpayers' money is in fact being well spent and well invested in this program.

Having said that, I am prepared to let this bill pass to committee. I expect that we will be in committee tonight to deal with this bill and I look forward to the minister's comments now and at committee stage. Thank you.

Mr. Speaker: The honourable Minister of Energy and Mines will be closing debate.

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, I will add just a few comments to those that have already been made by the speakers opposite. I want to thank them for the support they are prepared to give to this bill. I want to assure them that I share the concerns that have been expressed about abuses that have been attributed to tax incentives in the past and I do believe that we have enough protection built into the bill to ensure that those abuses shall not reoccur. With that, I recommend this bill to committee, and I thank you.

Mr. Speaker: Is the House ready for the question? The question before the House is second reading of Bill 71, The Mineral Exploration Incentive Program Act; Loi sur le Programme d'encouragement à l'exploration minière. Is it the pleasure of the House to adopt the motion? Agreed? Agreed and so ordered.

* (1510)

Committee Changes

Mr. Edward Helwer (Gimli): I move, seconded by the member for Fort Garry (Mrs. Vodrey), that the

composition of the Standing Committee on Law Amendments be amended as follows: Rossmere (Mr. Neufeld) for Roblin-Russell (Mr. Derkach); La Verendrye (Mr. Sveinson) for Turtle Mountain (Mr. Rose); Steinbach (Mr. Driedger) for Riel (Mr. Ducharme); and Assiniboia (Mrs. McIntosh) for Pembina (Mr. Orchard).

Mr. Speaker: Agreed? Agreed and so ordered.

Bill 2—The Amusements Amendment Act

Mr. Speaker: On the proposed motion of the honourable Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson), Bill 2, The Amusements Amendment Act; Loi modifiant la Loi sur les divertissements, standing in the name of the honourable member for Wolseley.

Stand? No.

Ms. Jean Friesen (Wolseley): Mr. Speaker, we are prepared to let this bill go to committee now. I think the general intent of it is just to create the 18-plus classification to provide some protection for minors and to create the conditions under which inspection and regulation can take place. We are prepared to hear the presentations at committee on that.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, just prior to passing this particular bill into committee, I did want to comment very briefly on the bill.

In essence, what we do need is things of this nature to ensure that our video stores and others are in fact distributing materials to individuals and members of the public in a proper fashion. This bill does seem to go in the right direction. I know the Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson) had talked at length during the Estimates process and had made mention about the bill.

We in the Liberal Party in general support it, but we will wait to hear what the minister has to say about it in committee this evening. With those very few words, I will sit down so we can pass it into committee.

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

Some Honourable Members: Question.

Mr. Speaker: The question before the House is second reading of Bill 2, The Amusements Amendment Act; Loi modifiant la Loi sur les divertissements. Is it the pleasure of the House to adopt the motion? Agreed?

An Honourable Member: Agreed.

Mr. Speaker: Agreed and so ordered.

Bill 35—The City of Winnipeg Amendment Act

Mr. Speaker: On the proposed motion of the honourable Minister of Urban Affairs (Mr. Ernst), Bill 35, The City of Winnipeg Amendment Act; Loi modifiant la Loi sur la Ville de Winnipeg, standing in the name of the honourable member for Wolseley.

Stand. Is there leave that this matter remain standing?

An Honourable Member: Stand.

Mr. Speaker: Leave. It is agreed.

Bill 50—The Liquor Control Amendment Act

Mr. Speaker: On the proposed motion of the honourable Minister of Co-operative, Consumer and Corporate Affairs (Mrs. McIntosh), Bill 50, The Liquor Control Amendment Act; Loi modifiant la Loi sur la réglementation des alcools, standing in the name of the honourable member for Dauphin.

Stand? No. Leave? No. Denied. Leave is denied.

Is the House ready for the question?

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, this is on Bill 50.

Mr. Speaker: Bill 50.

Mr. Lamoureux: Mr. Speaker, I did want to say a few words on this particular bill. From what we understand, it loosens Manitoba's liquor laws to allow lounges and cabarets to open on Sundays in an attempt to increase tourism. I know the minister has had quite a bit of dialogue with both opposition parties, from what I understand, and has other additional information that she wanted to relay to us through the committee process.

So, instead of talking at length on this particular bill, I would be more than pleased to let it go to committee and we will wait at that time for the minister to bring forward her new ideas. From what I understand, they are quite different from the actual bill itself. Thank you.

Mr. Speaker: Is the House ready for the question? The question before the House is second reading of Bill 50, The Liquor Control Amendment Act; Loi modifiant la Loi sur la réglementation des alcools.

Is it the pleasure of the House to adopt the motion? Agreed?

Some Honourable Members: Agreed.

Mr. Speaker: Agreed and so ordered.

Bill 54—The Statute Law Amendment (Taxation) Act, 1991

Mr. Speaker: On the proposed motion of the honourable Minister of Finance (Mr. Manness), Bill 54, The Statute Law Amendment (Taxation) Act, 1991; Loi de 1991 modifiant diverses dispositions législatives en matière de fiscalité, standing in the name of the honourable Leader of the Opposition (Mr. Doer).

Stand?

An Honourable Member: Stand.

Mr. Speaker: Bill 54, The Statute Law Amendment (Taxation) Act, 1991.

An Honourable Member: Stand it, Mr. Speaker.

Mr. Speaker: Stand. Okay. There is leave. Okay.

Bill 59—The Workers Compensation Amendment and Consequential Amendments Act

Mr. Speaker: On the proposed motion of the honourable Minister responsible for the Workers Compensation Act (Mr. Praznik), Bill 59, The Workers Compensation Amendment and Consequential Amendments Act; Loi modifiant la Loi sur les accidents du travail et diverses dispositions législatives, standing in the name of the honourable member for Thompson (Mr. Ashton).

Stand? Is there leave that this matter remain standing? Leave. It is agreed.

Bill 61—The Communities Economic Development Fund Amendment Act

Mr. Speaker: On the proposed motion of the honourable Minister of Rural Development (Mr. Downey), Bill 61, The Communities Economic Development Fund Amendment Act; Loi modifiant la Loi sur le Fonds de développement économique local, standing in the name of the honourable member for Thompson (Mr. Ashton).

Stand?

An Honourable Member: No.

Mr. Speaker: No. Leave? Denied? Leave is denied.

The question before the House is second reading of Bill 61, The Communities Economic Development Fund Amendment Act; Loi modifiant la Loi sur le Fonds de développement économique local.

Is it the pleasure of the House to adopt the motion?

Some Honourable Members: Agreed.

Mr. Speaker: Agreed and so ordered.

Bill 63—The Northern Affairs Amendment Act

Mr. Speaker: On the proposed motion of the honourable Minister of Northern and Native Affairs (Mr. Downey), Bill 63, The Northern Affairs Amendment Act; Loi modifiant la Loi sur les Affaires du Nord, standing in the name of the honourable member for Thompson (Mr. Ashton). Stand?

Mr. Steve Ashton (Thompson): Mr. Speaker, I want to indicate that we have perused this bill and, on behalf of our critic, I want to indicate that we are willing to go to committee on this. He has had the opportunity, the member for The Pas (Mr. Lathlin), to look at it fairly extensively and feels that it really is a bill that can be considered at committee.

There are a number of changes in the act that were relatively of a noncontroversial nature, and while we have difficulty with many of the policies of the government in northern Manitoba, I can indicate that we do not see this as a major bill in the traditional sense of sessions. I am not trying to say that the changes are not significant of some nature, but we are prepared to move it to committee and deal with the matter at committee.

At this point, I really have nothing more to add other than indicate, once again, the member for The Pas (Mr. Lathlin) has had the chance to fully scrutinize this and asked me to pass on his hope that it can be dealt with in committee on an expeditious basis.

Mr. Speaker: Is the House ready for the question? The question before the House is second reading of Bill 63, The Northern Affairs Amendment Act; Loi modifiant la Loi sur les Affaires du Nord. Is it the pleasure of the House to adopt the motion?

Some Honourable Members: Agreed.

Mr. Speaker: Agreed and so ordered.

* (1520)

Bill 65—The Statute Law Amendment Act, 1991

Mr. Speaker: On the proposed motion of the honourable the Attorney General (Mr. McCrae), Bill 65, The Statute Law Amendment Act, 1991; Loi de 1991 modifiant diverses dispositions législatives, standing in the name of the honourable member for Flin Flon (Mr. Storie).

An Honourable Member: Stand.

Mr. Speaker: Is there leave that this matter remain standing?

An Honourable Member: Leave.

Mr. Speaker: Leave. It is agreed.

Bill 69—The Manitoba Medical Association Fees Repeal Act

Mr. Speaker: On the proposed motion of the honourable Minister of Health (Mr. Orchard), Bill 69, The Manitoba Medical Association Fees Repeal Act; Loi abrogeant la Loi sur les droits de l'Association médicale du Manitoba, standing in the name of the honourable member for Inkster (Mr. Lamoureux), who has 38 minutes remaining.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I did want to say a few more words on this particular bill. This bill kind of came out of left field, if you will. I do not believe very many people had—well, actually, I guess I should say right field to make the Minister of Health (Mr. Orchard) a bit more happy. I do not believe that too many doctors were aware of what was going to be happening.

I would imagine that the Minister of Health should have maybe sat down with a few of them to discuss exactly what his intentions were to do on Bill 69, because it is very important that a bill of this nature which affects every doctor in the province of Manitoba should be well aware and, in fact, informed in terms of the direction that the government wants to take, in particular, this profession.

(Mrs. Louise Dacquay, Deputy Speaker, in the Chair)

The government has to start working with our health care professionals. We have been disappointed with the Minister of Health in the fashion in which he has treated our doctors in the past, in the fashion that he has treated our nurses in the past. In Manitoba, we had, I believe it was a 30-day strike. Madam Deputy Speaker, one has to

question whether or not that strike could have been averted had the government met with the nurses and possibly bargained in better faith, because we see their skills and the techniques that they have used in the past with bargaining which led to this particular strike.

On the other hand, Madam Deputy Speaker, we have the treatment from the Minister of Health (Mr. Orchard) to the doctors and the professions. He was quoted at one time of calling doctors liars which really is not very good for negotiations. When you bring in a piece of legislation of this nature, one only hopes, and I would imagine the Minister of Health will give some type of closing remarks on the bill, will indicate that in fact he has consulted with the MMA and asked for their opinions.

I know in his opening remarks that he had made reference to the number of the doctors the first time around that had voted for the association in the first place, and then the second time around, how the numbers had in fact decreased substantially. I am not going to question the figures that the Minister of Health brought forward to the Chamber upon introducing the bill, but I would question the way in which the Minister of Health (Mr. Orchard) has handled our health care professionals, those being our nurses and our doctors.

It is time that government starts working harder at working side by side with these professionals, because the health care budget is ever increasing. It is the single greatest expenditure. We have to start having a much more co-operative attitude, not only from the minister to the professionals, but in all three sides of this Chamber or all three political parties.

I know my colleague for The Maples (Mr. Cheema) on numerous occasions has come up with positive suggestions in terms of how we in the Liberal Party and, in particular, how he feels in terms of what we should be doing to ensure that we have a better health care system in the province of Manitoba, not only for now, but also for the future, our future generations, which is very important.

Madam Deputy Speaker, that is really something that should be emphasized, that it is very important that the minister, and I know that he just finished passing through the Estimates, and even though I did not get the opportunity as much as I would have liked to have sat throughout the entire health care Estimates, I feel confident that the member for The

Maples brought up numerous ideas that he felt were essential, that the Minister of Health should be acting upon, should be moving on, and it is something that we have been consistent on. When it comes to health care, our primary goal in the Liberal Party is to ensure that we have first-class health care in Canada. It is important that it be universal, and it is something that we have fought for in the past and will continue to fight for.

We cannot have the health care system that we all strive to achieve—I do believe all three political parties want to have that first-class health care system, but we cannot achieve that unless we have the co-operation of our doctors, of our nurses. The concern that comes to mind for me, at least, in going over Bill 69 is what in fact the minister is doing and how he is implementing Bill 69. Has the minister met with any of the doctors? I would hope not just one or two, but may possibly have sat down with the MMA and seen what their feelings and their opinions and concerns are on Bill 69.

Madam Deputy Speaker, that is the responsibility of the minister or any minister when they bring in legislation of this nature, to consult, to sit down and find out what is in the best interest of our health care system. That should be the first priority of the government. I hope and I trust that the Minister of Health (Mr. Orchard), when he does give his closing remarks, as I pointed out earlier, I am sure, will try to alleviate some of the concerns that I am trying to bring to light in terms of the importance of consulting with our professionals.

Madam Deputy Speaker, health care is the single most important issue in my riding. I know, I have canvassed the opinion of my constituents, not once, but twice, through different surveys. On both occasions health care has been ranked as the No. 1 concern and justifiably so. It does that because everyone wants to be able to feel that, if something were to happen to either themselves or one of their loved ones, we have in fact a health care system that will take care of their health care needs. That is very important to my constituents. It is very important to myself and to the Liberal Party, and I would hope and trust to all three political parties.

My personal biggest objection to this bill is the fact—and the minister will correct me if I am wrong—of the lack of consultation with the MMA in terms of the government's intentions on Bill 69. I would hope that in the committee stage or the committee process—this bill will likely be going into

committee this evening if it passes today—that we will get a better explanation from the minister as to what has happened and the real reason why he felt it necessary to bring forward Bill 69.

On that note, Madam Deputy Speaker, I know the member for St. James (Mr. Edwards), who is actually the official critic on this particular bill, wants to speak, so I will sit down. Thank you very much for the attention.

* (1530)

Mr. Steve Ashton (Thompson): Madam Deputy Speaker, I just have a number of comments to add to the bill, to reiterate that we will not be supporting this bill in any way, shape or form. We believe it shows the fundamental misunderstanding on the part of the Minister of Health (Mr. Orchard) and this government in terms of the functioning of organizations, organizations such as the MMA, organizations that have many aspects but also are involved in collective bargaining.

It is in keeping with this government's practices and acts in other areas, Bill 70 most particularly, because this essentially shows the complete and absolute misunderstanding of one of the most basic organizational principles of the Rand Formula that has been accepted in legislation in Canada since the 1940s and predates that to the 1930s in the United States.

It recognizes the ability of organizations to collectively decide their own activities, and, most fundamentally, it recognizes the ability of organizations, whether it be the MMA or other organizations, to collect dues to function and serve the interests of their members. I want to point out to the minister that this is nothing more or less than what governments do.

I do not agree with a number of policies of this government. I do not agree with many policies of this government. In fact, I agree with very few policies of this Conservative government, but I do not have the ability to say, I do not want to pay dues. I do not want to pay taxes to this government. I cannot say to the tax department, I am not going to have my taxes go to Rotary Pines. I cannot say to the tax department, I am not going to have my tax money go to help pay off the Premier's leadership election debts from 1983. I cannot say that I am not going to have my tax dollars go to the Minister of Health (Mr. Orchard) and programs I do not agree with in Health. I cannot say that. I cannot say that

I do not want my tax money to go to tax breaks for corporations, a \$7 million tax break for training.

Why, Madam Deputy Speaker? Because we have a principle that is accepted by all civilized societies, that is the fundamental principle of all governments, that is a fundamental principle of a functioning public sector of a functioning government. That recognizes the fact that in this particular case this government has the ability to ask even those who do not agree with them on issues to pay taxes.

I go further because I want to use the analogy that this is applicable in this particular case. This is a Conservative government. I have never been a Conservative. I have never voted Conservative. I have never even in my wildest nightmares considered voting Conservative. -(interjection)- The Minister of Agriculture (Mr. Findlay) says, good, and the feeling is mutual. I feel good about it as well.

I cannot say that, because I am not a Conservative or I have never voted Conservative that I will not contribute to anything that a Conservative government does. I cannot just say, I never voted for them last time so they are not going to get my taxes.

You know, while that sounds absolutely logical I want to transpose the arguments of the Minister of Health (Mr. Orchard) on that, because what does the Minister of Health say about the MMA? The Minister of Health trotted out the numbers of people, members of the MMA who voted to support the MMA fees act in principle, the principle, the Rand Formula of collection of fees. He said the percentage of doctors who actually voted for this was 30 percent, I believe he said, 31 percent, 32 percent. What he did was he netted out those who did not vote and he said, ah hal In fact, only 30-odd percent of people voted. Even if a majority of those had voted, supported the Rand Formula, only 30 percent of the total number of doctors did dissent.

Madam Deputy Speaker, the minister forgot to tell this House something. He forgot to deal with the fact that this government, first of all, did not even receive a majority of votes of those who voted in the past election. They received 42 percent of the votes of those who voted, so they received less votes than the MMA did on this particular issue. Not only that, I did some quick calculations and if you were to apply the same logic that the minister is using on the MMA bill, approximately 30 percent of Manitobans

eligible to vote voted for this government. Not even one in three voted for this government.

Think about the implications of the so-called logic of the Minister of Health (Mr. Orchard). If he was to apply his logic on Bill 69, there would probably be now a Bill 76, the compulsory payment of taxes act. The minister would be standing in his place introducing this act and what would he be saying? He would be saying this government only received 42 percent of those eligible to vote who voted. It received only 30 percent of the votes of those who actually voted, so taxpayers who do not want to pay taxes can simply write on their tax form, we do not like them; we did not vote for them; we are not going to pay those taxes.

Madam Deputy Speaker, that is the logic of the minister. That is the logic of the minister, or the illogic if you care, because while he will say that the MMA should not be able to collect under the Rand Formula, he will not say the same about government. Well, he will then talk about other examples. He will, I am sure and has in debate, suggested there are other analogies to this.

He said that the MMA is not a union. Madam Deputy Speaker, the principle that I am talking about applies to organizations that may or may not call themselves unions. It applies to not just federal and provincial governments, but municipal governments as well. It applies to democratic organizations of all kinds, collective organizations in this particular case.

The Manitoba Government Employees' Association, is it a union? It does not call itself a union. It negotiates collectively, and it has the rights to collect under the Rand Formula. This is a principle of labour relations that goes back to the 1940s in Canada. He has talked about other examples of where people have the ability. He has talked about the agricultural organizations, the ability to opt out, but that is not what this bill does. This is not an opt-out bill for the MMA check-off. This is the elimination of the compulsory check-off and the minister knows that. He forgot to mention that in his comments, I am sure, and will correct that in his final comments.

Mr. John Plohman (Dauphin): It is okay for Keystone.

Mr. Ashton: What is okay, as the member for Dauphin says, for one organization is not okay for the other. So I ask the question, why this bill? It is

not consistent with what governments do for themselves. It is not consistent what this government has done and this party has done for other organizations. Why this bill?

Well, I would suggest there are two reasons, Madam Deputy Speaker. The first is that this is part of their ideology. This government, similar to the governments of many southern states in the United States that have launched a major attack on the Rand Formula. It is called somewhat nefariously because it is not an accurate title of what is accomplished under such legislation, right-to-work legislation.

What it is is right-to-bust-union legislation, because it takes away the right of workers to organize collectively and to be able to collect dues from the members of those organizations. That is part of this. This is another major principle of labour relations accepted for 50 years and accepted by the Sterling Lyon government, the Duff Roblin government, the Douglas Campbell government. Yes, even the Liberals in the 1950s supported it.

I say to the minister that we understand, we know his true agenda. We know his true agenda. That is No. 1. I suggest there is another reason as well, and we are seeing it on other issues, Madam Deputy Speaker. When the government does not like what it hears, it responds to punish those that disagree with it. We have seen that on Bill 70. I have heard comments from government members saying, well, it is kind of tough to be fair and reasonable and negotiate with the MGEA when they are advertising against you.

* (1540)

Madam Deputy Speaker, I heard that comment from members. Is that the way this government operates? If you have the temerity to criticize this government, you will pay the price? I ask that question in the context of other bills and other groups, because the MMA has been critical of this government not just in the negotiations context, but in terms of its policies in regard to health care and medicare.

We saw even as recently as the last few days letters from the MMA on specific matters of medical concern. Yes, indeed, they have challenged the minister. I ask the question, is that why we now have Bill 69? I leave the conclusion to objective members of the public.

I know what my conclusion is. This is partly ideology and this is partly punishment for the Manitoba Medical Association. Indeed, revenge, as the member for St. Johns (Ms. Wasylycia-Leis) says, for the fact the MMA had the courage to stand up against this minister and has continuously done so.

I say, Madam Deputy Speaker, that we will never support any bill that rolls back 50 years of labour relations in this province, that rolls back such fundamental principles as the Rand Formula. I say we will identify it for what it is, ideological and vindictive, and that is why when the vote comes on Bill 69 we will be opposing this bill. We will oppose it in committee, we will oppose it at every stage as it goes through this House.

Mr. Paul Edwards (St. James): Madam Deputy Speaker, I will be speaking in place of our Health critic, the member for The Maples (Mr. Cheema), who declared a conflict of interest earlier on in this debate at the time the minister put his comments on the record, specifically June 7 of this year.

I have had an opportunity to peruse the comments of the Minister of Health (Mr. Orchard) when he introduced this legislation, and entertaining they were indeed. I have also now just listened to the member for Thompson (Mr. Ashton) and I must say those were somewhat entertaining as well. It was very interesting to see the spectacle of the New Democratic Party supporting doctors in this particular fashion, or any other fashion, but less interesting, and less surprising perhaps, was the New Democratic Party supporting, of course, the mandatory union dues check-off and indeed the fact that those union dues can be used to support political parties.

Now the New Democratic Party would have every reason to support that because, of course, they benefit most greatly of any party in this country from the donations from unions and, of course, the ability to do that has recently been upheld by the Supreme Court of Canada in the Lavigne case. We know that, so it is not surprising that the New Democratic Party should be supporting that aspect of this legislation.

I think that what must be noted at this point is the timing of the Minister of Health (Mr. Orchard) and he was at pains, as I am sure members will be aware if they have read his comments or heard them, to justify the timing of this legislation, and let me just

briefly go over what his reasoning was. He said that they could not bring in the legislation—they have been in power since 1988, of course, April of '88. They could not bring in the legislation back in 1988, because in 1988 we were not wanting to be confrontational with the MMA, he said. No, we did not want them to think we were exercising a narrow, philosophical approach to government, so we had better hold off on this piece of legislation else they think that.

Well, and they are not being confrontational now? And they are not following the narrow, philosophical confrontational approach, which he admits they would have been following had they brought it in, in 1988? The legislation is the same. It does the same thing. If it was narrow and confrontational at that time, it surely is now. The only difference is the Minister of Health (Mr. Orchard) has picked the time to do this because he preferred to hide in the bushes in 1988, as he did in 1989, as he did in 1990. He did not want to risk the confrontation with the doctors; no, sir, not this minister, he is Mr. Moderate, Mr. Conciliation.

Now, we turn again to his statement. He says: In February of 1989, why did we not bring it in then? Well, because any effort to repeal this type of legislation would have been legitimately tagged by the MMA as confrontational, provocative and trying to drive a point home to the association.

Madam Deputy Speaker, what is it now? If it was that in 1989, what has changed between now and 1989, that this legislation is not confrontational, provocative and trying to drive a point home to the association. He spends the rest of his speech explaining exactly the point that he wants to drive home, and that is the same point as it would have been in 1989. The point is, he was afraid to bring in this legislation and show his true colours. Why? Because it was a minority; that is why. There is no other legitimate reason; it is the same provocative, same confrontational, same philosophically narrow piece of legislation that we have before us today.

Now, else we miss a year out of there, we come to the third excuse of the Minister of Health, and I mean the third only in terms of a change of time because the excuse is the same. 1990—could we have brought it in, in the spring session of 1990? the minister asks himself. No, he concludes, by then we were in full confrontation with the MMA. So, he says, his logic goes like this, 1988 and 1989, we did not bring it in because we did not want a

confrontation. That is what he says. Then he says, 1990, we did not bring it in because we were already in a confrontation. That is his logic. We are not in a confrontation; we do not want to bring it in because it will cause one. When we do have a confrontation, we do not want to bring it in because it will make it worse.

Madam Deputy Speaker, this Minister of Health (Mr. Orchard) gives reasons which make absolutely no sense; worse than that, they are contradictory. He goes on to say: As negotiations went on in 1990, we could not bring in a repeal of this legislation; that would have been confrontational. What is he asking for now? What has changed except the fact that they have got a majority? Nothing. Absolutely nothing.

Now, he goes on to say in his comments: Why did we not bring it in last session, the first session of the majority? Well, he said, we had an agreement signed with the MMA tentatively, but it was not finally completed until late January and signed off by both parties until late January, so presumably, his reasoning goes, they did not want to skew the deal, because he knew that it would be opposed.

Madam Deputy Speaker, this minister claims that the majority of members will support the legislation. If the majority of doctors supported this legislation, what was he afraid of at skewing the deal for? They would have loved him for it. They would have supported him. That is his claim. His claim is they support it. Why then does he shy away because it might skew the deal? It would have made him more popular according to him. Which is it? Is it unpopular and confrontational, as he cites three times, '88, '89 and '90, or is it popular as he says now in 1991? He cannot have it both ways. There is absolutely no rationale for not having brought this in in 1988 or '89 or 1990, except the fact that this minister now sees the opportunity to satisfy his real dream of being a dictator within his own little purview.

The Minister of Health (Mr. Orchard), Madam Deputy Speaker, for all reasons and all purposes and all seasons—this is the man for all seasons, yes, indeed. He tries to justify even this two-section piece of legislation, and he could not fight his way out of a paper bag. There is not one grain of logic in his defence of this legislation, not one.

Let me refer to some of his other comments. He says here that the initial legislation which was

brought in by the New Democratic Party, they opposed. They opposed it because they did not think that the majority of doctors supported it. They felt that it was a payoff to the doctors because of the provisions brought in to ban extra billing in compliance with the Canada Health Act. So it was a sop to the doctors. That is what they say.

* (1550)

He says, so what the NDP did to assuage the MMA, even though a very, very low percentage of physicians in Manitoba were extra billing at that time, was that they agreed to do two other things. First, enter into compulsive binding arbitration for a fee schedule settlement. Presumably they opposed that at that time as they still do. Secondly, to pass this legislation which we are proposing to repeal. The agreement under which the legislation which we are repealing would be passed by the Legislature if more than 51 percent of physicians, and then he is cut off and he goes on to say, was that they achieve a 51 percent majority vote amongst their membership to have the legislation passed.

Well, Madam Deputy Speaker, then he goes on to attempt again—the word “attempt” is the keyword because he does not succeed by anyone’s estimation—to justify what he claims is the majority will of the doctors of this province. Let us just review what he says in that regard. First of all he says—and this is at page 3025 of Hansard. He catches himself. This minister is internally contradictory even in his own speech. You would think he would have taken the time to prepare it and read it over maybe once or twice because it does not make sense. First he says, I cannot tell you how many physicians oppose it today. He cannot tell you that. Then he goes on three paragraphs later to conclude, that indeed a majority support this repeal. That is what he concludes. So within the space of one page on Hansard he has said both. He cannot tell us how many support it and the majority support it. Figure that one out.

That is akin to the Premier (Mr. Filmon) saying about Oz Pedde’s raise, it is not an increase, it is a decrease. How you figure a \$20,000 raise is a decrease is beyond most Manitobans, and how you can say at one point you are not sure how many physicians support the legislation, and three paragraphs later say the majority support it, that is another trick that only this government seems capable of.

Let us go through the numbers. He says, 2,258 physicians were eligible to vote and, of those, there were 1,308 ballots returned. There were four spoiled ballots; 699 voted yes to compulsory dues check-off and 605 voted no. It sounds to me like those who wanted compulsory dues check-off won the vote—699 to 605.

He goes on to rationalize his view that, no, it is not supported, by saying that only means 30.9 percent of those eligible to vote actually supported the legislation, and he says now that is not a majority of doctors supporting this legislation.

Well, look, Madam Deputy Speaker, we live in a democratic society, we hope. There is no law in this province, or in this country, that says a person has to vote. We do not go out and say when someone wins a seat or does not win a seat, well, you only received 20 percent, 30 percent of the popular vote so you do not win even though you got the most votes.

We do not say that. That is not a democratic principle. If people do not vote, their votes do not count. They do not work against the proposition put before them. If people choose not to vote, it does not mean they said no, it does not mean they said yes, but it works on the majority of votes cast. That is the way this system works.

The members opposite seem to suggest that is not true. Well, you tell me a democratic process that means someone who does not vote is taken to have voted no. In fact, you take the number of votes cast. You count them up. He who has the most wins the day.

The vote here was 699 to 605 in favour of compulsory dues check-off. How disappointing for this minister that he did not win the day. The doctors did not support him; they supported the MMA. If he was consistent, how he turns that into a majority opposed MMA compulsory dues check-off—he is dreaming in technicolour.

This minister goes on to compare the MMA to the Cattle Producers Association, the Keystone Agricultural Producers association. He acknowledges that in those cases we do have legislation mandating their ability to represent their respective interest groups. I might add the MGEA has the same thing under The Civil Service Act albeit, as long as there is a majority willing to support them and at any time there is that provision that someone could presumably take a vote and if 51

percent said they did not want them, wanted some other bargaining agent, they would get that other bargaining agent.

Well, Madam Deputy Speaker, what this really comes down to—and it is interesting to read the minister's comments in response to the member for Transcona (Mr. Reid). He says, I see the ranks of freedom fighters are swelling every day. What a line, freedom fighters. This man is a freedom fighter. We should be all so happy to let him fight for freedom from corner to corner to corner in this province. What a hero.

Madam Deputy Speaker, the fact is what he really wants is freedom to gut the MMA. That is what this is about. This is about cutting the financial security of the MMA off at their knees. That is what it is about. It is in anticipation of the the next round of negotiations with the doctors. Let there be no mistake that that is what this about. There is absolutely no basis on which to conclude that a majority of doctors support this legislation. In fact, all of the evidence points to the contrary—that, if anything, the majority supports retention of this piece of legislation.

It is important to recognize how the Rand Formula works. The Rand Formula acknowledged that compulsory dues check-off was essential for the long-term survivability and workability of collective bargaining agents. Madam Deputy Speaker, it was with some considerable angst that the courts, back when Mr. Justice Rand made this decision, came to the conclusion that in order to preserve the integrity of the collective bargaining agent, in order to not allow some not to pay union dues, but to get the benefit of the collective bargaining agent's work, and not just have a few pay for the benefits of all in a workplace, it was necessary to curtail to a limited extent their ability to control their own salary. That is the rationale behind compulsory dues check-off.

Now the trade-off for that has always been the obligation on a union and indeed as part of the trade-off to represent each and every one of its members with good faith and with equality. There must be internal democracy within organizations if they are to gain the support of regular contributions from all members who reap the benefits. That is the principle.

It is a trade-off which has been time honoured in our society, Madam Deputy Speaker, and not even the most right-wing zealots in labour relations in this

province suggest that it should be done away with. That is important to note. Not even the most right-wing zealots go as far as the Minister of Health (Mr. Orchard). He is speaking on his own ostensibly. Well, he is speaking for this government, but he is on his own in the community. If he is suggesting that the Minister of Labour (Mr. Praznik) in his new revision of The Labour Relations Act is going to do away with the Rand Formula, if that is what he is suggesting because that is what he is doing here, and I suppose he will be having his freedom fighter conversations with the Minister of Labour, try to turn him into a freedom fighter, maybe give him a laser gun or two and fight for freedom on the streets; we are slaves to the union.

* (1600)

Is it not time that these members got real and joined the 20th Century and stopped taking unto themselves the rights of workers and the rights of bargaining agents to negotiate on their behalf? Let the Minister of Health (Mr. Orchard) justify—he has painted the picture of the poor: the poor member, the poor doctor, the poor union person who would have to pay dues against their will. That is where he has to fight for freedom, that is where he sees his opportunity to be a freedom fighter.

What about the rights of those who pay for bargaining agents? If everyone was allowed not to pay their share, what happens? They reap the benefits. Where is the fairness in that? How do you impose upon those who are willing to pay for a collective bargaining agent, the obligation to pay the dues for their fellow members who will reap the benefits but not pay the price? Where is the fairness in that?

This minister is not a freedom fighter for those people. Madam Deputy Speaker, he does not care about those people who would freeload on the benefits gained by having a collective bargaining agent. No, sir, he only talks about the freedom of those who have to pay the price, but what he forgets is they reap the benefits. You know, it is pretty clear that freedom fighting for this Minister of Health (Mr. Orchard) is not truly what this legislation is about. He was—no, sir, what this is about is the next round on negotiations with the doctors, and this time he has got a majority, and let the doctors know he is going to use it, because he is a freedom fighter. Yes, sir, down in the streets, this minister is going to get down and fight for freedom with the doctors, yes, sir, the big defender.

Madam Deputy Speaker, this minister is a fraud. He does not fight for freedom; he fights for his friends. He sits there and says to the doctors, well, the few of you should have to pay for the bargaining agent for all, yes, I am not concerned about the rates—

Madam Deputy Speaker: Order, please.

Point of Order

Mr. Marcel Laurendeau (St. Norbert): Madam Deputy Speaker, in Beauchesne's Citation 489, the word "fraud" does appear, and I would ask that the honourable member remove that word from the record. Citation 489.

Mr. Kevin Lamoureux (Second Opposition House Leader): Madam Deputy Speaker, if I may be of some assistance, I understand that there might be a bit of sensitivity here, but I would refer to Beauchesne's 491, where it says that "No language is, by the virtue of any list, acceptable or unacceptable."

I believe, given the circumstances that the member for St. James (Mr. Edwards) put it in, would in fact be parliamentary and would suggest that we should let him continue his speech. Thank you very much.

Madam Deputy Speaker: I have consulted Beauchesne's and indeed it has been ruled in two instances, both parliamentary and unparliamentary, as listed in Beauchesne's 489 and 490. However, as a caution, I would suggest that the honourable member for St. James choose his words more carefully.

* * *

Mr. Edwards: Thank you, Madam Deputy Speaker.

Yes, the freedom fighters are popping up one after another over there. Yes, let me give another quote from the minister which is comical at best. He says at page 3028 of his speech: Freedom and free-thinking is allowed—but only—on the government side of the House.

That is what he says. Yes, sir, the defenders. What a farce. Where is this minister, where is this minister to defend or even talk about the rights of those who would pay for the collective bargaining agent, and paid not just their portion but the portion of those who would reap the benefits. Where is he

then? Does he not understand the trade-off that took place many years ago in this country?

No, this minister is worse than Ronald Reagan. He not only wants to turn back the hands of time, he wants to go back to those years. Yes, sir. If there is any member of the government who speaks in higher tones of rhetoric and is more dangerous in terms of his right-wing zealotry, I do not think there is one other than the Minister of Health (Mr. Orchard). What a contradiction to have such a minister who ascribes to those principles which are 40 years old. He has not been with us, apparently, in those last years, keeping up with the times, keeping up with the sophisticated development of labour relations. What a contradiction to have that minister in charge of our public health system. Could there be a worse, a more pronounced contradiction, than this type of minister with that type of approach overseeing what we all hope and say is one of the greatest benefits of living in this country?

The fact is that the MMA is internally democratic. The fact is that trade-off was recognized back those many years when the compulsory check-off was given, and the fact is that this minister has not one iota of proof or evidence even that the majority does not support compulsory dues check-off. In fact, the only evidence he has suggests the contrary.

I ask all members to see this for what it is, a pathetic attempt to undercut yet another bargaining agent. He did it with the foster parents; he did it with the daycare workers; and now he is doing it with the doctors. He does it with anybody who happens to give him a rough ride. His answer is not to deal in good faith at the bargaining table. His answer is not to be the tough guy when it really counts. He answer is to go in the back door and get rid of the bargaining agent. That is what this minister does. He did it with the foster parents; he did it with the daycare workers; and he is doing it with the doctors.

It is a gutless piece of legislation. There is not one defence which this minister gives which makes sense, and it should be withdrawn.

Committee Changes

Mr. George Hickey (Point Douglas): Madam Deputy Speaker, I move, seconded by the member for Dauphin (Mr. Plohman), that the composition of the Standing Committee on Law Amendments be amended as follows: Wolseley (Ms. Friesen) for Concordia (Mr. Doer); Flin Flon (Mr. Storie) for

Kildonan (Mr. Chomiak) for Tuesday, July 16, 1991, at 7 p.m.

(Mr. Speaker in the Chair)

Mr. Speaker: Agreed and so ordered.

Mr. Lamoureux: Mr. Speaker, I move, seconded by the member for St. James (Mr. Edwards), that the composition of the Standing Committee on Law Amendments be amended as follows: Osborne (Mr. Alcock) for Crescentwood (Mr. Carr) for Tuesday, July 16, 1991, at 7 p.m., and I do that with leave.

Mr. Speaker: Agreed and so ordered.

* * *

Hon. Donald Orchard (Minister of Health): Mr. Speaker, with agreement of the House, I would close debate on Bill 69.

Mr. Speaker: The honourable Minister of Health (Mr. Orchard) will be closing debate on Bill 69.

Mr. Orchard: Mr. Speaker, I want to thank my honourable friends, the member for St. Johns (Ms. Wasylycia-Leis), the member for Thompson (Mr. Ashton), the member for Inkster (Mr. Lamoureux), for their contributions. -(interjection)- I know, I am going to deal with him specifically. My honourable friend the member for St. Johns says I am not going to thank the member for St. James (Mr. Edwards). Well, of course, I am, but in a different manner.

Mr. Speaker, Bill 69 is legislation which this government has brought in at a time when we are not in negotiations, as I have explained, and when the original legislation compelling dues is not before the courts. I recognize that the MMA is in disagreement with this legislation. I think one ought to reflect a little more carefully than the member for St. James (Mr. Edwards) has in terms of talking about Bill 69 and its provisions.

If one listened to my honourable friend for St. James, whose brilliant legal mind was at work this afternoon, one would conclude the demise of the MMA and that is absolutely not so. My honourable friend for St. James asked, what is the logic behind this bill? He has indicated that there is no logic in bringing in Bill 69.

* (1610)

Maybe, if you are a member of the Liberal Party, you do not find logic in freedom of choice because absolutely nothing in the repeal of the compulsive dues payment of the MMA prevents any physician

in Manitoba, all 2,200 of them, from paying their dues to the MMA. There is, in some areas of this country, still the desire to exercise that freedom of choice and that is what this bill introduces.

Mr. Speaker, let me indicate one of the flaws my honourable friend, the member for St. James (Mr. Edwards), has introduced in his presentation in second reading. First of all, he talks about the fact that a majority of doctors wish to have this legislation. As I explained in my introductory remarks, you have to have at least 55 percent of the membership of a bargaining unit sign certification cards before you can even become certified. That was not done.

Some 31 percent voted in favour of this legislation back in 1986, and secondly, under any certification process, there is always, by law, a decertification process. That was impossible with this act because it was an act of the Legislature so that physicians who wished, of free will, to pay their dues and not be compelled to do so, had no -(interjection)- Oh, I am sorry, my friend, the honourable member for Crescentwood (Mr. Carr) says compelled and my English stands corrected. He constantly reminds me of that.

Mr. Speaker, we have no great philosophical agenda in Bill 69. We opposed the original act on very sound principles and there are very sound principles behind its repeal, all of which I have explained and I am willing at length to explain to my honourable friend for St. James (Mr. Edwards) at committee should he take time from his busy career to be there at committee stage.

Thank you, Mr. Speaker.

Mr. Speaker: Is the House ready for the question? The question before the House is second reading of Bill 69, The Manitoba Medical Association Fees Repeal Act; Loi abrogeant la Loi sur les droits de l'Association médicale du Manitoba. Is it the pleasure of the House to adopt the motion? Agreed?

Some Honourable Members: Agreed.

Mr. Speaker: Agreed and so ordered.

Ms. Judy Wasylycia-Leis (St. Johns): Could I ask for that on division, please?

Mr. Speaker: On division? On division.

**Bill 54—The Statute Law Amendment
(Taxation) Act, 1991**

Hon. Darren Praznik (Deputy Government House Leader): Mr. Speaker, could I ask for leave of the House to call The Statute Law Amendment Act? I believe a member wants to address that and there is agreement to pass that on to committee, leave of the House. It has been called once today and it was stood, and I am asking for leave.

Mr. Speaker: Bill number?

Mr. Praznik: Bill 65, The Statute Law Amendment Act.

Mr. Speaker: Bill 65.

Mr. Praznik: No, no. Pardon me. It is Bill 54, Mr. Speaker, The Statute Law Amendment Act, and I am asking for leave to have it called a second time today. As I understand, there is a member who wants to address it and there is agreement to pass it on to committee.

Mr. Speaker: Is there leave of the House to recall Bill 54? Leave?

An Honourable Member: Leave.

Mr. Speaker: It is agreed. The House has already reached a decision. It has decided that this matter could remain standing in the name of the honourable Leader of the Opposition (Mr. Doer). Is it the will of the House now to dispense with that?

An Honourable Member: Yes, that is agreed.

Mr. Speaker: It is? That is agreed.

Therefore, on the proposed motion of the honourable Minister of Finance (Mr. Manness), Bill 54, The Statute Law Amendment (Taxation) Act, 1991; Loi de 1991 modifiant diverses dispositions législatives en matière de fiscalité, standing in the name of the honourable Leader of the Opposition (Mr. Doer). Stand? No? Leave is denied.

Mr. Leonard Evans (Brandon East): Mr. Speaker, I only have a few words to say about this bill, which is, as usual, a miscellaneous collection of various taxation changes and other changes that the Minister of Finance (Mr. Manness) wishes to introduce in a miscellaneous group of acts.

Generally speaking, we do not have too much to say about most of the details in here. Many of them are insignificant, or indeed others that have a little more substance have been debated in the budget speech debate earlier during this session.

I only note that, if I could by way of passing, The Health and Post Secondary Education Tax Levy Act, which is sometimes referred to as the payroll tax, there is provision for additional changes, for additional exemptions, which is fine. I cannot help but note that the government still has the payroll tax which they assured the voters of Manitoba some years ago that they would get rid of. Here we are, four budgets later, and we still have this particular tax, and I would suggest, Mr. Speaker, it is a very significant tax. It provides a lot of money, a lot of revenue for the government, and I suspect that this tax will remain on the books in the indefinite future. I do not see this government eliminating that tax.

Mr. Speaker, I want to say just a few words, or actually ask a question or two about the item which is on page 6 of the reading notes which the minister provided to the opposition. This refers to The Income Tax Act, subsections 5(4.1) and (4.2) and there is an addition here, according to these notes, which when passed will disqualify anyone receiving social allowances from the Manitoba cost of living and property tax credit benefits unless specifically allowed by regulation.

I looked at the speech made by the minister when he introduced this on July 10, and the only reference he makes to this section is this one paragraph, and I will repeat it here: "A change is also being made to disqualify certain social allowance recipients from receiving provincial tax credits. Beginning in 1992 regular monthly payments to social allowance recipients will be increased to assure more timely delivery of provincial benefits."

Mr. Speaker, I believe the Minister of Finance (Mr. Manness) and the government owe it to this House to provide a much fuller explanation of the implications of this. Is it one of these harmless changes that really is going to affect very few people, or does it have substantial implications? Is it going to affect thousands of recipients of social allowances? Is it going to disqualify a large number of people from receiving the provincial tax credits, namely, the cost of living and the property tax credits?

This to me is a very serious matter, and I would trust that when we get into the committee stage, when we go to the Committee of the Whole to deal with this bill because it is a taxation bill, that the minister will have a full and adequate explanation.

I want to go on record now as requesting of the government, requesting of the minister a complete and as reliable as possible estimate of the dollars involved in this particular measure, and how many recipients are going to be affected. Are there going to be thousands of recipients who no longer will be able to receive certain provincial tax credits?

There is other reference here, as I quoted earlier, to making the 1992 regular monthly payments: "Beginning in 1992 regular monthly payments to social allowance recipients will be increased to assure more timely delivery of provincial benefits." Again, we would like an explanation of this. Just what do we mean by more timely delivery of provincial benefits?

* (1620)

The whole matter is left very vague, Mr. Speaker. So again I go on record, and I would trust that information will be provided by the Minister of Finance (Mr. Manness). I trust his staff will read this Hansard. I trust those who are working on this will provide the information so all members of the House will know whether thousands or whatever number of social assistance recipients are going to be disqualified from receiving provincial tax credits. It is very serious matter, and I think all of us in this House deserve the courtesy of a fuller explanation of this matter from the Minister of Finance (Mr. Manness).

Having said that, we are prepared to let the bill go to the Committee of the Whole in due course. Thank you, Mr. Speaker.

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

Mr. Reg Alcock (Osborne): Mr. Speaker, I will just take a moment to put a few remarks on the record relative to this particular bill. I will say that we would like to see it passed to committee today as quickly as possible and think that some of these things should be enacted.

It is with some hesitation that I would like to say that I certainly support some of the amendments that are proposed in this legislation. I think we have discussed in this House, at some length, the cynicism with which the Minister of Finance (Mr. Manness) has acted in offloading an awful lot of the expenditures he has held in the past, had to manage in the past, to other jurisdictions under the guise of reducing the total tax burden on Manitobans. Of course, that has been well exposed as a sham and

very consistent with the activities and operations of this particular government.

At the same time this is—as we do with each Legislature—a necessary piece of legislation to enact the decisions that were taken in the budget. We have already been through the process and debate and passage of that particular resolution. A couple of things here are worthy of note because they do, in fact, reflect progressive actions on the part of the government. One is the amendment that allows recipients of income support to receive the tax credits under the—the GST tax credits do not have them included in their overall income.

I think that the government is recognizing, at least in some of the actions that it is taking, that certain people exist in such a state that they do need some support and that government should be acting to ameliorate the burden, not increase it. It is not often that they act in this manner and particularly with this government, so it is nice to see it when it does happen.

The other question, of course, is the question that the minister has not answered and that we know he will. He is going to harmonize the GST. I suspect he will save that announcement to either a day when he is out of the House and have somebody else do it, because he is afraid to take responsibility for that, or he will wait till the session is over and then he will announce it. He has had deep and lasting consultations without, of course, being able to produce a single shred of evidence that he has, that has convinced him that it is not necessary to harmonize these taxes.

Another effect of this bill—people in this province will pay more tax. Landowners, people in municipalities and school boards will pay more tax, not less. This government has failed, as it has right throughout its agenda, to do anything to alleviate the problem that the average taxpayer in this province faces. We will, of course, discuss this in more detail as we go through the various clauses. So let us get it into committee so we can get to work on it and get the positive parts of this passed into law as soon as possible. Thank you very much, Mr. Speaker.

Mr. Speaker: Is the House ready for the question? The question for the House is second reading of Bill 54, The Statute Law Amendment Taxation Act, (1991); Loi de 1991 modifiant diverses dispositions législatives en matière de fiscalité. Is it the pleasure of the House to adopt the motion?

Some Honourable Members: Agreed.

Mr. Speaker: Agreed and so ordered.

Bill 73—The Rural Development Bonds Act

Mr. Speaker: On the proposed motion of the honourable Minister of Rural Development (Mr. Downey), Bill 73, The Rural Development Bonds Act; Loi sur les obligations de développement rural, standing in the name of the honourable member for Dauphin (Mr. Plohman).

Mr. John Plohman (Dauphin): Mr. Speaker, I appreciate the opportunity to speak on Bill 73, The Rural Development Bonds Act, which is, I think, overall a positive move for rural Manitoba. Obviously, there may be many pitfalls for the government in implementing this act over the next number of years, and perhaps in some ways they will wish that they had not made it as close to the minister in terms of decision making as he has made throughout this act, but we will deal with that in more detail during my comments.

This is an implementation of a campaign commitment by the government on August 28 in Dauphin, Manitoba. That is almost 11 months ago, August 28, when the Premier (Mr. Filmon) came to Dauphin and made this commitment or this promise, and it has taken some time to be developed and implemented.

This is just the first step, the passing of the legislation, Mr. Speaker. It does not mean at all that money will start to flow. As a matter of fact, the time line that the government has outlined would seem to indicate that we are looking more into 1992 before dollars will actually begin to flow for projects in communities throughout this province. So the passage of this act does not mean that this is full implementation of this commitment. However, it is a positive step.

We want to indicate to the minister that there are some areas where we need some clarification. I think the definition of municipality leaves open to question whether Native bands will be eligible for these bonds as well. The minister, I do not believe, has clarified that in any of his comments up to this point in time. Northern development communities, communities under the northern development act and other unincorporated communities, would be eligible, as well as all municipalities as is commonly known by the definition of municipality. However—

Hon. Harry Enns (Minister of Natural Resources): This is individuals putting up their dollars.

Mr. Plohman: Well, we will get to that. The Minister of Natural Resources (Mr. Enns) says, this is individuals putting up their dollars. It is typical of this government to call on the citizens to put up the money for economic development to shore up where they have failed, and to put it up without any guarantee of any return.

I ask this Minister of Natural Resources, which local residents in Manitoba are going to put money into projects without having any guarantee of investment? To take money out of savings that they have, many times their life savings, senior citizens and others who are taking money out of guaranteed investment vehicles and putting it into a risky business where they do not have any guarantee whatsoever of return, only the capital that they put up, with inflation eating away at the dollars each year, this is very important to people. Those who have them in secure investment portfolios are not going to turn around, take that money out and put it into something risky.

I think the ministers must have struggled with this, must have considered whether they should not guarantee some level of return, even what is available in a guaranteed income certificate at the present time or in a savings account even, with only 3 percent or 4 percent minimal, but something in return to encourage people to invest.

* (1630)

We are not just looking at those with all kinds of money to burn, money that they want—they are just looking for various investments to put it into, because they cannot find enough. We are talking about relatively poor people, people throughout rural Manitoba. Many times, I said, we could be talking about senior citizens who have saved and who want to do their part because they too want to see jobs for their young people, they want to see economic development taking place. So they want to put money into these kinds of things because they want to help, and that is what this government is banking on to a certain extent, the entrepreneurial wishes and desires of the rural population who want to take into their own hands some element of the economic development in our rural areas, to be a part of it.

So what this government is doing is saying, yes, if you want to invest in your rural communities, you have to do so with no guarantee whatsoever of any return. When I say that, I am not suggesting that it should take away all of the incentive for this corporation to do well in the rural community. No. I know that it is important for those who have invested to be responsible for that investment to a certain extent, because they want to maximize their returns. If they can get 10 percent or 15 percent or 20 percent or more back on their investment, naturally they are going to work toward making it successful.

So I do not believe that any member of the government side can say that if you were to offer a minimal guarantee of, say, 5 percent or 7 percent, you are in any way going to destroy the incentive of that local investor to want to make sure that that investment does well, that that project does well, that economic development initiative does well, that there are jobs provided in those rural areas. I do not think this would take away any incentive if there was some guarantee. I think the ministers should look at this carefully, especially if they would like to see the broadest participation in this investment vehicle.

The broadest participation in this investment vehicle—that is a significant point, to ensure that there are a lot of small investors who come together to participate, because they believe in participating in rural economic development and they want to be a part of it.

I think that this government is wrong if it is saying, you, in order to do that, must be prepared to make a risky sacrifice; you must be prepared to make a sacrifice, because as I said before, many times people will be putting in very important savings to them, money that they have taken years to build up, to give them some nest egg, to give them some security in life. Many of them do not have any pensions and they rely on these investments to give them some security in their older years, yet they are now being asked by this government to indeed put this money at risk and allow inflation to undermine that investment.

Inflation with passing years of two or three years could mean that their dollars are worth 10 percent or 15 percent or 20 percent less than they were when they invested it. Then, if the investment goes sour, it does not work out, they will have lost through erosion by inflation this 10 percent or 15 percent or 20 percent and will have also lost any gain they might have had as a result of the differential between

interest rates and inflation where they could have actually been ahead of the game through the investment vehicle that they formerly were participating in.

We say, Mr. Speaker, that the government should look carefully at exactly what it wants to accomplish with this and what it is asking rural residents to in fact do—to sacrifice in order to participate in rural economic development, to have their involvement in economic development projects at a cost of real dollars to those people beyond what they would reasonably be expected unless they are risk takers?

Many of these investors are quite conservative in their investments. They may take very conservative investment vehicles. In order to entice those dollars away into this kind of a project, there has to be some kind of guarantee by the government. The Minister of Finance (Mr. Manness) is quite pleased this year, I am sure, with the HydroBonds. In the last couple of years my children have bought a few of these bonds, and they are very happy with it. There is a guarantee there. It was a good guarantee.

Last year it was not so good for the first year, and the minister paid the price for it. This year it is a little better again. There is a lot bigger take-up, a larger take-up than certainly took place last year and guaranteed 10 percent when they could get higher in other vehicles, I believe, at that time. That is why they did not take up the same amount.

(Madam Deputy Speaker in the Chair)

I wonder whether the Minister of Finance has looked at this rural bond issue and said, well, how can we compare this in any way. We are talking about bonds. When Manitobans hear that, they are going to think of HydroBonds, and it is going to conjure up that idea in their minds.

Yet this is not the same thing at all. There is no guarantee here at all. The only guarantee is the principle, the capital -(interjection)- Well, not all your money back. The minister has not been listening. He knows about inflation.

The one way that this could have been accomplished would have been to provide some minimal guarantee back in terms of interest to at least counter inflation. I do not know why the member for Portage la Prairie (Mr. Connery) would not support that idea, a minimal amount to at least counter inflation for this investment so people would not be losing money in real terms in their investment.

If the investment works for them, naturally they can get more, but it is a risky investment. It is probably as risky as stock market investments, or worse, probably more risky -(interjection)- Yes, we want them to put money in their community, but do you want people to risk their savings to do this? No.

Mr. Connery: The people who can afford to risk it.

Mr. Plohman: Oh, now the member for Portage says, well, only the wealthy people who have extra money. Is that only who we want to target with this? Do we not want a large part of the population to participate so they can feel some ownership in this investment, to feel that they are helping create jobs? The minister does not want to facilitate that kind of—the member for Portage does not want to facilitate that. Other ministers in this government do not want to facilitate it. I would say that they should be reviewing that.

I believe this is going to be one of the failures of this particular bill in the long run in terms of its practice, the fact there is not going to be sufficient take-up in the broadest sense among the population, because there is no guarantee. That is the first issue. The second one is the issue dealing with the powers of the minister. I noticed throughout the bill—and it works both ways. To have the powers in the minister's hands can be desirable politically, in some occasions, if things are working nicely. The minister can take credit, he approved this and he approved that and he allowed this to go forward. Wherever you go throughout this act, there are all kinds of steps, screening by minister, powers of minister.

What happens when these fail and the minister is going to be held responsible? Then, of course, the Minister of Northern Affairs (Mr. Downey) hopes that someone else will be moving into his portfolio at that time and he will no longer be responsible for his decisions. Maybe he will be so lucky, but I think that he should also consider that the arm's-length approval—I am concerned about the political aspects of having the minister have so much control of what takes place here. The review committee that is in place, I think, could be at arm's length and could, in fact, ensure that this is done as objectively and on the basis of sound business principles and on the importance of economic development in an area, as possible.

By having his involvement he has to screen, if something is going to even get to the review

committee in the first place. Of course, one thing that pleases me somewhat is it says the minister shall send it to the review committee when he is satisfied that the conditions are met. I hope that there would not be any frivolous requirements by the minister to slow down those applications he does not want and perhaps facilitate those through quickly, those that he wants to see move forward. Of course, if there are limitations, with a \$10 million guarantee it may mean that the Minister of Northern Affairs, the MLA for Arthur-Virden (Mr. Downey) may have to choose. I do not think he is going to have to choose with his \$10 million though, to tell you the truth, because I believe, as I said earlier, that there are a lot of people who are going to be afraid to invest in this vehicle because of the lack of a guarantee, some guarantee for investment. It is unfortunate.

I want to tell the Minister of Northern Affairs that I do not share the Leader of the Liberal Party's concern about rural people and their ability to see a wise investment. I am not going to paraphrase her comments. I am sure she is quite able to explain them herself. Over the years they had throughout Manitoba, on various occasions—she will have many occasions to explain what she meant, but I want to tell you that I am confident that there is all kind of expertise to evaluate these kinds of projects in rural areas, but as I said, my concern is that this government is not facilitating the widest possible involvement in this program by ensuring that there is some guarantee so the rank and file person out there can feel secure in investing in this vehicle, in investing in their own community.

* (1640)

I think it is wrong for the government to say that in order to do that, you have to sacrifice. It is sort of like their reliance on volunteerism, that the government should not be doing certain things, volunteers should do it; the old quilting bee and the barn-raising kind of bees that used to take place as pioneers, that is what we have to go back to. Volunteers in our society are exhausted. We have more volunteerism now than we have ever had and more causes for volunteers, and there is not an awful lot of room for government now to offload their responsibilities onto volunteers.

In the same way, we cannot say to the people of rural Manitoba, you have to volunteer your money now with no guarantee of any return, and it is your responsibility to help with economic development in

a way—really I guess, supposing the government is saying, well, we have not done a good job of rural economic development. Now it is your turn, and you are responsible for this.

I think the government is making a serious mistake there and, as I said, I question the closeness of the decision making to the minister, but he will have to live with the difficulties that arise, as well as the positive aspects of this. Perhaps, Madam Deputy Speaker, by the time this is up and running and there is enough money available for some of these projects to be approved, the minister will not even be in that portfolio any longer, and he will not even be able to get the positive aspects of it on his side. It will, in fact, be another one of his colleagues or perhaps there will even be an election before that takes place. I know that there was a lot of fanfare on this announcement last year in Dauphin when they came up during the election, a lot of fanfare around this bill now. He is going to go out himself and talk about it.

I warn the minister about this. You know, if he does not get it off the ground—you know, we had Main Street Pete. Remember that program Main Street Manitoba. Now Perfect Pete they called him. We had a program that the member for Ste. Rose said: We are going to make this project perfect; we are going to make this program perfect before we finally approve the guidelines.

Day after day, the Conservative opposition used to stand up in this House and say, when is this Main Street program coming? I have a feeling that the minister, James Bond, as he likes to call himself, the Minister of Northern Affairs (Mr. Downey), will in fact—now he has coined a nickname for himself, one of the most flattering, I might say, that we could possibly devise. You could tell this one was coined by himself, because in fact it is flattering, but others might not be so flattering that we may come up with.

Madam Deputy Speaker, it did take time, but eventually that program in fact, Main Street Manitoba, was successful because it was well thought out, and there was an extremely good take-up by rural communities on Main Street Manitoba. That does not mean to say that the Rural Development program will be as successful, simply if it takes time to develop. We hope it does. We hope it will be, but there is no guarantee at all that as it is presently structured, it is going to be successful.

I want to tell the members of the government that we will support this bill with some questions and some suggestions to improve this bill. We will indeed be making those. I have made some of the suggestions on the guaranteed minimum investment and more arm's length approval procedure, but I think that we will see this is a rocky road. It will be interesting. Yes, it is. There are pitfalls on it and the Minister of Northern Affairs knows that, but I think it is a positive step.

I wish that he would not rely though on the volunteerism, on the big-heartedness of rural people to invest in their own communities, but ensure that there is some guarantee so that they could make the parallel comparison with the HydroBonds where they are seeing a guaranteed return and say, yes, we have another type of bond here that is a good investment for Manitobans. In this situation, they cannot say that. They do not know for sure. It means that a lot of people who do not have an awful lot of money to invest are going to be kept out of this market, out of this possibility, because they have to take it from a secure investment and put it into something that is risky with no guarantee of return. The minister knows that. -(interjection)- The Minister of Finance (Mr. Manness) says, why, after I have been speaking for 20 minutes and explaining precisely why.

I guess it is like I expected. You know, you can speak in this House till you are blue in the face and the members of the government do not listen anyway. They have no intention. We saw that with Bill 70 the other day when people came forward -(interjection)- Well, the member for Flin Flon (Mr. Storie) says, you can lead a horse to water but you cannot make him drink. I am going to let the member for Flin Flon continue with that dissertation later on.

Madam Deputy Speaker, I encourage this government to listen. They may have to make some amendments and changes to this as it goes around, because it is not going to be successful as it is right now, but it is a start. That is why we are going to support it right now, but we want them to think about considering the changes that we have suggested—some basic minimal returns.

Madam Deputy Speaker: The honourable Minister of Rural Development to close debate. Order, please.

Hon. James Downey (Minister of Rural Development): Not wanting to prolong the debate in the House and to reflect on the positive initiative that is a major part of this bill, I did take seriously the comments that the member for Dauphin (Mr. Plohman) made in several areas. I am prepared to and will speak to that at committee stage. Important matters which he has brought forward as to the guaranteeing of an interest portion to the bond system—another area which is extremely important.

I guess the indication we have had so far is that there seems to be a fair amount of interest without that component built into it. There is another part which, I believe, would spring a lot of money and a lot of support for a bond program, and that is if we were able to encourage the federal government to give us an RRSP component to Rural Development Bonds, so they would be a tax write-off for an investment. I think that would be a major initiative and step forward. That we do not have but, again, a part could make it much more successful.

Madam Deputy Speaker, with those few comments in closing debate, I look forward to the committee stage and the passage of this bill so that rural economic development can in fact ensue as quickly as possible.

Madam Deputy Speaker: Is the House ready for the question? The question before the House is second reading of Bill 73, on the proposed motion of the honourable Minister of Rural Development (Mr. Downey), The Rural Development Bonds Act (Loi sur les obligations de développement rural). Is it the pleasure of the House to adopt the motion?

Some Honourable Members: Agreed.

Madam Deputy Speaker: Agreed and so ordered.

Bill 75—The Manitoba Employee Ownership Fund Corporation and Consequential Amendments Act

Madam Deputy Speaker: To resume debate on second reading of Bill 75, on the proposed motion of the honourable Minister of Industry, Trade and Tourism (Mr. Stefanson), The Manitoba Employee Ownership Fund Corporation and Consequential Amendments Act (Loi constituant en corporation le Fonds de participation des travailleurs du Manitoba et modifiant diverses dispositions législatives), standing in the name of the honourable member for Thompson (Mr. Ashton).

Mr. Steve Ashton (Thompson): Yes, Madam Deputy Speaker, I could indeed make an extensive speech on this, but I know my colleague the member for Flin Flon (Mr. Storie) wishes to speak to this bill, so I will defer to him.

* (1650)

Mr. Jerry Storie (Flin Flon): Madam Deputy Speaker, my colleague from The Pas (Mr. Lathlin) was making the point that he had been speaking for 20 minutes and trying to get someone over there to understand his message, and my comment was, you can lead a horse to water, but you cannot make him think, and the same applies to Tories.

I want to begin by commending the Minister of Industry, Trade and Tourism (Mr. Stefanson) for tabling this legislation. The minister had promised that he would have a spreadsheet available for members of the opposition, particularly the critics, so that we might be a little better aware of all of the provisions in this bill and their implications.

This is a very lengthy piece of legislation. I am going to assume that the necessary consultation has been done, particularly with the Manitoba Federation of Labour, but also with other individuals who may have some expertise and some knowledge about the operation of these kinds of funds.

First I want to make it clear that this is not a seminal thought on the part of the Minister of Industry, Trade and Tourism. In fact these kinds of what are called labour-sponsored investment funds exist in many other parts of the country and in other parts of the world. We in Manitoba come to this concept somewhat laterally in terms of its development in other parts of Canada and other Western countries in particular.

The principle behind this legislation, I think, is positive in two respects. First, in Manitoba, in rural Manitoba in particular, but in Manitoba, businesses, business ventures, potential entrepreneurs always have a difficult time finding investment capital, and of course when small businesses experience difficult times, when our economy experiences difficult times, there is no greater assurance of success in managing to survive than not being weighed down by a heavy debt load. The second, I guess, biggest and most serious difficulty the businesses face is, of course, accessing capital.

We have always understood, and I assume that the Minister of Finance (Mr. Manness), and the

Minister of Industry, Trade and Tourism (Mr. Stefanson) understand, that Canadians do have, Manitobans do have at their disposal, income which could be made available for the kind of business ventures which are contemplated by this fund. So I think we start from the premise that what businesses, small businesses in particular need, which is capital, may be made available through this vehicle.

The second point, and I think the minister referenced it when he introduced this legislation, is the fact that the bill calls for the involvement of employees. I think that is a significant departure from what we have seen in the past, and certainly it is unique to Manitoba at this time. A recognition that, in fact, the people who work in our factories on the plant floor and the people who work in our retail establishments, or whatever, can contribute to the success of a particular enterprise at many levels. While they need, in and of themselves, the superlative employees and may do their best for a particular corporation or business, that does not in itself guarantee success of the business.

There have been occasions in Manitoba through other similar kinds of programs, whether it is employee gain share or profit sharing plans that companies have used from time to time, or co-ops which used to be a very viable vehicle for maintaining what are perceived to be, I guess, nonviable enterprises—

I think that the concept behind this bill is worth exploring considerably. First of all, one of the things that I think other businesses have experienced, including some notable Manitoba experiences—I might mention Ancast Industries, which was one of the first businesses to take advantage of the previous government's employee gain sharing program as an example of companies which have used the principle that involving employees in more than one aspect of the business makes good sense.

Madam Deputy Speaker, if I can use a Canadian example perhaps for a minute, perhaps the best-known example, certainly to many people, will be the example of Cascade Industries which operates out of Québec, which took a rather moribund business and turned it into a very successful enterprise by involving its employees, by offering ownership, by offering shares which would be made available by the company through loan, based on wages to be earned by employees, and used a number of other extremely innovative tools

to involve the employees more directly in the business and the activities of the business.

So the principles of this bill, which are enunciated in its preamble, I think are ones that are well understood and have worked certainly in many other instances. The three that are mentioned in the second WHEREAS of the bill, "capital retention and economic stability,"—again we are creating a fund that can be used for hopefully successful enterprises throughout the province to create an interest in employee ownership in Manitoba and employee entrepreneurship in Manitoba.

Finally, Madam Deputy Speaker, certainly we would all wish that the last aspect of this, the principles of the bill, will not occur frequently, but certainly to retain jobs in Manitoba when there is a danger of losing them because of lack of profitability or lack of interest on the part of some other owner. The fact of the matter is that this bill is probably more important right now because of the impact of free trade than at any other time in our history.

Madam Deputy Speaker, in the last six months or in the last eight months I think each of us could name a company or a number of companies that have discontinued business in the province of Manitoba not because they were not profitable, but because they were not profitable enough. The most recent example was probably Tupperware. It was interesting that in all of the explanations that were provided by the company to the public about why it was necessary to move the Tupperware manufacturing centre from Morden back to Tennessee, nowhere was it mentioned whether the company was profitable in its Morden operation or not.

I believe, and I believe that it can be confirmed quite easily, that in fact Tupperware Canada and the Morden operation was in itself a viable enterprise. It did not maximize the profit that Tupperware believed was possible, and to maximize the profit they now do what businesses across the country are doing and they are rationalizing. Well, rationalizing, which sounds rational, is another euphemism for the bottom line, protecting the bottom line or improving the bottom line.

* (1700)

So this bill, Bill 75, Madam Deputy Speaker, which comes to us as a rather, I guess, moderate example of the kind of employee-sponsored, labour-sponsored investment fund across the

country may in fact end up saving literally hundreds of jobs in Manitoba by virtue of the fact that employees are going to be left holding the bag as countries abandon their manufacturing and their business operations in this province because they can do it less expensively from some other jurisdiction and ship the goods or the services to Manitoba. Madam Deputy Speaker, that is a rather bleak scenario, and we can only hope that in fact that does not come to pass and that in fact this legislation ends up creating a fund which is dynamic and which will be creating new investment opportunities or supporting new investment opportunities in the province of Manitoba.

Madam Deputy Speaker, I think it is important to recognize that what we are creating here is a fund whereby employees will in effect be able to save their own jobs. That is a prospect which is sobering and not particularly an optimistic one, I suppose you would say. Of course, the advantages to the employees through this are not only an opportunity to invest in a business which, hopefully, will succeed and pay dividends in the future, but are also an opportunity for an individual to experience some immediate tax credit, because these kinds of labour-sponsored funds, of course, enjoy some special status with respect to Revenue Canada and The Income Tax Act.

There is an immediate benefit available to people who invest or choose to invest in this kind of investment fund. I think that will make it attractive, certainly, to a segment of the population, perhaps those in particular whose income is above the mean in Manitoba, those who can afford to put some money away through this kind of a vehicle, which offers some limited protection from the government, which at least guarantees the principal, but which does not guarantee any level of interest on the money that has been invested or any particular guarantee above the principal.

Madam Deputy Speaker, the organization of these funds is something that perhaps is going to require some streamlining at some point. The Minister of Industry, Trade and Tourism (Mr. Stefanson) did not spend a great deal of time talking about the structure of the board of this new incorporated entity. I think that when I look through this and see the possible permutations of members who can be appointed to the board, it raises some concerns about how manageable that is going to be.

Obviously, the minister and the Manitoba Federation of Labour, I assume, have worked out some of the—we will have some opportunity, I guess, during the start-up phase of this fund to determine whether it is a manageable level or whether, in fact, it is creating a situation where making a decision becomes difficult.

Madam Deputy Speaker, the special status of the Minister of Finance in this bill and in this fund, I think, put the Minister of Finance and the province of Manitoba in an interesting position. Obviously, they have a deeply vested interest in how this fund operates and how successful it is because the Minister of Finance is ultimately going to be responsible for a significant portion of the assets of the fund in that he guarantees the principal amount being invested by individual investors.

The role of the province in this fund will be critical. If there is any concern, I guess, and I certainly do not disagree that the province has to have a seat at this table, but if there is any problem, of course, it is going to be the government's dilemma, if you will, in directing the fund and influencing the fund without appearing directly or indirectly to be influencing the fund and the operation of the fund. Of course politically, I meant, not in a financial sense.

Obviously, we would all wish that the decisions that are made by this board will be in the best interests not only of the investors, but of the province. Obviously, there is always the dilemma that political appointees face when sitting on boards of this kind of being accused of manipulating the board decisions for their own purposes, whatever they might be. It is going to be, and perhaps the minister will have an opportunity to answer some questions about the structure of the board and clarify, at least for myself and perhaps some others, how this board is intended to function and whether, in fact, it will function after the board is up and operating at its optimal level.

Madam Deputy Speaker, the bill also provides that there be a certain amount of reserve set aside from the fund essentially as protection against—I assume against disastrous results from the funds that were invested. If my reading of the bill is correct, the government is requiring in this legislation 15 percent of its assets to be set aside or a reserve fund to be set aside against assets of approximately 15 percent. I look to the minister for advice. Perhaps if he closes debate or the Minister of Finance (Mr. Manness) closes debate, he can tell

us how that compares to other labour-sponsored investment funds, what -(interjection)- 15 percent is the best?

Madam Deputy Speaker, if the minister is going to respond, then the 15 percent reserve level—I simply ask the question, is that sufficient? I guess no amount is going to be entirely sufficient unless you have 100 percent, but how does it compare in terms of other investment funds? How does it compare to other funds, superannuation funds, et cetera? What kind of guarantees are there put in place? What kind of protections are put in place to make sure that investors at least have some minimal protection from, I guess—I was going to say incompetence, but negligence, I guess, is the more correct term.

The other provisions that I thought perhaps, well, they appear very tight, were the conflict-of-interest provisions. Again, the only question that I would raise in terms of this provision again is the potential conflict of the appointees of the provincial government. I suppose you could argue appointees of other individual investors but, because of the political nature of the appointments and because of the special responsibility of the provincial government, what provisions outside of our own conflict-of-interest provisions for senior civil servants does the minister contemplate employing, or are they required?

The conflict-of-interest provisions in this bill are not as broad, I do not think, as the conflict-of-interest provisions for senior civil servants, for example. Depending on who might be appointed to serve on the board of directors of this fund, they may have either more stringent or less stringent provisions applying to them. I am wondering what kind of appointee the government is contemplating when they talk about their appointee based on the special shares that the Minister of Finance (Mr. Manness) holds. Does the Minister of Finance or the Minister of Industry, Trade and Tourism (Mr. Stefanson) have someone already in mind? Are we talking about a Charlie Curtis, someone who has a great deal of respect, I think -(interjection)-

* (1710)

Well, Madam Deputy Speaker, the Minister of Finance, quite rightly in this case, raises the matter of the disrespect shown Mr. Curtis by the member for River Heights (Mrs. Carstairs), but setting that aside, most other members respect this man's

integrity and his knowledge, and if the appointment is going to be someone of that stature, then there are few problems.

However, if the appointment is going to be Mr. Seech Gajadharsingh, then there may be some other problems that we would want to raise. However, I know that the Minister of Finance is not nearly as familiar with that individual as the First Minister (Mr. Filmon), so I will leave that, of course, to the Minister of Industry, Trade and Tourism, and the Minister of Finance to battle out around the cabinet table.

Those are the kinds of questions that I think need to be raised when you are talking about conflict of interest, because conflict of interest when you are dealing with provincial government involvement is nothing to laugh about. It is a very serious trust responsibility, so raising it in this context is the proper way to do it. We are creating a new piece of legislation. I think we have to be extremely cognizant of the potential for perceived conflict of interest in the appointment of individuals to this board, so that is why I raise the question. Perhaps the minister can satisfy myself and some others at some point -(interjection)-

Well, unfortunately, the Manitoba Federation of Labour only can appoint its own members to the board, and if the Minister of Finance is prepared now to accede to the wish of the Manitoba Federation of Labour to appoint the provincial government's member, then certainly some of those concerns would be allayed.

Some of the other provisions with respect to the transferring of shares I think are fairly standard. I do not have any particular questions at this point on the share conditions. Certainly I would appreciate receiving from the minister responsible for this legislation a spreadsheet which outlines perhaps what individual sections mean and what they are intended to protect or to ensure happens. It would be a little easier to know whether in fact the wording of the bill is going to be able to meet those conditions as set out by whoever drafted the bill.

Other than that, I hope the government, I do not believe they are, but I hope the government does not see this as some panacea for the problems that face our industry in the province of Manitoba. As I said earlier, we are beset with a number of economic problems that revolve certainly around the fiscal monetary policy of the federal government, but they

also reflect very much the approach that the federal government and Conservative governments across the country have taken with respect to our economic well-being, and that I believe is shepherded by a belief that the private sector and the private sector alone and its interests ought to take precedence over society's interests, our country's interests, community interests, and other individual interests, and I think that is a mistaken concept.

It will be quite ironic, I suppose, if several years from now when this fund is up and established and perhaps making investments, we do not find that the first investments or the first several investments from this fund go to salvage operations that are being abandoned by parent companies like Campbell Soup or Tupperware or Toro or Paulin's or whoever else. I believe that is a very grim but likely scenario unless we also come to grips with some of those other problems that are plaguing business in the province of Manitoba and across the country.

Having said that, Madam Deputy Speaker, I certainly intend to review this very carefully in committee as we go through clause by clause. I lend the bill a modicum of support at this time. I believe the principle of the bill is quite acceptable. It has been tried in other jurisdictions with more or less success.

Certainly, I think, it stands to put employees in a better position in terms of their own stability and in terms of their own understanding of the operations of a particular business but, again, it is no answer to all of the problems that businesses face, that we face as an economy.

With those remarks, I will listen to other colleagues. I am prepared to see this bill go to committee.

Mr. Kevin Lamoureux (Inkster): Madam Deputy Speaker, it is with pleasure that I stand to speak on Bill 75.

Bill 75 as a concept is a good one. We think it is long overdue and governments of all stripes have to make strides to ensure that companies that might not be able to be here because of the demands for profit from larger corporate entities, if you will, far succeed what the employees would require to be able to invest in work, because they do not require as much profit per se as their corporate headquarters located in Vancouver or Toronto or anywhere abroad.

What it does is, it establishes a fund and a means by which an employee can purchase a business or, I should say, employees can purchase a business, that would be winding down or possibly going into receivership. It is legislation that one could say is somewhat overdue if you take it in the context of the Free Trade Agreement, now the discussions regarding free trade with Mexico, when there are additional pressures that are being applied to many different companies, and particularly our manufacturing industry.

We have seen in the last number of years, Madam Deputy Speaker, the manufacturing industry has been especially hard hit. We have seen more and more jobs being lost every year. In the past couple of years we have seen a phenomenal number of jobs being lost in that area. That causes a great deal of concern to us in the Liberal Party and to all Manitobans in the sense that these are the types of jobs that help diversify our economy.

These are the types of jobs that are on the higher pay scale, if you will, than your service-oriented jobs, your McDonald's jobs, minimum wage jobs, which are good jobs. Any job to a certain degree is worth retaining here in Manitoba, but there are other jobs such as the manufacturing sector that we have to ensure remain a vital part of Manitoba's economy, because in the past Manitoba has been able to weather booms and busts. We have not had the Alberta or Ontario syndrome where our economy hits plateaus where we see prices of houses more than double in a short timespan, nor have we seen Manitoba's economy go down as far as Alberta's has.

We take a look at Alberta—I know when I was living in Alberta a number of years ago the economy was really bottoming out and a number of individuals or co-workers of mine had to sell off at a substantially lower price than they had initially bought for.

Manitoba, even though we have felt the recession, especially this recession like no other, we do not have the same impact, the severity if you will. We are losing that, I believe. I believe that in future business cycles Manitoba is going to be feeling it harder because we are losing some of that valued diversification. We do not see the government standing up for Manitoba and ensuring that we are allocating the monies, what monies we have, in the right areas, such as worker adjustment where we just see 2 cents for every worker, which just is not

acceptable. These are the types of training programs that we should in fact be enhancing.

We should be ensuring that Manitobans are better equipped, so that we have the diversification that is necessary, so that we have the educated work force, so that when a business is about to go under or a corporate head office in Toronto or Vancouver or wherever it might be decides that they want to close down that particular branch, that the employees can then take the reins and have something established through legislation that will allow them to continue on.

* (1720)

It was not that long ago, Madam Deputy Speaker, that even in my own riding where we had a glass company that was going under, its head office was in Vancouver and because the company itself was not making the profit that was deemed to be necessary, it was closing down not only in Vancouver, but also here in Winnipeg. The plant here in Winnipeg, which was located in the Inkster Industrial Park, was in fact making money. It is a plant that would be very successful under a program of this nature in terms of an employee ownership.

Even though I do not claim to know all of the details of this particular bill, I can say that we, we as in the Liberal Party, support the concept of employee ownership, and anything that goes to further that cause, I believe, is indeed in the interest of all Manitobans not only for today, but also for tomorrow in the sense that we will be able to retain those companies.

The member for Flin Flon (Mr. Storie) referred to Tupperware. One asks the question, the reasoning and the rationale that was used for the closing of Tupperware. What about Campbell Soup, if we had an employees fund or some opportunity for the employees to be able to run companies of this nature, at least to be able to invest. It is only through the initiatives of employees who want to see the company remain in Manitoba, to ensure that the jobs remain here in Manitoba, are we going to be able to allow the employees the opportunity to do that, whether it is in a fund of this nature that is being proposed by this act or future legislation or what is currently in place. It is our responsibility to ensure we do whatever we can, as legislators, for the employees so that those jobs are in fact here for tomorrow.

Our critic will be speaking and asking questions on this particular bill if it does come up in committee. I know there are a lengthy number of bills to go through committee hearings but, Madam Deputy Speaker, I trust that the questions that are asked in committee will be answered to the best of the government's ability, that the number of concerns that both opposition parties have will be, in fact, addressed, that we will not just go through this particular piece of legislation without those concerns being addressed, so that we can have it in third reading. I believe by far a majority of Manitobans would support the concept of having legislation that would enable employees to be able to ensure that their jobs are here for the future.

On that note, Madam Deputy Speaker, I will allow the bill to go to committee as long as there are no other speakers to speak today on the bill in second reading.

Madam Deputy Speaker: Is the House ready for the question? The question before the House is second reading of Bill 75. On the proposed motion of the honourable Minister of Industry, Trade and Tourism (Mr. Stefanson), The Manitoba Employment Ownership Fund Corporation and Consequential Amendments Act (Loi constituant en corporation le Fonds de participation des travailleurs du Manitoba et modifiant diverses dispositions législatives).

Is it the will of the House to adopt the motion? Agreed? Agreed and so ordered.

House Business

Hon. Clayton Manness (Government House Leader): Madam Deputy Speaker, just to clarify again the committee tonight. I would like to make one change with respect to one bill. I had announced earlier that Bill 75, if passed, would be considered tonight in Law Amendments committee. I will withdraw that and instead of Bill 75 tonight, which then will be considered tomorrow night in Law Amendments committee, I would put in Bill 73, that being The Rural Development Bonds Act for consideration in Law Amendments committee tonight. Therefore, tonight in that committee, we will consider Bills 2, 45, 47, 61, 63, 64, 71 and 73.

Bill 68—The City of Winnipeg Amendment Act (2)

Madam Deputy Speaker: Bill 68, to resume debate on second reading of Bill 68, on the

proposed motion of the honourable Minister of Urban Affairs (Mr. Ernst), The City of Winnipeg Amendment Act (2) (Loi no 2 modifiant la Loi sur la Ville de Winnipeg), standing in the name of the honourable member for Wolseley (Ms. Friesen). Leave?

Ms. Jean Friesen (Wolseley): The purpose of this bill is to reduce the number of councillors in the City of Winnipeg from the present 29 to 15. It also includes some other changes dealing with pensions, with the role of the mayor, and the number of community committees.

Madam Deputy Speaker, we oppose this bill. We look forward to some of the many presentations we think that there will be at committee and we want to, I think, ensure first and foremost, people recognize that this bill will reduce drastically the democratic representation of Winnipeggers.

Why did the government introduce this bill? Well, they argue, Madam Deputy Speaker, that it was an election promise and that they have a mandate to introduce such dramatic and radical changes to the City of Winnipeg. They introduced it on the same day. At least, their election promise, in fact, came on the same day as the Liberal election promise came, a very curious presentation of the same promise, an indication of some of the consistency of interests, I think, that exist between the two other parties.

The minister has not always held this view. In fact, in 1987, not that long ago but perhaps certainly enough to change one's mind, the minister said that he supposed in the overall scheme of things it will not matter a great deal, and for the time being we are prepared to stay with the 29 wards and see how it works. So one would assume, Madam Deputy Speaker, that between 1987 and 1991, there have been some dramatic changes in the City of Winnipeg which would indicate that the council of 29 members has not worked.

I have yet to see any evidence from the public, from this minister in particular, from any research that he might have done in his department, from any other committees or representations that have been made, that there have been dramatic changes in the way in which the City of Winnipeg operated since 1987, but the minister has seen good reason perhaps to—perhaps he will certainly let us know what those are—alter the representation in the city.

The origin of this proposal, Madam Deputy Speaker, of course comes out of a group known as the Urban Development Institute which presented a brief in the early 1980s, some research on Winnipeg City Council and other matters. They argued there for both pie-shaped wards, full-time councillors and for a City Council of 15 members. In fact, they actually thought 12 members would be better, but they would be satisfied with 15.

This is the earliest, perhaps, and most widely distributed form of origin of this idea that I have found, and I can only assume that this is where it came to the Liberal Party and the Conservative Party from.

An Honourable Member: From where?

Ms. Friesen: The real estate developers' association known as the Urban Development Institute.

So it seems to me, Madam Deputy Speaker, as though this proposal will be regarded as good for business, good for speculation, good for real estate dealers; but is it good for Winnipeggers? What have Winnipeggers said on this issue?

For two years, the Cherniack committee gave a thorough study of the representation and the organization and the responsibilities and ward boundaries of Winnipeg City Council. They came up with a number of 24 after much review, after considerable research, after a great deal of thought and digestion and of the presentation of white papers and considerable study.

They made much of the role of community committees and argued for an expansion of their responsibilities in Winnipeg. They made a number of suggestions about the role of the mayor and about the standing committees of the City of Winnipeg. It was a very thorough study, and I think it was well received by most Winnipeggers, including those who would not necessarily agree with all of the recommendations.

* (1730)

What did this minister do? He came up with a two-month study, the Eldon Ross committee which some people would suggest was appointed on a political basis, but I do not want to deal with that particularly. It seems to me that the main problems with the Eldon Ross committee were, in fact, that they were given a very short period of time in which to work, two months compared to the two years that the Cherniack committee had studied, that they

were given a very short period of time for which people could organize their presentations. In fact, in the end, there were so many people who wanted to present that extra sessions had to be held, but some people had very short notice. For example, the notices that were inserted into the Franco-Manitoban newspapers, in fact, only gave the presenters there a month in which to develop their presentations, which if you are dealing with community committees and community organizations, Madam Deputy Speaker, is not a long time.

They were given a very narrow mandate: Bring in a number somewhere between 12 and 15. The minister also instructed them to create new ward boundaries, something which he backed off at a later date and assigned that to the appropriate and nonpolitical boundary review commission.

There has been another further committee, the Middlestead Committee of the City Council, which I believe is going to be debated by City Council tomorrow and which also had a number of presentations, not an extensive number, but which is also appointed by all political stripes and which represents all political stripes and has come in with a representation somewhat similar to the Cherniack committee, at least in terms of the numbers it is recommending for City Council.

The Eldon Ross committee did no research. It was not given the staff to do that. I am not blaming the committee. They were given a narrow mandate and no resources—no white paper, as one commentator has said, simply a blank paper.

(Mr. Speaker in the Chair)

The Winnipeg Free Press—sometimes I will quote the Winnipeg Free Press, and today I am prepared to quote the Winnipeg Free Press, which has opposed this particular move of this government.

"This new system"—it says—"would suit the purposes of a power-hungry, bullying mayor with a popular following, for it would allow such a mayor total power over the municipal machinery. But it cannot by itself abolish either parochialism or inefficiency," which are the only two reasons that we have heard from this minister for this particular change.

A council of 15—this editorial continues—can be as exactly as efficient or inefficient as a council of

29. It can be as efficient or inefficient as its members choose.

The Winnipeg Free Press opposes, the Middlestead Committee opposes, the Cherniack committee opposes, but who supports? Well, the Tories, very few of whom represent inner-city ridings. The Liberals support it, and what inner-city ridings they had disappeared in the last election. So it is difficult to see the direct mandate that this government has for this reduction in Winnipeg City Council. The government presses ahead despite the overwhelming number of people who presented to the Eldon Ross committee arguing against both pie-shaped wards at that time and against this large reduction in City Council.

We are left with the conclusion, Mr. Speaker, that this is another piece of right-wing ideological legislation, pressed ahead in great speed with little thought and no research over the objections of many, many Winnipeggers.

If the government had any mandate to do this it would be based upon a false assumption. It would be based upon the idea that perhaps some Winnipeggers had at the time of the election, that this would be a cost-saving measure.

I will certainly commend the minister, as I have done on a number of occasions both in his presence and at public meetings, to say that this Minister of Urban Affairs (Mr. Ernst) has been very straightforward on this, very honest, very direct. It is not a cost-saving measure. That has cleared the air, and when you present that at a public meeting, I think people certainly are much more prepared to have a second look at this and to look at the ideological basis on which it is being presented.

It will not cost us less and, in fact, some commentators, for example Bill Neville, again in his column in the Winnipeg Free Press, predicts that it will, in a very short space of time, cost us more because of the research assistants, because of the extra staff that are going to be required by full-time councillors representing much larger wards. It was, I would suggest, in the tradition of "Yes, Minister," a courageous presentation on the part of the Minister of Urban Affairs to be very clear that this is not a cost-saving measure.

How did we get to this particular proposal? I want to go back a little bit over the history of Winnipeg City Council. There have been many changes in urban government in Winnipeg. This is not the only

one. It is a radical one, and it is certainly ideologically and, I believe, a very right-wing move, a regressive move, on the part of this government.

When we first look at the European political map as it is established along the banks of the Red and the Assiniboine, we see European government in Manitoba developing on the basis of parishes. Parishes were the unit of local government, here, in Ontario and in Quebec. If you look at the map of Manitoba or Assiniboia in the years before the 1870s, what you see is a series of parishes, starting with St. Peters up by the lake, the Christian Indian parish of St. Peters, moving down through St. Clements, through St. Andrews, St. Johns, all of them the Anglican parishes of Red River. As you moved out along the other rivers, you found St. Vital, St. Boniface, the French and Catholic parishes, the mixed-blood parish of St. James, and so on. Local government organized largely according to race and religion for much of the period up to the 1870s.

Parish government, in fact, is what many people think of as town-hall government. In the United States, a tradition brought to Canada by the American loyalists, the town-hall government where all of the male electors would assemble to decide the business of the parish, the roads, the statute labour, the welfare, the education system, all of those were decided within the parish.

Assigned to the government of Assiniboia, the provincial government in a sense, were those items which dealt with the environment, with trade, with external relations, with European systems of land tenure and with the justice system. So the origins of our local government come from the 1830s and from those parishes of the Red River.

As Winnipeg grew, in many ways largely because of the rivers and because of the direction of the CPR tracks, Winnipeg continued to be divided by race and by class. Some of the local governments, in fact, still took recognition of this. Neighbourhoods became, in fact, developed upon that basis. In 1874, when Mayor Cornish assembled the first Winnipeg City Council based on a European electorate of 400 voters, he had 12 members establishing a very local kind of democracy. It is interesting that this is, in fact, I believe, the minister's preferred number, that he would like to go to 12 members for 600,000 voters.

The pattern of old Red River continued, I think, with local and neighbourhood governments. We

had developing local units of Transcona, Fort Rouge, St. James, of Elmwood, local municipalities with government that was very close to the people. It is really only with the development in the 1940s, right across Canada in fact with suburban development, that we begin to get a different pattern of local arrangements, local loyalties, in Winnipeg.

It is at that point in 1961, Mr. Speaker, that we developed metropolitan form of government, a regional form of government which maintained the existing local governments, 107 municipal councillors in fact, and created a regional government of 10 councillors plus the mayor, which is again more or less the kind of system that this minister now wants to return to, but at the same time abolishing the local representation that we had in those 102 members.

* (1740)

The NDP government later reduced it to 50 councillors under Cherniack, Unicity, and so what we have here being proposed is really a form of metropolitan government without the local representation, without the local democracy, essentially a regional management committee, much in the same way that we had, much disliked, I gather, by everybody except the mayor in the 1960s.

The government's goal is to create, I believe, Mr. Speaker, a corporate agenda for the City of Winnipeg. The minister in fact has referred to Winnipeg as simply, quote: a big business with a \$600 million budget. Just as the government has done with its labour legislation, with its attack on the Manitoba Medical Association and the Rand Formula, with its centralization, its creation of a large corporation for Child and Family Services, what it is doing is centralizing, managing, essentially abandoning the local democracies and the local participation, the volunteer participation, the broadly based democratic institutions that we have had in Manitoba. We should not see this as an isolated incident. It is part of a much broader package that the government is bringing, in and that is why I am very conscious that this is in fact ideologically originating and ideologically bound.

The provincial government essentially sees itself as a sort of corporate head office which has all of these interlocking directorates, large businesses, large corporations that it is going to manage with a small number of people gathered together over the

lunch table, the business lunch and the small room and the privately arranged deals. We oppose this kind of corporatism. We oppose it in Child and Family Services. We oppose it in the City of Winnipeg.

What we would present, Mr. Speaker, in its place is a government philosophy which is quite different, which puts, first of all, accessibility, representation and democracy as the major purposes of government, and that government should, in fact, enhance the citizens' opportunity to be involved in civic government, to be involved in child and family services, to be involved in developing its own labour contracts.

We believe that this can be achieved with a larger number of councillors. It certainly cannot be automatically done with a smaller number of councillors. When you go knocking door to door, when you answer the phones, when you are solving problems for constituents, you are much more accessible, you are much more directly accountable to your electorate when you are representing, as we do in this House, on the whole, 20,000 to 30,000 people.

What we are creating in the City of Winnipeg is megaconstituencies, some of whom will represent 45,000 to 50,000 people, although it is likely that the average will be in the 45,000 person region. So the representation, I think, is changed considerably. We oppose that, because we think accessibility and accountability are the primary philosophical bases of the kind of democracy that we would like to see in Manitoba. I think also when you have constituencies of 40,000 to 50,000 people, the distance that you are from your constituents, the fact that you can no longer conduct a campaign as Councillor Thomas has done in Elmwood, where you can knock on every door, speak to 80 percent of your constituents during an election period, and where you can handle the 10 to 15 calls a day that she averages at the moment.

If you increase that to 40,000 to 50,000 people you will never be able, in the course of an election period at least, to meet with your voters. You will be having 30 to 40 phone calls a day and, even with an assistant, you are not even going to be able to manage that, let alone deal directly with a constituent and have them have the direct accessibility to you and you be directly accountable to them. So that distance from power which is going to be created in this situation, I think is an important

and dramatic change, and we are strongly opposed to it.

A third item I think that is important, Mr. Speaker, is the diversity of representation. When you have 29 councillors, you have a much greater opportunity to have a more diverse representation. There are very few Winnipeg city councillors at the moment who represent new immigrants or who represent aboriginal people in the sense of being part of that community. If you cut it down to 15 or 12, as the minister would really like, then your opportunity to have representation from multicultural groups, from aboriginal people and from women is much reduced.

Indeed, I believe the City of San Francisco has faced a court challenge on this basis when it did reduce the representation in its city. I believe Hispanic Americans, in particular, brought representation to the courts that under such a situation they could not be represented in a fair manner.

Now I do not anticipate that under a Canadian system we will have that kind of representation, but it is an important aspect. With more councillors you have a greater opportunity, whatever party or political stripe you belong to, to ensure that your candidates do represent a much broader and more diverse aspect of the population. I would think that is something that we would all want to see at all levels of government.

Well, why change the political communities that we have developed, Mr. Speaker? It seems to me that the minister wants to homogenize, to minimize diversity and to create a single kind of interest group in the City of Winnipeg. Large constituencies—and this is the whole purpose in introducing it, in fact, is to have city councillors who do not specifically represent small local areas but who represent much larger ones and so, as the minister has said on other occasion, could balance suburban and inner-city constituencies.

Even though we are not going to have pie-shaped wards, a large ward means that the majority of councillors are, in fact, going to have to represent the very poorest of people and those in the suburban areas of the city who have different educational levels, different economic levels and greater means to access the power.

So I think that what we are looking at here is the destruction of older communities, political communities of Wolseley, Transcona, Elmwood, St.

Boniface, even River Heights, communities which have had a history of consistent political representation, who share in some cases a language, who have shared the age of the infrastructure of many of their drains and sewers and housing and share some of the same kinds of problems because of that, who have shared institutions and who are one from another diverse in the tradition of Winnipeg local government.

I think that continuity is important, Mr. Speaker. The government does not. It wants to radically change that kind of stability which has been fostered over many years in Winnipeg.

What we would propose is to maintain these existing ward boundaries to foster the consciousness of community, which is important in new societies and which political boundaries do help to create and maintain, to foster the community cohesiveness, to foster the closeness to a political representative and, through that, through connection with neighbourhood, connection with institutions and through direct accessibility to a member who represents 20,000 people to give the contact and sense of control over one's immediate political boundaries and political environment. I believe that is basic to the healthy political life of any city.

What we are going to see with this particular proposal is distance from elected officials, alienation in the sense of distance from control over decisions, the absence of a connection with an existing neighbourhood.

* (1750)

These are exactly the kind of problems that we are seeing in the inner core of American cities, where the representation in the government is being organized by the suburban belt. Those people who have the newest housing, who do not face the problems that the inner city and even the sort of inner suburbs do in terms of deteriorating roads and deteriorating infrastructure have abandoned the inner city. They move to other areas and then govern possibly in their own interests. In the American cities, what we have seen is divisiveness and violence and an abandonment of the central core of urban living.

The minister believes that the current numbers on Winnipeg City Council, which are just the same as when he was there and when in fact many other members of the government were there, are

unwieldy, that they are time consuming, perhaps that they are messy. So let us just have a small groups of similar, like-minded people who know what is best for us.

Yet, Mr. Speaker, as the Winnipeg Free Press and other columnists have indicated, it is not the numbers which are the issue. If you want good government, you can have it with 57 people just as well as you can have it with 29 people, or with whatever numbers, it is the -(interjection)- Exactly, the logical extension of the minister's proposal, of course, is in a government of one. The logical extension of the other one is, of course, a government of 600,000.

The numbers game is largely irrelevant. What I am arguing for is stability, for community, for the kind of political boundaries that we have already existing and for a system which was working, given the community committees, given an enhancement of the RAG groups, that was working.

An Honourable Member: Working? Where have you been?

Ms. Friesen: If you do not think it is working, listen to the people who presented to the Eldon Ross committee, because the minister did not. Certainly there, there were many presentations which spoke of the value of the community committees, which spoke of the value of access to their local councillors and who valued the kind of community and the consciousness of community which were fostered by those particular boundaries and ideologies that that represents.

So the numbers game I do not think gets us very far. One of the most important decisions in the history of Winnipeg, for example, the creation of the Trizec building was decided in 30 minutes by a council of 50. So it is a false argument to say that you cannot get decisions, that you cannot have reasonable management, with a council of 50 or of 29. The point is, why change it? Are the numbers the issue? It was a decision which was made quickly.

Councillor Al Ducharme, for example, Councillor Mike O'Shaughnessy, who have had experience of both 50-member councils and 29-member councils, have said that the 50-member councils were the best ones that they sat on. The point I am making is that the numbers are not the question. There are ways of improving and streamlining the management of City Council. I am sure when the

members opposite sat on City Council, perhaps they proposed many of those or perhaps the gang of 18 or 19 worked in their favour. Perhaps they did not feel they needed to change the rules.

Now that WIN is gaining a majority, now that there is a reform group on City Council, now we begin to see proposals for cutting representation and for cutting the kind of reform ideas and the people's voice that are recognized in the advance of the WIN group on City Council.

There are a number of changes which the minister could have addressed. There are a number of changes which the City of Winnipeg could address in terms of streamlining its budget procedures and the implementation of policy in the direction of its bureaucracy by people who are clearly politically accountable. Both the city and the minister in fact should be addressing these. They should perhaps pay attention to the existing research that the Cherniack committee did or the existing research that the Institute of Urban Studies has done and which they presented to the Ross committee.

The minister chose to do none of this. He chose a very simplistic response. The reform group is winning. The costs of the inner city are very high. Let us cut the representation. Let us get rid of the reform people on City Council, and let us deal with a very small group who are responsible to a very large number of electors. I think Winnipeg deserved better than this ideological, hidebound, radical, right-wing ideology of the corporate state.

One of the major difficulties of this bill is that it is going to create wards that are in the region of 40,000 people. The minister has recognized that the workload will increase, and there is also the recommendation for full-time councillors or at least for the option of full-time councillors. As he has pointed out, it is not a cost-saving measure. Essentially, they are going to reshuffle the salaries of 29 people and share it among 15 people, and as most observers have recognized, these 15 people will require assistants, will require secretaries, will require—in fact some of the assistants they should already have, and I think most city councillors would agree with that, but they are now certainly going to require much more than just simply to keep control of the phones and of the paperwork.

It also means that in a ward of 40,000 to 50,000 people, the amount of time that it takes a city councillor to meet with his constituents and to meet

with the voters during an election period, is going to be much, much longer. So, for the most part, they are going to have to communicate with the voters through the electronic media, not in a personal or conversational way and the way in which councillors, particularly in the inner city, have been able to do in the past.

I hope, Mr. Speaker, if the government uses its majority to pass this bill that there will be consideration by both the government and by City Council to place restrictions on the amount of money that can be spent in elections and to have some very clear guidelines for the amount of money that should be disclosed, so we know who is going to be paying for these new mega-city-councillors and also so that we do have, to some extent, a level playing field to ensure that those people who I already suggested are not represented on City Council, those who have much less access to the money or access to those who have money, have the opportunity to serve in civic government.

We need to ensure, and I am disappointed that the minister has not done it in this bill, that a small group of the wealthy or those who have access to wealth do not control this new City Council, because one of the major difficulties we are going to see with this council is that what we will need for a majority is eight votes, and what we have here, in formation, is the gang of eight. If Winnipeg did not like the Gang of 18, how are they going to feel about the gang of eight? I think that is one of the major problems we are going to see. A very small group of Winnipeggers are going to be able to control the agenda, to control the budget and to control in fact the access to democracy.

As we look to the south of us, this is exactly what we see in the United States, very large cities run by a small number of people, in some cases in those situations people who are not even resident in the major parts of the city. Americanization, a gang of eight are essentially the kind of government that we are creating for the city of Winnipeg.

Over and over, in the Cherniack report, in the people who presented to the Eldon Ross committee, in the Middlestead committee, in City Council itself we find that there is tremendous opposition to this, which the minister is choosing for ideological, hidebound reasons to ignore.

What about the Canadian experience? Are we going to be out of line here, Mr. Speaker? The

minister has frequently argued that at the moment Winnipeg City Council is out of line. He even had his department prepare two pieces of paper, one of which is reproduced in the Journal of Public Administration, the other which the source is the Manitoba Department of Urban Affairs, a very misleading piece which I corrected in the House but which is continued to be used.

In fact what we have in general is, we find that to the west of us, particularly in Calgary and Edmonton, there are larger constituencies than we find in Winnipeg. To the east of us, both in Ontario, New Brunswick, Nova Scotia and the rural parts of Québec—or at least outside Montreal, I should say—that, in fact, where the old parish principles come from that there are much smaller constituencies. It is not simply enough to say that Edmonton and Calgary are the examples we should follow. In fact, I am sure the minister is familiar with current local politics in Calgary, and he will know it is a city which has expanded rapidly. In fact, there is tremendous move in the City of Calgary to expand the numbers of councillors in order not to have to face council sizes of 40,000 and 50,000 people.

Mr. Speaker: Order, please. When this matter is again before the House, the honourable member for Wolseley will have five minutes remaining.

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

Errata

On Tuesday, June 25, 1991, Hansard No. 72, in the opening statements of the Minister of Rural Development (Mr. Downey), page 3868, right-hand column, third paragraph, the minister is quoted as saying: "... and I am pleased to congratulate the rural communities that are celebrating their centennial years: Brandon municipality ..."

The proper quote should have read: "... and I am pleased to congratulate the rural communities that are celebrating their centennial years: Brenda municipality ..."

* * *

On page 3869, right-hand column, fourth paragraph, the minister is quoted as saying: "In municipal Manitoba, applications averaged out to, at one point, 3.2 percent of the total, 375,000 provincial properties."

The proper quote should have read: "In municipal Manitoba, applications averaged out to 1.32 percent of the total 375,000 provincial properties."

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, July 16, 1991

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