



Fourth Session - Thirty-Fifth Legislature  
of the  
**Legislative Assembly of Manitoba**

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**STANDING COMMITTEE**

on

**ECONOMIC DEVELOPMENT**

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42 Elizabeth II

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*Chairperson  
Mr. Jack Reimer  
Constituency of Niakwa*



**VOL. XLII No. 4 - 8 p.m., WEDNESDAY, JUNE 2, 1993**

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fifth Legislature**

**Members, Constituencies and Political Affiliation**

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

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**THE STANDING COMMITTEE ON ECONOMIC DEVELOPMENT**  
**Wednesday, June 2, 1993**

**TIME — 8 p.m.**

**LOCATION — Winnipeg, Manitoba**

**CHAIRPERSON — Mr. Jack Reimer (Niakwa)**

**ATTENDANCE - 10 — QUORUM - 6**

*Members of the Committee present:*

Hon. Mr. Stefanson

Mr. Ashton, Mrs. Dacquay, Messrs. Gaudry, Laurendeau, McAlpine, Penner, Reimer, Rose, Storie

**APPEARING:**

Rosann Wowchuk, MLA for Swan River

**WITNESSES:**

Brent Stewart, Morden & District Chamber of Commerce

John Krahn, Mayor of Winkler

Roger Emery, Winnipeg Canadian Tire Dealers

Vern Dyck, Canadian Federation of Independent Grocers

Peter Kaufmann, Canadian Federation of Independent Grocers

Harold Jantz, Private Citizen

Paul McKinnon, Henderson & McIvor Foods Ltd.

Sandy Hopkins, Winnipeg Chamber of Commerce

Dale Botting, Canadian Federation of Independent Business

Don MacKinnon, Westfair Foods

Norman Leach, Manitoba Chamber of Commerce

Susan Hart-Kulbaba, President, Manitoba Federation of Labour

A.D. Schellenberg, Independent Jewellers

Joe Borowski, Private Citizen

**WRITTEN SUBMISSIONS:**

Fern and Jeanne Marion, Private Citizens

Stan Phillips, Stan's IGA, Brandon

Elizabeth Sellick, President, Manitoba Association of Rights and Liberties

Neil Stewart, Roblin & District Chamber of Commerce

George Gershman, President, Tourism Association of Winnipeg

N. Blundel, District Manager, Zellers Inc., Hudson's Bay Company

**MATTERS UNDER DISCUSSION:**

Bill 4—The Retail Businesses Sunday Shopping (Temporary Amendments) Act

Bill 23—The Retail Businesses Holiday Closing Amendment, Employment Standards Amendment and Payment of Wages Amendment Act

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**Mr. Chairperson:** Will the committee come to order. This committee will consider the following bills this evening: Bill 4, The Retail Businesses Sunday Shopping (Temporary Amendments) Act; and Bill 23, The Retail Businesses Holiday Closing Amendment, Employment Standards Amendment and Payment of Wages Amendment Act. For the committee's information, copies of the bills are available at the back table.

Before we resume the proceedings, I have a few announcements. If this committee does not conclude this evening, there will be an additional meeting tomorrow morning at 11 a.m., and not 10 a.m., as originally planned. I would like to mention that since the House will be meeting tomorrow at the same time, this committee will be moved to Room 254.

It is the custom to hear briefs before consideration of the bills. What is the will of the committee? Is it agreed? [agreed]

I have a list of the persons wishing to appear before this committee. For the committee's benefit, copies of the presenters list have been distributed. I will read the list at this time.

On Bill 4, The Retail Businesses Sunday Shopping (Temporary Amendments) Act: Mr. Walter Kucharczyk, private citizen; Mr. Roger Emery, Winnipeg Canadian Tire Dealers; Vern Dyck, Canadian Federation of Independent Grocers; Mr. Harold Jantz, private citizen; Mr. Paul McKinnon, Henderson & McIvor Foods Ltd.; Mr. Sandy Hopkins, Winnipeg Chamber of Commerce; Ms. Toby Oswald, Canada Safeway Limited; Mr. Brent Stewart, Morden & District Chamber of Commerce; Mr. Dale Botting, Canadian Federation of Independent Business; Mr. Charles Finnbogason, Bramalea Limited; Don MacKinnon, Westfair Foods; Mr. Ken Nolan, private citizen; Mr. Norm Leach, Manitoba Chamber of Commerce; Mr. John Krahn, Mayor of Winkler.

Also, on Bill 23, The Retail Businesses Holiday Closing Amendment, Employment Standards Amendment and Payment of Wages Amendment Act: Mr. Dale Botting, Canadian Federation of Independent Business; Ms. Joan Seller and Mr. Paul Moist, President of CUPE; Susan Hart-Kulbaba, President of the Manitoba Federation of Labour; Mr. Sandy Hopkins, Winnipeg Chamber of Commerce; Charles Finnbogason, Bramalea Limited; Darlene Dziewit, United Food & Commercial Workers; Mr. Don MacKinnon, Westfair Foods; Mr. Ken Nolan, private citizen; Mr. Norm Leach, Manitoba Chamber of Commerce; Randy Cameron and Art Kerr, Manitoba Association of Shopping Centres; Reverend Cliff McMillan, Winnipeg Presbytery of the United Church of Canada and the Association of Christian Churches in Manitoba.

Should anyone present wish to appear before this committee, please advise the Committee Clerk and your name will be added to the list.

There are some other names that will be added to the list: Mr. Schellenberg, Independent Jewellers and Mr. Borowski, private citizen.

At this time, I would like to ask if there is anyone in the audience who has a written text, to make their presentation at that time with their text. If so, we would ask that you forward the copies to the Clerk of Committees.

I have a list of the written submissions for Bills 4 and 23. The submissions I have are Mr. and Mrs. Marion, Private Citizens; Mr. Stan Phillips, Stan's IGA in Brandon; Elizabeth Sellick, president of the Manitoba Association of Rights and Liberties, and

on Bill 23; Mr. Neil Stewart, Roblin and District Chamber of Commerce; Mr. George Gershman, president of Tourism Association of Winnipeg; N. Blundel, district manager for Zellers Inc., also with Hudson's Bay Company.

Before I begin with the presentations, I wish to ask the committee for their guidance on a few issues.

**Mr. Jerry Storie (Flin Flon):** Mr. Chairperson, it has been customary in committees of this kind to ask whether there are people from out of town here this evening to make presentations.

I expect that, given the number of people here to present, it is likely that we will be going reasonably late this evening and, simply to facilitate their making it home in a timely fashion, I would ask whether the committee would consider offering the first opportunity to speak to those who are from out of town.

As you know, we attempted to have the government hold the committee hearings across the province so that we could give everyone who has a stake in this matter an opportunity to be before committee. That was not part of the government's agenda, and therefore I think it only fair and courteous to offer them the first opportunity to speak.

**Mr. Chairperson:** Is it the will of the committee? [agreed]

**Mr. Steve Ashton (Thompson):** I am wondering if also we might get some agreement on how late the committee will sit—for the convenience of members of the public.

I would strongly urge that we not sit any later than midnight and we perhaps assess where we are at approximately eleven o'clock and give some sort of notice at that point in time so that people are not stuck here waiting and not knowing when it will be. But I would suggest no later than midnight for sure.

**Mr. Chairperson:** What is the will of the committee?

**Mr. Jack Penner (Emerson):** Well, I certainly concur with the member for Thompson that we should assess at eleven o'clock the will of the participants here, the will of the presenters. We should probably petition them and ask them what their will is, whether they want to remain and make their presentations or whether we should in fact adjourn.

There might be some that cannot make it tomorrow and I think we should listen to that. I would

suggest we do that at eleven o'clock and, if there appears to be time to hear them all, then might want to consider it at that time.

**Mr. Chairperson:** Is that the will of the committee? [agreed]

If I could get some direction from the committee. As there are presenters on both lists for both bills, is it the will of the committee to have them present concurrent with both bills? [agreed]

Is there agreement to which bill we should start with?

**Mr. Ashton:** Yes, it is a bit of a messy situation because Bill 4 is a bill that is dealing with something that has already passed and we have a trial period. So it is a rather bizarre situation, but we do have different people on both lists.

What I would suggest we do is we go through Bill 4, and where people are listed on both bills, we can maybe ask them if they want to present in sequence on Bill 4 or else present both of the bills when their name is called on Bill 4. I realize that sounds confusing. If it does sound confusing, it is, but that is the mess we are in by having these two different bills.

I would suggest we follow the list of Bill 4 and then go into the list on 23 and try our luck in cleaning up this mess.

\* (2010)

**Mr. Chairperson:** Is that the will of the committee? Agreed.

We will now call Mr. Walter Kucharczyk.

Pardon me, just to digress a bit, we were talking about the rural people first. Maybe if they would not mind identifying themselves—I will call the names out again on Bill 4, and if they could just identify themselves if they are rural.

**Mr. Ashton:** I think the normal procedure is that anybody who is from out of town who feels they would not be able to come back another time would identify themselves with the staff, and then we can deal with it.

There may be people who are within commuting distance who do not necessarily want to go ahead of their turn in the line compared to other people, but the main thing, I think, is that we get people to talk to the staff at the back. I suggest we maybe start with the first presenter or presenters and then have that identified with staff in the meantime.

**Mr. Chairperson:** Mr. Brent Stewart. Do you have a written presentation, Mr. Stewart?

**Mr. Brent Stewart (Morden & District Chamber of Commerce):** Yes, Mr. Chairperson, and I believe that it has been, certainly, circulated. I gave it to the Clerk to begin with.

**Mr. Chairperson:** You may proceed, Mr. Stewart.

**Mr. Stewart:** Thank you very much.

On behalf of the Morden & District Chamber of Commerce, I appreciate an opportunity to make a presentation with regard to an issue which affects rural Manitoba communities. Contrary to the widely held opinion of the Conservative government, rural Manitobans have from the very start taken a strong position with regard to Sunday shopping legislation and for the most part have been unified with regard to their opposition to such proposals.

In March of 1992, Morden & District Chamber of Commerce wrote to Premier Filmon expressing our concerns regarding the effect that wide-open Sunday shopping would have on the rural retail economy. We are aware of other chambers who have done the same thing, as well. I believe that the minister as well as the Premier have received from the Manitoba Chamber of Commerce as a result of their annual convention in 1992 a resolution that was passed by the convention opposing the particular legislation.

Morden & District Chamber of Commerce has requested an opportunity to express their concerns with regard to these bills for several key reasons. Firstly, the Manitoba Legislature, in our view, should be reviewing this issue as a Manitoba issue rather than simply leaving it as a Winnipeg issue or Winnipeg question or any other municipality. Having Winnipeg Council decide a provincial issue as important as this to us is absurd.

Most Manitoba communities which have any retail base whatsoever are opposed to the amendment of the legislation for economic and social reasons. To begin with, a community which has 6,000 citizens will have in it retailers who are not national or international but merely locally based and oftentimes family-run operations. The buying power of the retailers versus retailers existing in the city with 700,000 customers quite simply makes it apples and oranges.

One can talk about entrepreneurial and corporate competition; however, it is important to recognize that, without the small, local retailer, supply and

services to rural points in rural Manitoba will disappear.

Internationals, such as Safeway, Superstore, will not expand to marketplaces of rural Manitoba without the city population to draw it. The larger the draw away from the rural retailer into the city of Winnipeg, the quicker the demise of the rural retailer will occur.

With rural retailing being eliminated from our communities, the support institutions in those communities will also disappear. I am talking about banks, post offices, as we have seen in many communities around Morden. Eventually rural Manitoba will be completely depopulated.

One only has to look at the complaints of the Winnipeg retail sector and all Manitobans to cross-border shopping concerns to see the effect of the cross-Perimeter shopping problems that rural Manitoba has faced for some long period of time.

It is nonsense to suggest in any of this discussion that Sunday shopping combats cross-border shopping. From an economic point of view, the establishment of wide-open Sunday afternoon shopping merely splits the income, in our opinion, of six days of customers into seven.

Unless it is an intent of the major shopping centres and grocery chains to draw and suck out of rural Manitoba all of the consumer dollars, the retailer dollars, the amount being spent within Manitoba on retail is directly related to the income the families have, and from that the only change is from six days to seven.

In the result, therefore, the gain received by the city of Winnipeg is totally at the expense of the rural economy, which can be seen by the paper ads which I have attached. Both paper ads are just two examples, and I have many of them, but both relate to Sunday only, both relate to \$50 and \$30 savings with regard to Sunday shopping.

It is also a situation where coupons that are attached, and some of the examples that I have relate again only to Sunday. The draw is from the country into the city in order to draw our retail dollars away from the local establishments.

In addition to the concerns of the demise of the rural retailer, Morden & District Chamber of Commerce is also concerned about the effect that Sunday shopping has on the social network within our communities.

The decision to allow stores to be open from 12 noon to 5 p.m. on Sunday means that those stores have to be staffed. Jobs are too scarce to run the risk of employees turning down Sunday hours because they want to be with their families.

Put into that situation, parents are forced to work on Sunday afternoons instead of spending time with their families. As a family-oriented community, Morden Chamber believes that Sunday shopping will cause more distance between family members and also eliminate many of the day activities, in particular, Sunday activities, that those families take part on in a normal weekend circumstance. All of society suffers as family life deteriorates.

No one gains under the proposed Sunday shopping amendments other than the shopping centre corporations who receive a percentage of volume shares or the large international grocery chains that have no concerns for the rural economy whatsoever.

Do not kid yourselves, kill the rural economy, and you will ultimately end up killing the Winnipeg economy because Winnipeg's success, whether Winnipeg likes it or not, is based to a large extent on the success of rural Manitoba.

I wish to thank you for this opportunity to make our views known and trust that the Legislature will give careful consideration to the effect of a decision such as this. Thank you.

**Mr. Chairperson:** Thank you very much, Mr. Stewart. Would you be prepared to accept a few questions.

**Mr. Stewart:** Absolutely.

**Mr. Jack Penner (Emerson):** Mr. Chairperson, I appreciate the comments you make on Sunday shopping on Bill 4. I wonder, Mr. Stewart, whether you have given any consideration or whether you would want to comment on Bill 23. I see that you are not on the list for presenting on Bill 23. I wonder if your council, your chamber has given any consideration to Bill 23 and whether you would want to comment on it.

**Mr. Stewart:** Our presentation is in general, and our concern is with regard to the rural economy as a whole. We see both bills in the same light in that manner, and we are concerned about the definite effect of the bills on our rural retailers. As a result, in general, the terms are the same. Specifically, I would not be at this stage prepared to go into specifics on Bill 23.

**Mr. Penner:** Bill 23 is, of course, significantly different than Bill 4 is. Bill 4 would have designated to all the communities the rights of open Sunday shopping. Bill 23, however, designates the choice of that and gives the authority to the local community. I wonder what your views are on the decentralization of power and decision making to the rural communities on matters such as this.

**Mr. Stewart:** With respect, Mr. Penner, it is a passing of the buck, and it makes it even worse for us, mainly because it is a situation where I would hope and anticipate the Manitoba Legislature would be listening to all of Manitobans. I am hard-pressed to understand why, if I make the same presentation to the City of Winnipeg, who is the main draw that we are concerned about, certainly in our area, the City of Winnipeg Council will give us any hearing whatsoever.

Certainly, their voters are not rural. They should have little or no concern with regard to the effect it has on the rural economy, and what they will probably be listening to, from a political point of view, is the decisions of those voters who are putting pressure on them.

So I feel, and I do not suggest, and I think probably the reports show, rural Manitoba, for the most part, is not opening on Sunday. I will guarantee you in, certainly, the Morden-Winkler area, we are not opening on Sunday. But the fact of the matter is that does not mean that a decision locally made by the City of Winnipeg in which Morden has absolutely no say, and probably no influence—hopefully, we have some influence here in terms of at least being listened to. From the City of Winnipeg's point of view, they will open, and then our problem is even worse than specifically what I am referring to in general.

\* (2020)

What happens is, our problem is the draw that I see from the hundred miles around Winnipeg into Winnipeg on Sunday, taking away from our retailers. That is our concern. I do not feel that our local communities will open up. That is something that they would have to answer to the electorate, I suppose. But they certainly have been listening to the electorate, but not from our community's point of view, at least in our region, there is no one opening on Sunday. So it is a situation, in terms of Winnipeg, how do we have the same control unless the

provincial Legislature whom we elect listens to us. I do not think that we will have a voice at Winnipeg.

**Mr. Penner:** It is interesting to note that prior to Bill 23 some of the major urban centre councils have strongly voiced their opposition to Sunday shopping. I am just wondering whether it is your assumption that those councils will now change their mind and will now be instituting Sunday shopping in their communities, regardless of what the public response might be. I am wondering whether you are assuming that City of Winnipeg Council would act similarly, regardless of what the reaction of the voting public might be.

**Mr. Stewart:** I am concerned, and dealing with the City of Winnipeg, and I know that with regard to our Manitoba Chamber—and you are going to hear from them later—the ultimate decision in '92, there was a split between Winnipeg, Brandon, Thompson opposed to our resolution opposing the Sunday shopping opening versus all the other chambers. I understand now that Brandon Council has, in fact, said that they will not open.

My concern is, yes, it is an assumption that Winnipeg will lean that way, and that is because of what I consider to be the misinformation that has been coming out of the Winnipeg press and the slant that is being taken by our associates from Winnipeg. Winnipeg Chamber is very strongly in favour and has lobbied very, very heavily. You will find other presenters, I suspect, tonight that take a very strong view, and it appears as if certainly they have the ear of many people who are in control.

If we had an individual vote on it—and I am not suggesting referendum—I am absolutely convinced that the large majority of the people, and in particular those who would be working and those who would be consumers, do not want to have Sunday shopping, but those are not the deciding factors. I am of the view that what in fact will be the deciding factor is the influence of the major malls, influence of Safeway and other large chains like that on the council, and the political pressure that can be brought. That is my concern. That is something where their voice is certainly not on the same playing level as what Morden Chamber of Commerce would be.

**Mr. Storle:** Thank you, Mr. Stewart, for attending this evening and for a very cogent presentation. I have to perhaps apologize for my colleague from Emerson's questions about details of Bill 23. I know

that it is difficult sometimes to understand how we could be dealing with two bills simultaneously. Before I ask you any questions about the detail of Bill 23, I have to apologize for some rural members.

I would like to know whether in fact the Morden & District Chamber of Commerce would have been interested in a genuine trial period for this legislation. When the government announced Bill 4, the remnants of which we are dealing with today, the government suggested this was a trial period and there would be some sort of an analysis of the economic impact on the province, on the rural economy, as a result of Bill 4. I am wondering whether the chamber would have accepted that if the government had been serious.

**Mr. Stewart:** Mr. Storie, without scoring any political points for yourself, we are onside with you on that because it is a situation where we had, in 1992, written letters. We requested an opportunity to present, and I, along with many others in our community, was very upset that at best we can have hearings only in Winnipeg. If we would have had hearings throughout the countryside, I think you would have a very different view. Also, Mr. Orchard is our MLA, and his office was not even of the view that there was an issue.

So we really do have opposition in terms of what the view of perhaps the government and some of our representatives are and our district, in any case. It is a situation where we would have liked to have a true trial, but we would also have liked to have had hearings that could go throughout the country. We think it is a Manitoba issue. We just do not think it is restricted to Winnipeg.

**Mr. Storie:** Well, I want to thank Mr. Stewart for his comments. I would rather be right and have the political points, but I will accept one out of two in this case.

Mr. Chairperson, I have a copy of the letter Mr. Stewart was referring to and it says: We would request that at least one hearing be scheduled in this region of southern Manitoba, and we would be pleased to organize this locally for you.

That was directed to the Minister of Industry, Trade and Tourism (Mr. Stefanson). My question then is: Had there been hearings, for example, in Morden or in your region? Would you have anticipated that local chambers from areas outside of Morden or local businesses would have been lining up to support Bill 4 or Bill 23?

**Mr. Stewart:** Mr. Chairperson, I think quite clearly there seems to be a uniform view, and I hope that I have reflected that view of the area, not just Morden & District Chamber of Commerce. Mayor Krahn is here from Winkler, and it is going to be very interesting to hear what he has to say.

I think that throughout the countryside, again, from those whom I have talked to in the various Manitoba Chambers, I think our view is probably consistent with theirs.

**Mr. Storie:** You mentioned sort of the silence of rural members generally from your part of the world. I am wondering whether you have had a chance to make any independent presentations to the minister responsible or the government in one incarnation or another.

**Mr. Stewart:** Yes, just solely in the form of three letters, I believe, we have sent.

**Mr. Storie:** So there has been no personal contact, no attempt really—

**Mr. Stewart:** Well, we tried certainly to reach our MLA. We regularly discuss issues with him, and he is well aware of our particular concerns on it.

**Mr. Storie:** You mentioned your concern that the City of Winnipeg's interest as a political entity will not be consistent with your interests.

I am wondering what you see down the road if Bill 23 should pass. In each municipality—there are what, 204 different municipalities and dozens and dozens of cities and towns. What is the province of Manitoba going to look like, in your opinion, in terms of Sunday shopping after this is all over?

**Mr. Stewart:** I am of the view that we are looking at two very distinct patterns. If, in fact, Winnipeg opens in terms of Sunday shopping, you may see a consistency right across the province where they do not, but as a result of that, there could be a very difficult flow away from the local retailers to the point where you are going to be seeing a lot of the communities dry up in terms of retail and services which then are not servicing the people. Populations do not grow and we have problems, and that is our concern. That is our major concern.

**Mr. Storie:** Mr. Chairperson, to Mr. Stewart: On a number of occasions, I have met with different chambers of commerce, including communities not too far outside of the city of Winnipeg, and one of the fears that has been expressed to me is the fear that despite the social and the business reasons for not



wanting Sunday shopping, there is a fear that there is an inevitability to this, that should the City of Winnipeg decide to have wide-open Sunday shopping, it is basically going to be open or die.

That was expressed to me by chamber members in Steinbach, for example, that despite their deep religious concerns and convictions that Sunday shopping should be opposed, they are afraid they ultimately will be the losers financially in terms of business economically if they do not open.

\* (2030)

You have said categorically that you cannot see businesses in Morden opening. My question is: Do you see a time when it will be a question of survival? It will not be a question of survival? It will not be a question of ethics, it will be a question of necessity?

**Mr. Stewart:** I am aware of the Steinbach—in fact, the president of the chamber of commerce in Steinbach is present, and I suspect that is something that, as you get closer to Winnipeg, the more that becomes inevitable.

In our situation, I am not certain. We come from a community surrounded by an area of people who have strong religious beliefs. I am not here today, and certainly in the presentation, I am not dealing with that. I think that is up to the churches and their representatives to deal with. I have my strong religious beliefs and, under the circumstances, I certainly would not be opening.

But it is a circumstance where, as you get closer, perhaps the fact is, you do or die. That is our concern, because we are seeing the communities closer to Winnipeg—and you can take Morris and you can take others, Selkirk—that are losing more people, and you have more commuters to draw away from the communities. We are seeing that. I just think it furthers that.

In our community I would be very surprised, but how long the retailers could hold out, I do not know.

**Mr. Storle:** Certainly, I think the minister may be one of the people, and perhaps some government MLAs are of the opinion, that somehow this is a question of developing a level playing field and all that rural Manitoba has to do to create the level playing field is agree to open on Sunday.

Can you compete with SuperValu if you open on Sunday?

**Mr. Stewart:** I do not think that we could play on an equal level in terms of just numbers that Winnipeg

has in terms of consumers, versus the 6,000 individuals who live in Morden. If I run a men's clothing store, clearly, I am drawing from an area of approximately 12,000 individuals who may be coming into our area, and I buy at that level versus Winnipeg in Polo Park where they are having 12,000 a day.

There is never going to be an equal playing field. What we do want, though, is we want an opportunity where our citizens do not go into Winnipeg and spend the Sunday absolutely taking all their retail dollars away. That is something that may happen. We try to suggest some loyalty, but the fact of the matter is if I can get shoes in Winnipeg for \$40 that are costing me \$80 because of the buying power that my people do not have, at some stage the economy hits us all.

**Mr. Storle:** I am wondering, you had attached, actually, a couple of ads that I have used on other occasions that basically are an inducement, in my opinion, to have rural people drive 100 or 150 kilometres to come in and shop at one of our national chains. I am wondering whether you see this as a direct consequence of the Sunday shopping legislation?

**Mr. Stewart:** That is exactly why it is included. The \$30 is about a round figure that it would cost me to come into Winnipeg and back, so it covers my gas costs. And if you have ticket items that are saving \$3, \$4, \$5 on Sunday only, obviously, when I am shopping and I am trying to spend my money wisely, that is what we do.

It certainly is an allurements. That is the way I look at those ads, and that is why I included them. There are lots more. Those are just two examples.

**Mr. Storle:** Mr. Chairperson, to Mr. Stewart, in the presentation you identified your concern, long-term, for the economic viability of a lot of communities in rural Manitoba. I am wondering whether you could, for committee, put this into some sort of time perspective.

How long is it going to be? We have seen some examples in Brandon, for example. A small independent grocer basically closed his doors and said, I cannot compete.

I am just wondering how long it is going to be, in your opinion, before we have some serious repercussions in the community surrounding Winnipeg before it becomes obvious that this is in fact a mistake.

**Mr. Stewart:** In my opinion, and, again, speaking from a Morden perspective, you have seen it already. We fight on a regular basis in terms of the perimeteritis that exists in terms of a variety of government services, and this is what we see as being another. It is a situation where it is very hard to attract retailers into our communities. That is one of the weakest areas perhaps, and I can brag about Morden and the success that we have, and the minister well knows that we try to work very hard on it, but on a retail basis that is the one area where we just are not able to attract new retail businesses.

When we lose a business, it is pretty well lost for good. That has to be as a result of our economics and the situation where there is a draw-away in general. Now specifically, if Sunday is also open, it would be, I think, 50 percent more draw because you have Saturdays that would be drawing people, Sunday now would be one extra day.

**Mr. Storle:** Mr. Chairperson, you mention as well in your brief that in communities like Morden there tend to be a lot more jobs based on family-run businesses, the small independent grocers, the small independent hardwares and so forth.

I am wondering if you could just tell us what percentage—I am not expecting a detailed breakdown—of the jobs in a community like Morden are represented by small businesses, home-based businesses or family-run businesses?

**Mr. Stewart:** In Morden, you are looking at more than 90 percent. I would suspect that if you look at most of the rural communities around our area, they are family businesses. There are a few chains, but not too many of them, so that, business-wise, most are family oriented or small companies that have just started up in the community.

**Mr. Storle:** Mr. Chairperson, the prospect, I guess, of losing a small business in a community like Morden—which I think everyone probably here would agree has been one of the more successful communities in the last few years in terms of generating opportunities—if this is of concern to a community like Morden, how is a smaller community with 150 people with three or four businesses going to compete in this kind of environment?

**Mr. Stewart:** Certainly we are not in that situation in terms of size, but obviously that is the difficulty with most small towns from Winnipeg, say to Carman. You take a look at some of the communities, and I am involved with Roland, Miami, Manitoba, which

are communities all around our area, and each one of them has lost substantial, in the last five years, business interests that have changed the nature of the towns and have forced the individuals to go elsewhere to do their shopping. So, as a result, on a bigger scale, if, as it carries on and that continues, obviously people have to go out of their communities to shop, they will go out of their communities for other things and they end up staying out of their communities eventually.

**Mr. Storle:** Just to get back to a previous question about, I guess, the time frame for this happening, you had said that it is already happening in Morden. I am wondering, in terms of the existing jobs in a community like Morden, would you suggest that 5 percent of those jobs or 10 percent of those jobs might disappear over the next two years, five years, or will it be more serious even than that in your estimation?

**Mr. Stewart:** I do not think I could even guess on it. I do not think it would be that substantial, because the number of retailers that we have in the community perhaps in the past 10 years has been declining, so there has been a pattern that has been ongoing.

What we see as happening here is that pattern increasing. It is a situation where it is more difficult to compete. It is certainly more difficult in terms of buying power to compete against bigger areas, and we just will not compete.

So over a period of time, I do not know how long it would take, but it is a situation where there will be a decline in terms of those businesses, but we also will not fill those ones that are gone. That is the pattern I am seeing.

**Mr. Storle:** I am gathering from your presentation and your remarks that, in your view, this is going to seriously undermine the rural economy generally.

I am wondering if you see a bit of an irony in the fact that governments and not just the present government, but governments, certainly this one included, have spent considerable money through programs like REDI and supporting Grow Bonds and rural entrepreneur assistance programs, in trying to put money back into rural Manitoba to create jobs while undermining it with legislation like this. Does that make a lot of sense?

\* (2040)

**Mr. Stewart:** I have to certainly compliment the government of today in saying that REDI, saying

that the Grow Bonds—and I will jump in at this stage and say that Morden was the first Grow Bond corporation. We had the first Grow Bond corporation for Rimer Alco, so we have been very much active in terms of all of the sourcing of funds available that have been going, including decentralization.

I am involved extensively in the development corporation of our community. We have difficulty in selling a business, a community, unless it is full service. So if we have problems—and I hope we are considered a success—the smaller community or the community that has less to offer is going to be looked upon, again, even more remotely than what we are. So it cannot be a win situation under those circumstances.

**Mr. Storle:** Mr. Chairperson, one of the things that Bill 4 was supposed to do was give the government a chance to review the repercussions.

I am wondering whether you are aware of any undertaking by the government, the Department of Industry, Trade and Tourism or any agency of government, to review the impact, the potential impact, of this legislation on your community or your area.

**Mr. Stewart:** Not that I am aware of, no.

**Mr. Storle:** Mr. Chairperson, I am not surprised that Mr. Stewart indicates there has been no undertaking. It is one of the criticisms we have leveled at the government since the introduction of the bill, that there was no serious attempt to assess the impact.

The final area I wanted to deal with that you raised in your brief was the issue of the impact on employees and on families.

I am wondering whether at this point you can tell us whether there has been any direct impact on recreational social activities as a result of this legislation. Has it taken people away from Morden to shop on Sunday? Has it changed anything significantly to this point in your community?

**Mr. Stewart:** To be perfectly honest, at this stage, because there was only one business that tried to open on Sunday and it paid the price for it, so it closed and it folded—unfortunately, it was not the individual who was managing it, but it was his headquarters that had said to be open in the afternoon. That situation has not really been felt so much in Morden. There are certainly people who may be leaving and shopping more than before. That is something that we cannot determine.

Obviously, they are not going to brag to the chamber of commerce that they are doing this, so it is not a situation that can be monitored.

In all honesty, I know that several of our members have spoken to individuals who are working on Sunday, whether they happen to be church related or friends and relatives in Winnipeg where they are working at Polo Park and other locations, and were well aware that, have their druthers, they would not be there. They also do not have the guts to stand up and say, no, I am going to pass on this.

So, as much as you say that you have that opportunity, the fact of the matter is, if Steinbach and others are put into a pressure situation where their back is against the wall, I would be concerned that to stay economically viable or just to exist, that there is going to have to be hours that are taken, and those hours are clearly away from our families.

Our families are at a risk situation now, and I see that in terms of our community, which is a small, safe community, but certainly the big cities even worse. They are at risk, and I feel very strongly that with regard to that we should be supporting the families and this does not support them in my view. That is one that is strongly held, and it is as important as the economic side of it.

**Mr. Storle:** Thank you, Mr. Stewart.

**Mr. Ashton:** Yes, I just have one question. I would just like to preface it by saying that I am from Thompson, and I know some of the discussions that have gone on, by the way, within our own community. Regardless of official positions and debates, it is very much an issue in our community, and yet we are in a community which is four hours from any other community that is anywhere close to having any retail sector. There is not that pull. I mean there is still very much concern in our chamber of commerce and within the small business community vis-à-vis the pull of Winnipeg, given the fact it is eight hours down the highway.

I can, quite frankly, just imagine what business people are going through in communities such as Morden now, given that much stronger pull. I guess you have already covered some of this, but what I am hoping we can get out in this committee is what we could have had perhaps if there had been a different setup where we could have perhaps gone into communities. My preference, by the way—and I think it is something that we should look at in the future on issues such as this—would have been not

to bring in a bill, but to send the committee out in advance.

I am just wondering if you can give some flavour and there was some reference—and I do not mean this as a political shot or anything—whether it was an issue or not. The people whom I have talked to, whom I know from communities around here, many people are very concerned, and some people are extremely nervous about what the impact of this can be, and particularly even with Bill 23. If the city moves ahead and has wide-open Sunday shopping, it almost does not really matter what is going to happen to small communities.

What is the level of concern out there? Is this just sort of another issue, or are people really concerned about it in the community? Is it really an issue?

**Mr. Stewart:** Mr. Chairman, certainly, I speak from the business community in Morden. On an individual basis I could speak to you about the churches, and that is very much a hot topic, and, hopefully, there will be some representation with regard to that aspect. From a business point of view, there is a real concern, because it is a situation where our retail merchants look at this as a do-or-die situation over a long period of time. How long that is going to be, we do not know, but ultimately, if it goes to an individual municipality and city decision, we feel it is just a matter of time. Winnipeg will draw, and will draw a large portion of the dollars. That means that those people will be out of work, looking in other lines. It also makes it difficult, overall, for the employment side.

I am not sure, in terms of numbers that are tied to the retail community in Morden, but the loss of any job is a difficult situation, especially in our community because of the size of it. If you get wholesale closures, it will just be a matter of time before others follow. That is our concern.

At this stage, I do not think Morden, from a labour point of view, really has an opinion, because we have not opened. That will stay—probably Morden, Winkler, Altona. I think Mr. Penner may back me on this. I do not believe we will open. They will be the last refuge, if nothing else. So it is hard for us to test that, other than, I can indicate the one business that did open, he was forced to open. He closed the next Sunday because of the repercussions of phone calls and complaints. That is just a very strong local community view, but it is one that is very deeply felt. It is definitely something that we feel everybody

should be at least aware of from our community's point of view.

**Mr. Marcel Laurendeau (St. Norbert):** I just have a couple of questions of Mr. Stewart.

Mr. Stewart, I do have to say that the retailers of Winnipeg should be a lot more scared of losing our retail business—or our large business to Morden than you are losing your sales to us.

**Mr. Stewart:** We can only hope.

**Mr. Laurendeau:** With your taxation structure in Morden, I am afraid that it is getting more and more cost-effective to move down there. We are sort of hoping our City Council will take after your councils of the Morden area.

When you say, no Sunday shopping in Morden, is there no Sunday shopping whatsoever at this time?

**Mr. Stewart:** Mr. Chairperson, what we are talking about is the four and under. The only shopping that exists in Morden, and I think Winkler and I think Altona—although others can maybe speak on this—would be your gas station and an equivalent to a family-run small groceteria that has two staff people in it. That is all that is open.

**Mr. Laurendeau:** That is open on Sunday with two staff in it at this time, a grocery store?

**Mr. Stewart:** Yes, it is an equivalent of a Mac's or a 7-Eleven, but much smaller.

**Mr. Laurendeau:** I am glad you clarified to Mr. Ashton about whom you were representing.

Within the community itself as a whole, if there is such a large majority of the people opposed to the Sunday shopping, why is it you are scared these people will come and shop in Winnipeg?

**Mr. Stewart:** I think it is a situation where, in small communities we try to push loyalty and try to support our locals. But the fact of the matter is, I go into Winnipeg to visit my family. When I am in there and I can get \$30 off for this or that at my Safeway and it has prices that may be lower than our local grocer on certain items, the fact of the matter is, if economically I am watching my dollars at the best of times, I think that it is a situation where those people will stop in. We are not all diehards, and it is a situation where, certainly, they are consumers as well and will shop where they can get the best price.

\* (2050)

**Mr. Laurendeau:** Do you think they are taking advantage of the situation today then, prior to the

wide-open shopping with more than four employees? Were they taking advantage of the convenience of the shopping at the larger stores that were open today and last year with four employees?

**Mr. Stewart:** I do not think so, and the reason for that is because, for the most part, the shopping centres, the Polo Parks and that, were closed. What we are talking about is perhaps groceries. My own personal opinion, you would be nuts to go into Safeway, that has the volume that they have with a large number of people, with only four serving you. I am not a good shopper so that is just a comment on it.

But, if that is a concern—and let us go to cross-border shopping for a second—we cannot stop a lot of Canadian people going south and buying down there, even though we feel that they are drawing away from taxes and all of those things. We cannot stop that, but it is a situation where we can remind them that we do have benefits within the community and, should they take all their money there, we will not have the community very often hanging in there in terms of retail and other things.

I think that certainly has been the hue and cry of the retailers in Winnipeg. All that we are doing is doing it the reverse. We are saying, try to shop locally. Most small communities have that approach. We hope that people will follow it, but what you are doing is allowing a more easy method into Winnipeg and doing wide-open shopping from 12 to 6 or 12 to 5 on Sundays for those people. It is a situation where it is a difficult problem.

**Hon. Eric Stefanson (Minister of Industry, Trade and Tourism):** Mr. Stewart, I just have a couple of questions. I was pleased to be out in your community a few weeks ago for the announcement of Carte International and their expansion and creation of additional jobs in your fine community following on the heels of other positive announcements for your community.

You touched on some concerns, economic concerns, and you touched on religious and moral concerns. I wanted to ask you, on the latter first of all, on the religious, moral grounds, do you feel that what we call the municipal option of allowing communities to make a decision whether or not to be a part of wide-open Sunday shopping provides a degree of comfort or protection for communities that are very concerned about that within their area to address that side of the issue? I will come to the

economics in a minute, but in terms of the religious, moral side of the issue.

**Mr. Stewart:** In terms of splitting it, that sounds good, and it certainly answers, say, our community's concern as opposed to being forced open, although I am not sure that it would open on Sunday. But it is difficult because, realistically from an economic point of view, if I have religious beliefs that say on Sunday that I should be at home—and I am not talking about going to church. What I am talking about is, I believe that Sunday is a day of rest, and I have strong religious beliefs in that regard and that I should not be doing my work. The fact of the matter is that the subtle pressures that can be brought by the employer in not giving the hours readily available are things that cannot be legislated and cannot be controlled.

So if in fact the City of Winnipeg opens the Sunday option, and either open at all Sunday or just the one to five, the fact is the individual is not protected. The community is, yes, and I would think that is why, from our community's point of view, I do not ever see it opening—and I may be totally wrong, but from an individual's point of view, from an individual's rights, yes, they cannot be forced to, but they certainly, through subtle effect of the employer, can be. It is a situation where it is playing with fire as far as I am concerned.

**Mr. Stefanson:** I will move to the economics, Mr. Stewart. We will use Winnipeg as the example of Winnipeg opens and the concern about the draw from rural Manitoba, from Morden or from other communities. Certainly, that is a concern we are listening very closely to, I can assure you.

A couple of questions—well, first of all a comment that we have been doing some tracking of retail sales during that period, getting retail sales tax remittance figures and seeing what the impact is across our province from the retail sales tax growth and retail sales growth both in Winnipeg and in other parts of Manitoba.

Actually, during the trial period, retail sales were reasonably well in Manitoba and, actually, they were stronger in rural Manitoba than they were in Winnipeg which was an interesting statistic. There can be a whole range of reasons why that is occurring. I think we all recognize that. It is not necessarily solely or only Sunday shopping.

But we have a situation—and I am wondering if you are aware that Sunday shopping, what we call

wide-open Sunday shopping, is currently allowed, I believe, in every state in the United States. It is now allowed in every province in Canada, I think, except for two, and we have the municipal option in place in all of western Canada, other than Manitoba right now. We have it in place in Saskatchewan, Alberta and British Columbia.

To the best of my knowledge, that has not led to the devastation of the rural economies in those communities. Many of those provinces, states, have very strong rural economies, rural communities. I am wondering what you think is different about Manitoba.

**Mr. Stewart:** It is somewhat unfair to talk generalities because, in all honesty, I do not have statistics to back me up, but I can take North Dakota as an example.

I certainly am aware of northern North Dakota because we monitor it pretty closely. The fact of the matter is northern North Dakota—you take Langdon, Walhalla, all of those communities—is having a very difficult time with Grand Forks. They have somewhat of a similar problem as Winnipeg to Grand Forks. Well, they have somewhat of a similar draw down in that direction.

Now, that is the small locality from which I can speak. I know speaking with Langdon business people and Walhalla business people, that is a problem. Now, in terms of other states, I cannot make comments here.

**Mr. Chalrperson:** No other questions? Thank you very much for your presentation, Mr. Stewart.

**Mr. Stewart:** Thank you very much. I appreciate your attention.

**Mr. Chalrperson:** I am led to believe that there is only one other person from out of town and, at this time, I will call Mr. John Krahn.

Mr. Krahn, do you have a written presentation?

**Mr. John Krahn (Mayor of Winkler):** No.

**Mr. Chalrperson:** Okay, you may proceed with your presentation.

**Mr. Krahn:** First of all, I want to thank the Queen's Printer and Annette Landry for sending me the information for Bill 4 because we did not have it, and I got the message yesterday around 6:30 that this was happening here, and I certainly appreciate the opportunity to speak. I could actually ditto mark pretty well everything that Mr. Stewart said because he comes from our community, also.

I am from the town of Winkler, and I would just like to give you a little bit of background about myself. I have been a school administrator for 20 years. I am quite familiar with how family units work. I have had all kinds of problems in family units in a school system and, now, we look at Sunday shopping, and we are again looking at some problems in that area.

I think our council has sent in a resolution opposing Sunday shopping. I believe the reasons why we took that step from the Town of Winkler is basically that our business community was not in favour.

They indicated to us that they were not in favour of Sunday shopping. Some of the business units, in fact, have tried sometimes to be open on a day other than Sunday, such as a religious holiday, and they find themselves being next to boycotted because nobody comes in, which means that their overhead costs are high, which indicates to them that it is not worth the effort. Then the other business units, of course, they look at the wider-range perspective when they look at large cities where Sunday shopping could become a reality, and they see that as a draining of economic resources from the community.

Now, in terms of my background, the reason why I gave it is the separation of family. We feel that it is very significant that the family, at least, have one day where a bonding can occur. In the larger sector, many of our school kids obviously have jobs, and we do have right now anywhere in the school system something like 40-50 percent of our kids who are employed in business, and it would only add to more days for them on a Sunday yet. I think that we need to protect our young people in the larger sector.

Also, I believe that, of course, there are some religious reasons for individuals who oppose Sunday shopping, but on a pure economic basis I think that we need to make every effort to keep the family together, because part of the family is also an economic unit. The more dysfunctional groups we create in the system, the larger the public cost will be in the long haul. I believe we need to be aware of what can happen into the future.

\* (2100)

Also, I believe that the chamber of commerce did uphold in indicating that the businesses were not in favour of Sunday shopping. I certainly can understand that for the small business units, probably small grocery stores that are basically

open from 12 to 6 on Sundays with very, very small margins, and that is that they do not have a high clientele—for some of those units, there may be some reason for being open on Sunday. They are there right now, but there are basically in our town very few businesses that are open on a Sunday, even smaller ones.

With that, I think I will conclude because Mr. Stewart has certainly spoken well for the area and is also part of our community.

**Mr. Chairperson:** Thank you very much, Mr. Krahn. Would you be willing to take any questions?

**Mr. Storie:** Thank you, Mr. Krahn. I assume that you were here earlier when the Minister of Industry, Trade and Tourism (Mr. Stefanson) asked Mr. Stewart the question about why in communities such as Winkler and Morden, where there is considerable opposition to Sunday shopping for personal and religious reasons, why those communities might be concerned that their members would be heading to Winnipeg or other centres to Sunday shop if that was available.

I am wondering what your view on that question might be.

**Mr. Krahn:** I think the reasons why they are opposed to Sunday shopping are partially economic, and it does happen that when people drive around—and I think that we have people visiting the city of Winnipeg. I, in fact, often do myself. I must say, though, that I have not been in a single store in the city of Winnipeg on Sunday. They will, in all likelihood, see the larger store open and say, let us see what we can find there. If it is something they need conveniently, they will pick it up, rather than shopping at home.

Those are the types of things I think we are also somewhat concerned about, because of the fact that it could be convenience shopping, rather than a need to go and shop.

**Mr. Storie:** I just have a comment.

Mr. Stefanson also raised the question of, how is Manitoba different from North Dakota. Manitoba, unlike many other jurisdictions, has one centre which has 60 percent of the population. It is a sort of economic magnet, if you will, which in many other cases, Saskatchewan included, it is quite dispersed. In North Dakota, there are many other sorts of similarly sized centres.

I am wondering whether you, as mayor of the community, have had an opportunity to sit down and discuss this issue with your representatives or the minister or representatives of the government.

**Mr. Krahn:** I have indicated to the representative on one occasion that we certainly are not in favour of the Sunday shopping concept. As responsible citizens in a country, we need to also be aware of other wishes of other groups. I do not think we are tunnel-visioned to the degree that we can only see our own selves. Certainly, we will be further making our wishes known in terms of what we think. We have stood by that position.

Just this morning, I met with two business leaders in the community and I asked them that specific question. I did not indicate to them that I was probably coming here tonight to speak, because I wanted a fair indication. I asked them what they thought of Sunday shopping, because they are in business. They said, well, no, as far as they were concerned, they were operating a family business and they had all the work they could handle in six days and they did not need another day. That was their position. Maybe, I thought I would hear something else, but that is what I heard.

**Mr. Storie:** Mr. Chairperson, the anecdote Mr. Krahn just related to us has been repeated to myself many times, with the comment that it is likely that the chairperson of the board of SuperValu or Canada Safeway is not on the shop floor Sunday afternoon, whereas, the family business person is, along with his son or his daughter or his grandmother or whatever.

I guess a follow-up question to that is: Given the fact that you are one of two people apparently from rural Manitoba—would you have appreciated a chance to have these kinds of hearings out in rural Manitoba? What do you expect the results would have been if this hearing had been in Winkler? Would you be here by yourself?

**Mr. Krahn:** No, I would not. The Free Press came to interview, and maybe some of you read it. I would not have been here by myself. I think you would have 40, 50, people, around, being concerned about it.

The second thing is, it is sometimes I guess by default that these hearings are not before the issue. I believe that, the trial issue, people basically felt, well, we see it is a trial. After that, decisions will be

made. If the trial does not work, very well. Then there will be a second look at the bigger decision.

I believe the last thing we need in rural Manitoba, and I believe even in the city, is to pit community against community. You can leave it to us as council. Then I will likely go to the other Krahn in the other town, in Morden, and then it could be that both Krahns are in trouble. Nevertheless, I think I would indicate that is the scenario you get. I do appreciate the fact that we have been able to appear here.

**Mr. Storle:** You raise another interesting question, and it is about the magnanimous way in which the government has foisted this decision off to the municipalities and tried to make necessity look like a virtue.

The fact of the matter is in many other areas of endeavour, the government takes charge. I have a letter here from an individual who was presenting a written brief, and it says, can you imagine the ludicrousness of, for example, the province—I forget what the minister's words were—decentralizing decision making to municipalities in the matter of daylight saving, that every 40 miles you changed your watch.

I am wondering what is going to happen in your area, for example, if Morden decides to Sunday shop and Winkler continues to say no.

**Mr. Krahn:** First of all, I would like to say that I appreciate the government for allowing us the opportunity to speak. That is a very important right.

I do appreciate the problem that I would have as mayor of the town of Winkler if Morden would be open or if Altona, for that matter, would be open on a Sunday, because you set a direction. The direction that is set could be negative, and there would be a lot of maybe this or that. I think there would be difficult decisions we would have to make.

**Mr. Storle:** You had referred to the danger of pitting one community against the other, and I am wondering whether you see that happening as municipalities struggle with their decision on Sunday shopping.

**Mr. Krahn:** I could see it happen.

**Mr. Storle:** Just a final question, I guess, on the government's Bill 4 which talked about a trial period and some sort of evaluation after.

I am wondering whether your community or you as a representative of the community of Winkler are satisfied that the government has done any kind of

analysis on the impact in your area or in rural Manitoba.

**Mr. Krahn:** Well, I have not seen statistics, but I would assume that some homework has been done and that it has been found to go through this kind of procedure. Whether more evaluation will take place after this procedure is finished, I do not know. I do not have that kind of track. I would assume that some evaluation would be done on the process.

\* (2110)

**Mr. Storle:** Mr. Chairperson, I just have a final question to Mayor Krahn. I am assuming that you are here this evening, perhaps not overly enthusiastic about the status quo that was arrived at in 1987 where businesses with four staff were allowed to remain open. I am assuming that the status quo has worked reasonably well for Winkler in the province and that you would have no objection if the government were to today say, well, let us just withdraw this legislation; it is not going to be good for rural Manitoba and let us go back to the status quo, to the compromise that was worked out to protect small businesses in the rural parts of the province.

**Mr. Krahn:** We would concur with that.

**Mr. Bob Rose (Turtle Mountain):** Mr. Chairperson, just briefly in reference to the local option aspect of the second bill and the discussion a few moments ago about pitting one community against another.

I am not certain of the situation in Morden-Winkler, but the area that I represent to the west of you, all the communities in that area have had the opportunity under the current legislation to open on Sunday, as it is, with four employees or less, and there has never been any kind of community rivalry or confrontation among communities with the current ability to open on Sunday, so how do you see this—and perhaps you did not say that; perhaps it was the honourable member for Flin Flon who was trying to raise that concern—current proposal of local option as being any different from what we now have in most of rural Manitoba?

**Mr. Krahn:** The local option is on a small basis. When you open it wide, there are the dynamics that happen that are not there right now.

**Mr. Rose:** Just further to that, one of my concerns in the discussion on this whole topic was you alluded yourself a moment ago that you have your point of view but you did not necessarily mean—and you understood that there were other points of view around the province that needed to be considered. I



appreciated that comment. I guess that is part of the problem that I have as an MLA. I refuse to adopt the notion that we are 57 pigs at a trough with our elbows out trying to get all we possibly can for our own local constituency and totally losing sight of the overall good of the province.

In this particular instance, with the local option being in place in the western part of the province, I am not altogether certain that Brandon, for example, will adopt the wide-open Sunday shopping. They may, but it will be their decision to make and in similar communities—Dauphin, for example, Portage la Prairie, and I appreciate that for Morden-Winkler, Winnipeg is by far and away the community that will affect you most.

It still seems to me that other parts of the province need to have that opportunity to make those decisions. Would you comment on that, please?

**Mr. Krahn:** I believe we have the privilege to make that decision, local option, and that is what it is now, right? I mean, we have the four people from 12 to six. I can understand that when we in Winkler go for open shopping, there could be communities smaller than we who would be pressured unduly. I think we have accepted as a fact that we want to work together as a larger unit. I believe our health reform dictates it, many other areas dictate it, and therefore we need to be together on an issue. It does not work for us as a single council to make our own decisions on sensitive areas, the same as it will not work in a lot of other areas.

It would appear to me that the Manitoba legislative body is probably in the best position to see the overall impact of what is really happening because they obviously have more information than I as an individual have, or as a town has.

**Mr. Rose:** I will not spend too much time on this, but it is a very interesting point to me. I agree with your point that the pressure may come from the larger centres, and I totally agree with what you are saying, that we obviously need more and more co-operation among our rural communities than we have been accustomed to in the past.

But I still do not recognize the point—and perhaps I am misunderstanding—that there will be pressure between rural communities. If there is pressure, it will come from the larger centres. Am I misunderstanding what you are saying?

**Mr. Krahn:** Yes, the first pressure would come from the city of Winnipeg, okay? There would be pressure

from it, and if they would go for Sunday shopping, then, of course, there would be pressure for us.

I believe what would happen in the rural areas, if I can just project a little bit, eventually the rural areas may go that direction if the larger unit does. You know, that is there. They would certainly hesitate. There would certainly be problems within the community if it were going that way, and therefore I think we are saying that let us work together on it.

My position is we sometimes cannot all be winners all the time, and we sometimes have to give.

**Mr. Gerry McAlpine (Sturgeon Creek):** Mr. Krahn, I only have a couple of observations here. You strike me as an enterprising individual. I am just wondering how far you think governments should go in making decisions for the people of Manitoba?

**Mr. Krahn:** I believe with the opportunities we have today, it probably can be evaluated and then make the decision. I think that we as councils make decisions in that way. We try to get all the information we can get, and sometimes we have to go with a minority decision. That sometimes happens where a group there says, do this, and we say, no, we will do this.

**Mr. McAlpine:** I recall the presentation that you made a couple of years ago when we were in Morden on drug, alcohol and substance abuse, and I think your presentation suggested that communities had to take responsibility for the issues and concerns that they had for themselves.

I am just wondering if there is some relationship between this and Sunday shopping in terms of responsibility. Maybe you would like to comment on that.

**Mr. Krahn:** I believe the people who are in authority obviously have a responsibility to make decisions.

**Mr. McAlpine:** Are you saying that the residents and the people of Manitoba do not have a responsibility as individuals to make that decision?

**Mr. Krahn:** Yes. May I just continue?

Not all the residents of Manitoba are familiar with the issue. Not all of Manitoba has information, even as much as I have. They can read it in the press, but that is not sufficient.

**Mr. McAlpine:** But is not still their responsibility to determine what the Sunday shopping issue is? That really goes with the territory of taking the responsibility. Would you not agree?

**Mr. Krahn:** Yes, I would agree.

**Mr. McAlpine:** Thank you.

**Mr. Penner:** I appreciate, Mr. Krahn, your appearance here today. Having been, of course, the representative for the Town of Winkler for some two years, I appreciate it greatly the work that you did on council and the representation you made, very forcefully at times, to your representative and government, as you are again today making the case for the residents and the electorate, the constituents of your area.

We all know in Manitoba that the Winkler-Morden-Altona area has always traditionally been seen as a fairly religious, predominately Mennonite area, and the ethnic, religious backgrounds certainly have carried them a long way in maintaining the set-aside Sunday and retaining Sunday as not only a family day but a day of worship. We think we all respect that.

However, over the last number of years, when one travels that area, as I have had the opportunity to do—not only in that area, but other areas of the province—it is interesting to note that specifically the farm community has done an almost-complete turnaround. It is not only customary now or very, very evident that, on Sunday morning or even Sunday afternoons, the drills in the spring are running full speed on many farms in that area, which 10 years ago simply was not the case.

\* (2120)

On Sundays, during harvest season, combines are—or the area is hardly discernible from other parts of Manitoba now. Again, 10 years ago, that was simply not the case. So I think there has been a thought change there, that that area and that community have seen some very significant changes.

You talk about boycott of a given business in your community that tried Sunday opening. I am wondering, Mr. Mayor, whether you see that kind of action being prevalent against any community, be it the city of Winnipeg or others, by rural Manitobans, in fact, boycotting if they feel that strongly about Sunday shopping?

**Mr. Krahn:** Mr. Penner, I would suggest that in the first case, your example of the farm equipment, farm machinery beginning to work on Sundays, I believe now, with the last number of years of economic difficulty, it has taken on the same shape as when I go home down Mountain Avenue in Winkler and I see a corner grocer store there and I say, my

goodness, I still need milk. Because of necessity for certain reasons, they have said, well, maybe we can get a few acres done. I have brothers in the Carman area who have adopted that philosophy.

Now, to your other part of the scenario, yes, there has been somewhat of a change over the last number of years. I believe "boycott" is a strong word, but that is what this business used, to me, that term. That is why I am using it. He felt he had been boycotted because he was open on a religious holiday, not Sunday.

It would depend on how strongly the people feel, because a lot comes through the area of neighbour-to-neighbour discussion, since people know each other and they do influence each other in a community such as ours, even though it may not come directly from the pulpit of the church. I think the church's business is to teach, and the individuals and members need to make up their minds and decide what they feel is right.

**Mr. Penner:** The Sunday shopping issue or the whole issue of Sunday, maintaining it as a religious day, has been very significant in the church's teaching in those areas, and still is. It has, in my view, always been, as I think it should be, a very personal thing as to whether one abides by one of the Ten Commandments which says: on six days you shall labour and the seventh you shall set aside.

I am wondering, Mr. Mayor, whether you feel that community will maintain that stance regardless of what other communities do, and whether they will hold true to their religious beliefs as they have in the past in that sense. Maybe that is an unfair question; you do not have to answer if you do not want to.

**Mr. Krahn:** Yes, it is fair, and to the future I would venture an observation. The observation that I would like to make is what the mix of the community will be 10 years down the pike.

When I started as councillor 14 years ago, there were restrictions there that are not quite there at the present time. Yet, some of them have remained. I could not have forecasted 14 years ago what I would need to do today. Those are some of the questions that are open-ended.

**Mr. Penner:** Mr. Storie before, Mr. Krahn, asked the question regarding the freedom of the choice of the individual communities on this matter.

Do you believe the same choice that individuals make, whether they want to shop on Sunday or not, should be retained, in that, that choice should be

given to the communities, as this piece of legislation that we are discussing does in fact do? It really does divest centralized decision making. I know the honourable member opposite loves to centralize decision making, maybe much more than we do on this side of the House. We would like to see a lot more local autonomy yet put in place than others might see.

I am wondering what your position is, whether you would like to see governments give local communities or local government authorities more authority to make those kinds of decisions, as we do in this bill, than we have in the past.

**Mr. Krahn:** Mr. Penner, I would probably answer to that, part of my answer I gave previously. I believe had we had the opportunity to do more previous discussion on the issue before we moved in this direction, I would say, yes, but this to me is after the fact. We are now wrestling with a decision—having to make a decision where there has not been discussion internally. That I think is the problem.

**Mr. Penner:** Thank you.

**Mr. Storle:** Mr. Chairperson, I cannot resist Mr. Penner's comments about the need to centralize decision making. I simply asked Mr. Krahn whether he was consulted when Bill 4 was introduced, which was the heavy-handed arm of the Conservative government imposing wide-open Sunday shopping.

**Mr. Krahn:** I was aware that something was happening, but I certainly did not know the detail. I am not the kind of guy who likes to shake everything off on politicians, okay?

**Mr. Storle:** We all appreciate that, Mr. Krahn. Just one final question. I think it is a legitimate question that this committee should be asking, and that is: Why are we dealing with this legislation at this time? Certainly, in my experience—and I have met with hundreds of business people in the last six months across the province, thousands of people—I have certainly never heard a hue and cry for wide-open Sunday shopping. I guess the question is, who is going to benefit from this legislation?

**Mr. Krahn:** I think I should have run for an elected position in the Manitoba Legislature. Somebody asked me one time, but I did not do it.

I do not think I would be able to answer that. What was the last part of your question? Sorry, sir.

**Mr. Storle:** Why are we here discussing wide-open Sunday shopping and who wins by it?

**Mr. Krahn:** I think it is fair to bring an issue forward and bringing the issue forward to allow people to think about the issue. I would have preferred it the other way around, as I mentioned before, but I do not think that there is anything wrong with bringing the issue forward.

**Mr. Storle:** My question more specifically was in a business sense. Sunday shopping is not simply a question of consumer choice. It is also a question of business survival and business success and profits. My question was in a business sense, who wins by this legislation?

**Mr. Krahn:** I think the last three years we did not have Sunday shopping and, obviously, there were businesses in trouble. I do not think that anything will change if we actually do instigate Sunday shopping. I do not think that businesses that have financial problems will necessarily be bailed out by Sunday shopping. I think that for a business to be bailed out, there are other things—restructuring internally, that is sometimes required—and I do not think it is Sunday shopping.

\* (2130)

**Mr. Stefanson:** Mayor Krahn, I want to thank you for your presentation. I just have one brief question. I am not sure whether you or Winkler serve on the Federation of Canadian Municipalities or whether you have an opportunity to interact with some of your counterparts across Canada, but probably more importantly in western Canada.

I am coming to that issue of pitting communities against each other and the concern that has been raised at this table: whether or not you have ever heard any discussion or evidence of any concerns in western Canada where all three provinces—Saskatchewan, Alberta and British Columbia—have wide-open Sunday shopping with municipal options, where B.C. and Alberta are the same as we are proposing here today where the municipalities have to bring in a by-law to stop Sunday shopping.

**Mr. Krahn:** I am happened to be at the Federation of Canadian Municipality convention in Edmonton just last weekend, and I did speak to some of my Alberta counterparts. There is uneasiness. Sometimes there is uneasiness, and eventually you bite the bullet and say, well, let us forget about the issue. Do you know what I am saying?

**Mr. Stefanson:** It is a fair comment, uneasiness. I think anytime there is change, or a change in direction, change in opportunities—change creates

uneasiness. There is no doubt about that, but I was curious if you had specific examples of mayors of communities saying, the community of Winkler and the community of Morden are at odds—I am using Manitoban examples, obviously—because one is going with the wide-open Sunday shopping and another has chosen not to.

The review that we have done is we have no evidence of communities fighting. We have also seen that there is a mixed bag. Some communities have decided to implement it, and some have decided not to. So I can appreciate the uneasiness, but I guess I am taking it that next step. There was concern mentioned about pitting communities and what it could do to the fabric of co-operation. To date, I have seen no evidence of that, and I was curious if you had any examples or first-hand evidence of that.

**Mr. Krahn:** No. I believe at the larger level you probably would not see it. I did talk to a concerned alderman or councillor from the city of Coaldale, which has some makings of the type of community that we are in, not completely. There were concerns there, but if you are one amongst three who oppose it or amongst six who oppose it, where are you? I think that you are obviously counted as either that you will not make much difference even if you did have strong feelings, or you better give up your council seat if you are that strongly in disagreement with it. I think that is the issue.

**Mr. Chairperson:** Thank you very much for your presentation, Mr. Krahn.

I will now call Mr. Walter Kucharczyk. I will now call Mr. Roger Emery, Winnipeg Canadian Tire Dealers. I believe that his presentation has been distributed, so we have a copy of it on hand.

Mr. Emery, you can proceed.

**Mr. Roger Emery (Winnipeg Canadian Tire Dealers):** Thank you, Mr. Chairman. Ladies and gentlemen, thank you for the opportunity to appear before you this evening. As you know, my name is Roger Emery, and I am one of the independent Canadian Tire dealers here in the city.

We have circulated a presentation. I do have a few comments to make as I go along that are not included in the text, and I hope you will bear with me as I expound on some of those points. I also have a bit of a nervous frog in my throat from a cold that I am just trying to get over, so—

**Mr. Chairperson:** There is water there at your convenience, if you like.

**Mr. Emery:** Thank you very much.

Background: Up until 1988, we Canadian Tire dealers were strongly opposed to wide-open shopping on Sunday for both quality of life and economic reasons. In fact, we were on record as being opposed in March, 1984, with the Honourable Lloyd Axworthy, M.P., federal Minister of Transport; the Honourable Roland Penner, Minister of Consumer and Corporate Affairs; the Honourable Gary Filmon, then-Leader of the Opposition; the Honourable Gerry Mercier, then-MLA; Mayor Bill Norrie; and the department of the Attorney General of Manitoba.

In August of 1988, we wrote to the then-Minister of Labour, Honourable Ed Connery, again expressing our opposition to wide-open Sunday shopping. However, we indicated our increasing concern that more and more retailers were circumventing the law or its intent. We noted that many of the so-called drugstores were selling a variety of items other than prescription drugs, including hardware, leisure products, appliances, gardening, gift items, et cetera.

(Mr. Jack Penner, Acting Chairperson, in the Chair)

They were also using anywhere from six to 13 staff members on a Sunday. The four-person rule did not apply to them. As a result of this uneven playing field, we felt reluctantly forced to open within the guidelines in order to protect our market share. Prior to the current test, we were running on a limited basis, within the four-people law. Now it was not only important to protect our market share from other retailers open on Sunday, but we were now getting increased competition from the U.S. and our neighbouring provinces, as well.

In addition and very importantly, there was increased consumer demand for us to open on Sunday. Unfortunately, we were not able to provide all of our services or, indeed, anything like the customer service level we would like in order to maintain our reputation. With only three staff and a manager, it is impossible to provide an adequate level of service. Significantly more people would be required to do this. Inadequate staffing, only four, and no provision under the law for any security personnel resulted in high levels of customer theft.

As a result of the above problems, we were pleased when the Honourable Eric Stefanson and his colleagues decided to allow the current test. It was not an easy decision nor necessarily a popular decision with all people, as various opinions on the subject exist. We appreciate the stand they have taken and the leadership they have shown and feel confident that the consumer and marketplace will demonstrate its desire.

Interestingly, early results from the period of November 29, 1992 to February 27, 1993, in six of the seven stores here in Winnipeg show an increase of 43 percent in dollar sales on Sundays, compared to last year when we were operating with four people. Total sales for the same period over last year are up only 12 percent, so as you can see, a large percentage of this increase came from the fact that we were open on Sunday.

Increased retail staff hours for Sunday during the same period were up 168 percent. In other words, we increased significantly the number of staff available on the floor. The total retail staff hours during this period of time were up 5 percent, again indicating these were real increases in staff hours, and that we did not just transfer hours from Saturday to Sunday, or Monday to Sunday. Customer traffic during this period was up 44 percent for Sundays only, compared to 8 percent for the same total period.

To indicate how popular Sunday shopping was, the customers per hour that we processed through our six stores in Winnipeg on a weekday basis was 685 customers per hour. In the five hours on Sunday, we are averaging 837 customers per hour. So very obviously, people are demonstrating a desire and a need or willingness to shop on Sunday.

In addition to those statistics, we also did some surveys in our own stores. We passed out a very simple ballot. It simply says: Sunday shopping, are you in favour of Sunday shopping in the province of Manitoba, yes or no? There were 10,500 replies that came in: yes, 55 percent; no, 45 percent.

In addition to that, Canadian Tire Corporation, along with the Angus Reid people, did a survey throughout all of Manitoba where they surveyed 600 people across Manitoba. They did this in all regions of Manitoba, not just strictly within the city, and they did it in a comparison as to how the population is split.

Again, the results from that survey—and this is talking specifically about Canadian Tire Stores, I must admit. Should Canadian Tire Stores be allowed to open on Sunday? This is across Manitoba, and 51 percent of the people said yes; 42 percent, no; and the others were undecided.

\* (2140)

When the CTC customers were surveyed or the CT customers that were asked by Angus Reid in this survey—should Canadian Tire Stores be allowed to open on Sunday?—55 percent said yes; 42 percent, no; and 3 percent, undecided. You will notice the 55 percent tracks exactly with the same 10,000 survey that we did in our particular stores.

Residents of Winnipeg who were a part of this survey: Should we be allowed to open on Sunday?—61 percent, yes; 33 percent, no; and the balance, undecided. Rural Manitoba, as one would expect, and as we are hearing today, a considerable difference—40 percent, yes; 55 percent, no; and 5 percent, undecided.

There are many arguments against Sunday shopping. Some are the ability of the small retail stores to compete; protection of employee rights; quality-of-life considerations from either a religious or family point of view. Let us examine some of these a little more closely.

The ability of small rural or urban retail stores to compete, this is a concern, we agree. But the facts are that they are already faced with this competition on price and selection on every other day of the week. Some do very well. They have found their niche, and their position is secure by providing personal service and convenience at fair prices. Many, in fact, flourish.

Interestingly, in Europe, the larger stores were forced to open to expand their hours to meet the competition from some of the smaller stores that were staying open 24 hours a day, seven days a week. Today, we see a similar example with convenience stores like 7-Eleven that are also a highly successful operation.

On a recent radio broadcast in Winnipeg, a representative of one of the convenience operations said that they were unconcerned about competition from larger stores on Sunday, as their results in Alberta and B.C., which have had Sunday opening for some time, had been quite positive.

Norman Leach, who, I believe, is here tonight from the Manitoba Chamber of Commerce, was

recently quoted in a newspaper as saying: Sunday shopping introduced in November as a five-month experiment has not had the devastating effect that some rural merchants feared as most stores in small centres have remained closed.

This, in fact, appears to reinforce the statement made by the Honourable Eric Stefanson when introducing the Sunday shopping trial in the Legislature. He quoted from a survey that 97 percent of rural Manitobans surveyed said that Sunday shopping would not change their shopping habits, and they will continue to do the same volume of their shopping in their hometown or they would spend even more on purchases from their hometown merchants. Ninety-seven percent said that, again, demonstrating the loyalty issue that was brought up here earlier.

Just looking for a moment at the experience of Canadian Tire, each of the stores throughout Canada reports to Canadian Tire each month our sales and customer statistics, et cetera. We get these back in a composite form only in percentages; we do not get absolute dollars back.

Just to go through, roughly, the period of time during which this test was run. The stores in the city of Winnipeg in December 1992 had sales increases of 20.9 percent, customer count increases of 21 percent. Those in rural Manitoba had increases in sales of 23 percent and customer count increases of 24 percent.

In January, a similar pattern, Winnipeg was up 11.5 percent, rural Manitoba 12.3 percent. February, Winnipeg is up 7.7 percent, rural Manitoba 12.6 percent. In March we start to see a change. Winnipeg is up 8.2 percent, rural Manitoba 6.1 percent. In April—we had a fantastic month in April—Winnipeg is up 37 percent and rural Manitoba 27 percent.

I think what you can see is that rural Manitoba has certainly not suffered any by the fact that we have been open on Sundays, because most of them have not been open on Sundays. They have managed to retain an increase of their sales and market share.

(Mr. Chairperson in the Chair)

One thing that is often alluded to is that the large stores are strictly profit hungry, and that is why they want to exploit their staff by opening on Sundays. Not true. Most retailers, in many cases, would prefer to have very restrictive, controlled store hours—no Sundays, no holidays, no evenings, no Wednesday

afternoons, no exceptions, provided the same law applied to all retailers in our market area.

This would reduce staff, facilitate scheduling, improve profitability, at the expense, however, of customer service and customer convenience. On the contrary, there is a strong case that suggests opening Sunday might have a negative effect on profits. Our reasons are simple: We want to protect our market share and provide the consumer with what they want.

When I say, protect our market share, I am talking about protecting our market share not only today but in the future. As you all know, there is an influx into Canada from the big retailers in the United States. We have already seen Toys R Us come in, we have seen Office Depot come in. Home Depot have now announced that they are coming into Canada. Walmart might as well be in Canada; they have very strategically placed their stores in all of the border communities and, of course, are encouraging Canadians to go and shop south of the border.

As far as we are concerned, and I think if you read any of the newspapers, the Financial Post, et cetera, retailers are in a war, and not many of us are going to survive. The only ones that are going to survive are the ones that step up to the mark and provide the consumer with the prices, the selection and the services that they want.

Protection of employee rights, this is an interesting subject. Certainly most would agree that employees have many rights which should be protected, and they are by law. Interestingly, in Ontario, the province's law against Sunday shopping was ruled unconstitutional by their Supreme Court.

It was argued the law violates the freedoms of religion and conscience section of the Charter of Rights. Likewise, the original Sunday shopping legislation was struck down by the courts of Manitoba, because it offended the Charter of Rights. Likewise, the original Sunday shopping legislation was struck down by the courts of Manitoba, because it offended the Charter of Rights providing a day of rest on religious grounds.

In today's multicultural society, we have many Canadians with different religions, some of which worship the Sabbath on a day other than Sunday: Jewish religion on Saturday; the Moslems on Friday. Do we in fact protect their rights? Do they not have to work on their Sabbath?

Somebody mentioned earlier the Lord having said, six days shall thou work; on the seventh, thou shall rest. He did not indicate it was Sunday, however.

The current laws in Manitoba, I believe, also protect the rights of employees. You are not allowed to have them work seven days in a row. Every seven days, they must at least have 24 hours of rest time. So the possibility, or the argument that employees are going to be asked or insisted or made to work seven days is absolutely ludicrous. That law has been on the books for many, many years.

However, when the test was implemented through an amendment to The Employment Standards Act, employees are empowered to refuse to work on Sundays. The amended legislation further protects the employees' rights in that it prohibits employers from discharging staff based solely on their refusal to work Sunday shifts or based on any employee efforts to enforce these rights as defined under the amendment.

I can certainly tell you in our experience, we have had no difficulty whatever getting people to work on Sundays. We have more than we can handle, quite frankly.

If Sunday shopping is allowed to continue following the test and it is still deemed necessary to protect the rights of certain individuals not to work on Sundays by passing such a law, we can certainly live and abide by it.

In today's society, for a variety of reasons other than religion or unemployment, people are quite happy, even eager, to have the opportunity to work on a Sunday.

Even the rights of the employer would be protected on the proposed legislation in that he is not forced to open on Sunday, but has a right to remain closed, i.e. let the market dictate.

Some individuals and organizations infer that, with the advent of Sunday shopping, employees would be forced to work seven days a week. We say this is absolute nonsense. Most full-time employees work five days a week. If they work the Sunday, they will still have two days off that week. Part-timers would work available hours, by their choice, again usually not more than five days a week, and that is reality.

The quality-of-life considerations. In today's multicultural, multireligious society, many diverse points of view have to be taken into consideration in

the way we live and worship, and these points of view change and evolve.

It was not too many years ago when it was looked down upon if the lady of the house was out to work. She was expected to be home and look after the children. That was considered to be her role. Those times have changed.

In my own instance, with my wife, her father worked night shift from four at night till one o'clock in the morning six to five days a week. What opportunity did she have to see him? She did not get home from school until after he had gone to work, and she was in bed by the time he got home. There was nobody making a big clamour at that time about the fact that her quality of life was suffering.

The 1990 Goldfarb study in Ontario showed over three-quarters of all respondents favoured Sunday shopping. Over three-quarters of those who worked on Sunday favoured Sunday shopping. Support is highest amongst the single parents, working women and those who work their regular hours. A large majority indicated Sunday shopping does not interfere with their family activities.

\* (2150)

An overwhelming majority believe Sunday shopping in Ontario exerted no negative or detrimental impact on their family, personal or religious life. Also, these respondents did not feel that Sunday shopping had negatively affected the quality of life within their communities. A full 90 percent said that they do not spend any less time with their families because of Sunday shopping. Quality of time is more important than quantity.

When Massachusetts was debating the blue laws relating to Sunday shopping back in 1982, the two most powerful forces initially opposed to the repeal of the Sunday closing laws were the Archdiocese of Boston, Massachusetts, and the trade unions. In the latter stages of the debate, both the church and the union supported the abolition of Sunday closing laws.

In a bulletin dated June 28, 1982, by the AFL-CIO, the union stated strong opposition to the repeal of the blue laws. However, less than a month later, on July 26, 1982, following intense discussions, a memorandum of understanding regarding the repeal of Sunday blue laws for retail establishments was signed by union leaders, major retail department stores and the Greater Boston Chamber of Commerce.

The memorandum acknowledged that Massachusetts was suffering from the outflow of retail sales on Sunday due to residents crossing over state lines to shop in adjacent jurisdictions and that Massachusetts was adversely affected economically by its noncompetitive status.

The memorandum also stated that it was evident from an analysis of the circumstance that this is an issue whose time has come. The changing demographics, the increase in two-income families and the increase of women in the workforce has created a new climate in which residents favour Sunday store openings by two to one.

Another bulletin issued by the AFL-CIO dated November 22nd, 1982, urged legislative members to support a repeal of the blue law restrictions on Sunday retail sales. The bulletin stated that the working people of Massachusetts desperately need the thousands of jobs which blue law repeal will bring to those who chose not to work on Sunday, needing the protection guaranteed by the bill. The blue law was characterized as being archaic.

An article in the Pilot, which is the official newspaper of the Archdiocese of Boston, dated December 3, 1982, in regard to Sunday shopping agreed that it is well-nigh time we dumped a local custom that is both outmoded and injurious to the state economy.

It was further argued that in light of all the exemptions to the existing law, the current restrictions are confusing and contradictory and do very little to guarantee Sunday as a day of rest to religious observers. Moreover, the church stated, retailers, labour unions and many religious-minded persons have changed their position, as society itself has changed, then who are we to fly in the face of those whom the blue laws were originally designed to please?

The quality-of-life argument in today's society appears to many people as being hypocritical and selfish. It is all right for me to travel, eat out, expect medical attention, police and fire protection, go to the theatre, the symphony, watch TV, go to see the Jets or the Bombers, read the newspapers, but it is not all right for you to shop on Sunday. To a large degree, to many people, shopping is an entertaining experience.

In conclusion, there are many more arguments, both pro and con, that could be raised. In the final

analysis, it is fair to say that there are opposing views on this subject and possibly always will be.

Our position is that the uneven playing field that existed with the current law and the unfair competition that results, with the competition now from all the U.S. states, particularly those adjacent to our border, together with many other provinces including our neighbours, open on Sunday, taking the money away from us and out of the province with the unreasonable inconvenience and lack of service caused by existing law both to consumer and retailer, the obvious demonstrated growing public demand for reasonable, convenient opportunity to shop on Sundays, we would ask this committee to recommend repeal of the existing law, and allow those retailers who choose to open on Sunday with adequate staff to service their customers.

Thank you very much.

**Mr. Chalrperson:** Thank you very much, Mr. Emery.

**Mr. Storie:** Thank you, Mr. Emery, for a very well thought out presentation. Just following up on your last comments, you have asked the committee, or you are recommending that we repeal existing Sunday shopping law and allow those who wish to remain open to open on Sundays.

I am wondering whether, in light of the fact that Bill 23 is going to give municipalities the right to determine, whether you support Bill 23.

**Mr. Emery:** Yes, I believe I do. Even the original law allowed you to either open or not open, so you still had that choice. You do not have to open, and I think it is probably in the best interests of the municipalities, and we have heard from the speakers earlier here that there are very differing views in those municipalities, and I think therefore they should have that right to make up their own minds as to what course of action they wish to take.

**Mr. Storie:** But in your presentation you say you are worried about the confusion the existing laws are creating, and the confusion the existing laws create with respect to which stores can be open and under what circumstances, and whether the law was even being followed. I am wondering now whether, if the Canadian Tire store in Winnipeg remains open as a result of a municipal decision, and the Canadian Tire store in, say, Steinbach closes as a result of municipal decision, does that not create the same kind of confusion, the same kind of conflict?



**Mr. Emery:** I do not really see why it would, because, again, even during this test period the Canadian Tire in Steinbach has been closed and the Canadian Tires in Winnipeg have been open, and I am not aware of any confusion that has resulted from that.

**Mr. Storle:** Mr. Chairperson, given that that is the circumstances that exist with the bill that was passed in 1987, then what is the problem?

**Mr. Emery:** The problem, I think, there is the fact that that was a bill that was designed basically, I think, to allow people that required medical assistance and drugs, et cetera, to be able to get them, and I have no problem with that whatsoever.

The only difficulty was that the drugstores took advantage of that situation and started selling everything other than drugs and medicines and therapeutic devices. As I said earlier, they were selling appliances, hardware, plumbing, electrical supplies and you name it. They were circumventing in effect what the law was intended to do at that time, and for some reason or other, and I understand this was a mistake, they also were not subject to the four-person rule. We challenged that, or I should not say challenged it, we reported some of these things to the police department. The police department refused to act because they said the drugstores were not subject to that particular rule.

**Mr. Storle:** Mr. Chairperson, I agree that it did create some problems. I am simply asking the question whether your desire to have things straightforward and a level playing field is going to be accomplished by this legislation.

You have asked us to repeal this so that individual businesses get to decide, but that is not what the law will allow. The law will allow the municipalities to decide.

**Mr. Emery:** But then the businesses within those municipalities still have that opportunity, do they not?

**Mr. Storle:** Mr. Chairperson, we still have the patchwork quilt then.

**Mr. Emery:** I do not see where the patchwork quilt happens there. I mean, even within the city of Winnipeg here, there is a possibility that certain Canadian Tire stores could make the decision not to be open if they think that is in their best interest.

We have an example of the seven stores in Winnipeg. I mentioned in my statistics and I

indicated to you that collectively we had had quite a substantial increase. One of those stores out of the seven, in effect, experienced decreases in sales during the test period. Now the reason for that is, is the fact that during—he is in one of the smaller stores. He could operate his store reasonably efficiently with four people, reasonably efficiently, and yet he had no competition around him because none of the competition could open up under the four-employee basis. But, as soon as that was lifted, then this particular store tended to suffer in sales volume because now he had more competition. He could make that decision, hey, this is not worth it anymore. You know, it is not worth me being open.

\* (2200)

**Mr. Storle:** Mr. Chairperson, the theme of your presentation, I think, is fairly consistent, and that is, that in the retail business it is winner take all. I am wondering whether in your presentation you have considered the possible impact, the potential impact, of this on independent stores in Winnipeg or in rural Manitoba that simply are never going to get to that level playing field that you are talking about.

Are you concerned that your success in Canadian Tire may ultimately lead to the demise of businesses in the infrastructure in communities outside of, for example, the city of Winnipeg?

**Mr. Emery:** I do not think anyone likes to see anybody else go out of business. I mean, that is not—I think we have got a little more humanitarian instinct in us than that. But, as we have seen over the years, the mom-and-pop stores, if I can use that term to refer to them, have been diminishing. They have been going downhill and, I am afraid, will continue to.

As I said earlier, even we in Canadian Tire, as large as we are, are all independently owned stores. We do have the advantage, of course, of association with a larger company. But I can tell you that, when we go to our conventions, one of the No. 1 things that we talk about is survival. What are we going to be doing now and in the future to counteract the likes of the Walmarts and the Home Hardwares, not the Home Hardwares, but the Home Depots and so on.

It is a concern, and we have to be fighting to try and make sure that we survive into the next century.

**Mr. Storle:** I guess, Mr. Chairperson, to Mr. Emery, that is what Mayor Krahn and Mr. Stewart and many other rural representatives who have expressed concerns about this issue are saying as well. I guess

they are asking for a maintenance of what they consider to be a level playing field; what turns out to be a Canadian Tire problem in that it is difficult to manage and operate a store of Canadian Tire size with four staff turns out to level the playing field for the small independents who do not have your purchasing power, who do not have your marketing ability.

I am wondering what is wrong with trying to maintain that balance in a society that wants to have a vibrant rural economy, as well as an economy in the city of Winnipeg?

**Mr. Emery:** Well, I think if it were possible to build a fence around Manitoba, so to speak, and not have any external influences on the province, then I guess I could say, fine, because I can get along quite well, thank you very much, the way things are.

But we cannot stop what is going on in Minneapolis or in Minnesota. We cannot stop what is going on in North Dakota. As I indicated to you with the numbers from Canadian Tire rural stores, they are showing a substantial increase in sales during this period of time. One of the things I think contributed very directly to that was the devaluation of the Canadian dollar against the American dollar during that time frame.

**Mr. Storle:** Perhaps you are making my point for me. You have mentioned that there was a substantial increase in sales in rural Manitoba. You have also acknowledged, for example, that the Canadian Tire store in Steinbach remains closed on Sunday. So it obviously has nothing necessarily to do with Sunday shopping, the increase in volume.

That then begs the question, if Canadian Tire in rural Manitoba can do quite well without opening on Sunday, given that certainly some people in rural Manitoba, many of the members of the business community in rural Manitoba see potential harm, why are we rushing forward with this? Why the urgency that you sense?

Also, Mr. Chairperson, if I may, given the fact that you reference in your brief that you are concerned about the draw on customers into other jurisdictions, given the change in the value of the Canadian dollar, given, I guess, the decline in cross-border shopping, is that still a legitimate concern? Are we doing something in haste here based on a rationale that no longer exists?

**Mr. Emery:** Well, there is no question in my mind that—and this is borne out with some of the

statistics—the number of shopping trips to the United States has seriously declined over the last few months. That has, no doubt, helped us in terms of our business here and I think all businesses here in Manitoba.

Again, we do not know how long that situation is going to last. I am not an economist, and I do not know when the trend could reverse. I have no idea.

At the same time, we have no idea what our friends in the United States might do to try to combat that. I mean, they are not going to sit back—Walmart did not build that great, big store south of the border there to service that particular community. It was put there to service Manitobans. They are going to come up with ways and means to try and continue to attract Manitobans to that store. There is just no question about it.

I am saying we have to do whatever we have to do in order for us to survive. When I am using the term “us,” I am not talking Canadian Tire. I am talking all of the retailers here in Manitoba.

**Mr. Storle:** Mr. Chairperson, Mr. Emery indicated earlier that he did not want to build, or if we could, I should say, build a wall around Manitoba, we might be able to maintain that balance and attempt, through legislation like the existing Sunday shopping legislation, to maintain the economy in rural Manitoba, yet in his subsequent remarks, he comments on the fact that the value of the Canadian dollar, for example, a substantial change, an increase in the value of our dollar would again drive people outside of Manitoba. So we cannot build walls there either. There is no guarantee, in fact, that the Sunday shopping legislation which may jeopardize—and certainly rural people believe it will jeopardize their opportunities.

There is no guarantee that Sunday shopping is going to solve the problem you seek to solve, and I am asking the question of whether it is worth taking that risk.

**Mr. Emery:** Certainly, there is no question in my mind, and I am sure there is not in anybody's mind, I do not think having Sunday shopping is the answer to all of our prayers or is going to tip the balance in favour of Manitoba as opposed to North Dakota or any of those.

All I am saying is, in order for us to compete against some of these newer retailers and the big retailers in the States who are operating seven days a week, if we do not have the same opportunity, then

we are going into battle with a blunt sword. That is all I am saying. If we want to compete with them, if we want to keep growing, then we need to have the same opportunity to compete as they have.

**Mr. Storle:** Mr. Chairperson and to Mr. Emery, I do not mean to be impertinent by this, but my question is, do you work on Sunday?

**Mr. Emery:** Do I work on Sunday? If you are asking me, do I work on the retail floor on Sunday, the answer is no. The reason for that is I am the owner of the business at this particular time, and my stage of my career has developed to the point where I have other employees who do that.

Did I used to work on the floor? Yes, I did and I spent a lot of time on the floor.

Will I work on Sunday if it becomes necessary? Yes, I will, because if it requires survival, I will be there.

**Mr. Storle:** Mr. Chairperson, I was quite sincere and I did not mean to be impertinent by asking that question. I simply believe that Canadian Tire, and I am sure your independent store, is large enough to accommodate your interests and your needs at this point in your life.

Certainly for many of the people whom the Manitoba Chamber represents, the small businesses, the family-run businesses, that is not the case. The pressure they are going to be under to open on Sunday, to compete, is going to require that they or their sons or their daughters or their grandchildren and more than likely they themselves are going to be there, not six days a week now, but seven.

I am wondering if, in your judgment, the balance of us doing this is so important that we need to put those people under that pressure.

**Mr. Emery:** Well, I have some concern really about whether or not the pressure you are referring to is really there.

Again, giving the communities the opportunity to make that decision on their own, and further, giving the independence within those communities the opportunity to decide whether they want to be open or closed on that particular day, is not forcing them to be open.

I question whether or not our gentlemen from Morden and Winkler—when asked about their shopping experiences in Winnipeg, they indicated that, well, they come in to visit relatives once in a

while and when they are here, they might drop into a store. I mean, this is not exactly a mass of cars whipping up the highway here to shop in Winnipeg.

We also talk about, based on some other statistics that I have here from Stats Canada, even within Manitoba already: Winnipeg accounts for something like 64 percent of the provincial retail sales already; 91 percent of the department store sales already take place here in Winnipeg; 78 percent of the retail chain store sales take place in Winnipeg; 83 percent of the total supermarket store sales take place; and since I come under the category, I think, of general merchandise sales, only 38 percent of general merchandise sales take place in the city of Winnipeg.

\* (2210)

I must assume that the general merchants in these smaller communities are continuing to do quite well. I would think that they do not have to open. I am quite sure that if I was in one of those smaller communities I would not be opening on Sunday because I do not think the competition requires me to open on Sunday. The competition in Winnipeg today and in the future is certainly going to require me to open on Sundays.

**Mr. Storle:** Just one final question: I guess the scope of your business may make it difficult for the managers and perhaps the independent owners of large businesses to appreciate how difficult this issue is, how not difficult, but how potentially damaging this issue is for small businesses in small communities outside of the city of Winnipeg. You mentioned in your comments that some 837 persons per hour circulate through your store.

**Mr. Emery:** Through our stores.

**Mr. Storle:** Your stores. I would assume that, and probably maybe someone will present here tonight to tell me, how many regular customers the average small independent grocer has in rural Manitoba. My guess is that a few hundred are enough to ensure the survival of a small business so that it is not necessary to see a stream of people coming into the city of Winnipeg, that this is a war of attrition for small businesses, that the loss of one customer or two customers or a handful of customers over a period of time is enough to make this business put them in a position of difficulty.

I am wondering whether you are saying that there is nothing that can be done and that we should sort

of abandon any attempt to do something to prevent that.

**Mr. Emery:** I am sure there are people in this room who shop within the city of Winnipeg who do not necessarily shop at the least expensive place in town. I do that myself and I do it because that particular retailer that I go to provides something that the larger stores or larger centres cannot. That is oftentimes personal service, sometimes, I will not say better selection, but perhaps they have something unique that I might be looking for and so I would patronize those.

I would suggest that a lot of the stores in the rural communities have that opportunity to provide personal service. I cannot stand at the door and say, hi, Joe, gee, I have not seen you for a week, but that is the kind of service you can expect to get in the smaller communities and that kind of service you are willing to oftentimes pay a little more for.

### Point of Order

**Mr. Penner:** Mr. Chairperson, it appears to me that the honourable member for Flin Flon, Mr. Storie, is attempting to debate the issue instead of the normal line of questioning that would occur in committee. I would ask you to remind the honourable member that this is not a debate, that this is a time for questioning the presenters and it should be done in as expeditious a manner as possible.

**Mr. Chairperson:** The honourable member did not have a point of order, but I would ask honourable members to be short with their questions and to the appropriate presenters.

\* \* \*

**Mr. Storie:** I appreciate the point the member for Emerson is making. I was not attempting to debate. These are our first presenters, and I want to get as full a view of their perceptions of this legislation as I can, and certainly Canadian Tire is an important presenter.

I have just one final question for this presenter. It deals with the suggestion in your brief that the reason you are here and the reason Canadian Tire changed their mind on Sunday shopping was to protect their market share.

**Mr. Emery:** That is right.

**Mr. Storie:** All other things being equal, if Canadian Tire had not had to protect their share in this way,

would you have been here supporting wide-open Sunday shopping?

**Mr. Emery:** I think I also pointed out in the brief that in many ways, we would be very pleased to have laws that prevented Sunday shopping and close the stores up on Wednesday afternoon, and all those things. I mean, why would I want to work any longer than I absolutely have to or have my people work any longer than I have to? I mean, running a store for seven days a week complicates the business of running a store tremendously, whether it is seven days or whether it is six days.

For 12 hours a day, you have all sorts of shifts to deal with, coffee breaks, lunch hours, full-time, part-time staff complements. It would be much easier, in effect, to not have to do that, but, unfortunately, that is not reality. That is not the marketplace today.

**Mr. Storie:** A final question, Mr. Emery. Do you find it odd that, for example, in many other countries of the world, Sunday shopping is not a necessity? In fact, Saturday afternoon is not used for shopping. Why is it so important for North Americans? Why is it so important for Manitoba now?

**Mr. Emery:** I just came back from New Zealand where they do not have Sunday shopping or Saturday afternoon shopping. I think we all know the state of the economy of New Zealand.

**Mr. Chairperson:** Thank you very much for your presentation.

I will now call on Mr. Vern Dyck and Mr. Peter Kaufmann with the Canadian Federation of Independent Grocers.

Do you have a written presentation?

**Mr. Vern Dyck (Canadian Federation of Independent Grocers):** No, I have not.

**Mr. Chairperson:** That is okay. You may proceed with your presentation.

**Mr. Dyck:** Mr. Chairman, I appreciate the opportunity to speak. However, I should say that I did write the Premier (Mr. Filmon) and the minister some time ago, as a matter of fact before the trial period came about, about Sunday shopping. So we did submit our views to the government in regard to Sunday shopping.

First of all, let me say that I am an independent grocer. I have stores in Winnipeg. We are open in Winnipeg. I have a store in Morden, Manitoba. We are not open in Morden, and we have a store in

Falcon Lake. The Falcon Lake store is open because the government asked us to open the store. It only makes sense. It is in a resort area and, indeed, there is a need in a resort area to have a store open.

We did not open our store in Winnipeg until our major competitor was open for some six months, and then we decided that we should open because, indeed, it was affecting our business. So therefore we did open our store, but we have not opened Morden and not necessarily on religious grounds.

We firmly believe that our employees deserve to have a day off. We do not work any of our key employees, our full-time employees, on Sunday. The other employees work strictly on a voluntary basis.

Running a small business is difficult. We are not a corporate operation, we have not got huge resources to draw from. Therefore, we have some key employees who are very valuable to us, and we do not want to, in any way, force them to work on Sundays. We absolutely believe they deserve a day of rest, because they work very hard and therefore we do not ask them to do that over and above what the law says.

Okay. Let me now go into our Canadian Federation of Independent Grocers. We are here on behalf of the Manitoba contingent. The CFGI has taken a strong position in regard to Sunday shopping and in regard to full-scale Sunday shopping for a long time. We have basically done that for three reasons.

Number one, would be the negative effect it would have on family life in our province; No. 2, the damage it would do to a small business in general, not just the food industry; and No. 3, the damage it would do to the commercial life of rural Manitoba. We firmly believe that if the big giants are allowed to stay open in the city of Winnipeg, it will have a detrimental effect on all of rural Manitoba.

\* (2220)

The present legislation permitting stores to open with four employees on duty has served this province well. We have a quality of life in the province that is probably rivalled by all of North America. We have a quality here, and I really question—and I will get into some of the reasons for my opinion here—that we have any forces that would force us to open seven days a week, particularly when you consider in the supermarket

industry in Winnipeg, you could probably eliminate half the supermarkets and they could still maintain the same level of volume they enjoy today. So I do not really see the need.

Full-scale Sunday shopping is obviously not to our liking. When the present legislation was put into place, with four employees, it was never designed to allow 40,000-square-foot supermarkets to open with four employees. The purpose of the legislation was to give some level of service to people who needed it on Sunday. It was never designed to allow a 40,000-square-foot store to open with four employees.

Shopping hours presently are from 9 a.m. till 11 p.m. from Monday to Friday, and 8 a.m. to 11 p.m. on Saturday. Surely, we do not need to open on Sundays when you have that level of service already today, considering that we have an overabundance of stores in the city of Winnipeg.

I think we should consider who will be hurt by full-scale Sunday shopping. We think small business in urban and rural communities will be hurt. It is a fact that small business creates most of the new jobs. In the food industry in small business, we use two to three times the employees or the manpower than chains do to do the same dollar of food business. In other words, we employ more people per dollar of sales. Therefore, we feel we need to keep those jobs with small business.

Somebody here talked about a level playing field. We think that it is important that the playing field be kept as level as it can possibly be kept, particularly when you consider that the multinational companies, the chains, have a much greater buying power than any independent, be it a grocer or a hardware store or any independent. There is a vast difference here. We do not need another strike against us by having the chains opened on Sunday as well, particularly with full-scale Sunday shopping.

Now, let us look at cross-border shopping. They claim that we needed Sunday shopping to reduce cross-border shopping when in fact cross-border shopping was really the result of high taxes, particularly on gasoline, cigarettes and alcohol and, in addition to this, the overvalued Canadian dollar. In other words, since the dollar has declined, cross-border shopping has declined. It really did not have much to do with what the American retailers were doing over here.

It had to do with taxes, and it had to do with our dollar being overvalued. Now that it is down, so is cross-border shopping. Indeed, you can track the sales in groceries, which our organization has done, with the rise and fall of the Canadian dollar. Therefore, Sunday shopping really has no bearing on cross-border shopping.

Who then benefits from Sunday shopping? It is important to look at who does benefit. There was really no outcry from ordinary citizens for Sunday opening. We know of none.

Corporate chains pressured government for full-scale Sunday shopping, corporate chains with head offices in other provinces or indeed out of the country. Let me point out that corporate food chains have moved their offices out of Manitoba. They now are moving their food buyers out of this province, resulting in hundreds of jobs lost for Manitobans. To follow up on that, because they have moved their buying offices, brokers that do business with chain stores have had to follow and leave this province as well, as have other related companies, because the head offices are no longer here.

Now, with Sunday shopping, we have special prices for Sunday only. I have with me here several ads that indicate that chains are desperately trying to get more business into their stores on Sunday, I think to demonstrate to the government that they really do need full-scale Sunday shopping. One only needs to look at the type of ads we have here. I will put them on the counter if you would like to look at them. They are advertising deep discount prices—\$30 off. These are all on Sunday; they are Sunday only. They did not offer these prices throughout the week—very hot coupons, double coupons and even free goods.

Small business has its roots in Manitoba. Independent business in Manitoba employ Manitobans. They recycle the profits back into Manitoba. Corporate chains move their profits out of the province or indeed out of the country. We urge you to keep the independent business strong in rural and urban Manitoba and do not give the corporate chains the opportunity to open our province wide open for Sunday shopping.

Manitoba grocers recommend that the present legislation be amended from four employees to three employees. Indeed that would close down our chain stores and allow independents to give

adequate service where it is needed by opening stores on Sunday.

I would have no problem closing our store on Sunday if that, indeed, happened. As a matter of fact, we would welcome it.

In summing up, we firmly believe, as a group of independent grocers who employ Manitobans, we really do not need full-scale Sunday shopping. There is a level of need, and I think that can be serviced by a three-employee situation and indeed certainly no more than four employees. That is our presentation.

**Mr. Chairperson:** Thank you very much, Mr. Dyck. Are you prepared to take some questions?

**Mr. Dyck:** Sure.

**Mr. Storie:** Mr. Chairperson, I want to thank Mr. Dyck for his presentation.

Earlier we had a presenter representing an independent Canadian Tire store who talked about market share. I am wondering whether you can tell us what the current sort of ratio of market share in the grocery business is between the chains perhaps.

**Mr. Dyck:** Chains, I believe, in Manitoba, I think the Canadian Tire gentleman said something like 83 percent in Winnipeg. Well, I do not believe that to be quite so. I think in the province of Manitoba they have roughly 78 percent of the volume. In Manitoba we do have some very good independent merchants. I think one of the reasons for that is we have had some reasonably fair legislation.

\* (2230)

In other provinces it has not been so. If you look at the province of Saskatchewan, where it has been said that this Sunday shopping would not affect rural Manitoba. All you need to do is look at southern Saskatchewan. Look, the city of Regina has been like a vacuum cleaner, and it has sucked the rural community dry there. The towns are terrible. At least in southern Manitoba we have some very good towns yet and in the North as well. Let us keep it that way. Let us not drain all that business into the city.

**Mr. Storie:** You mentioned as well in your presentation that the Sunday shopping issue, as far as you were concerned, as far as the Canadian Federation of Independent Grocers was concerned, was not an issue in this legislation.

I am wondering whether you have any statistics or any information on what percentage of the people

who are cross-border shopping were purchasing grocery items. Was it a significant amount?

**Mr. Dyck:** In my opinion, the cross-border shopping as far as groceries was only a problem in the areas that the government controls and that is marketing boards where you consider that poultry, eggs, milk, those type of things are controlled in this province. However, having said that one of the chains here indeed has been able to get a licence to purchase probably 90 percent of their chickens out of the United States when we have farmers who have quotas that cannot grow any more chickens. The whole thing does not make any sense.

At any rate, as far as the rest of the groceries, I think, as grocers in the province, we can be competitive with the exception of those things that are controlled.

**Mr. Storle:** Mr. Chairperson, the other issue that has been raised by some of the rural representatives that were here and others is the question of jobs. You mentioned that based on a per-dollar volume of sales that small businesses create more jobs. I am wondering how many—can you give me an average, the number of jobs that a small independent grocer might employ in a small community? We can use Winkler or Steinbach.

**Mr. Dyck:** Probably the grocer, and most rural communities, it is one of the major employers and needed in the business and, of course, if the druggist and the pharmacist and the hardware operator leave, then of course it is going to put the grocer in jeopardy as well. As far as I think I can relate to what you are saying, and because of the size of chain stores and their desire for production, they demand from their employees very, very large man-hour figures.

An independent cannot operate under those same terms. It is an impossibility for an independent if he wishes to give the service and service the community and do those things in the community that a retail merchant, not only a grocer does in a rural community. They are a very important member there and they are active in it. In a chain store you do not see a whole lot of employees active in the community.

**Mr. Storle:** I gather from your presentation you see this legislation as being particularly dangerous and perhaps damaging to independent grocers.

**Mr. Dyck:** It is not only damaging to independent grocers if it is allowed to go through, I think it is going

to be damaging to all small business not only in rural Manitoba but indeed in the city. If you take shopping centres like Polo Park, owned by Cadillac-Fairveiv, being wide open, what about the small regional shopping centres with small independent businesses in them? They are struggling now. There are lots of businesses there that are having a problem. Indeed, it is a struggle in the city as well as it is in the country, so if you allow that many more hours it then puts more pressure on the small business no matter where they are.

**Mr. Storle:** Mr. Chairperson, I am just trying to develop the scenario that the small business, the independent grocer in particular, is a major employer in a small community.

It makes sense to me that if the independent grocer fails, it is sort of the first link in the chain disappearing, that after the independent grocers, because food is a necessity, it encourages more people to leave the small community. Then the other businesses around it start to sink. It is part of a chain reaction that ultimately leads to the demise of the community.

**Mr. Dyck:** Absolutely, because if the grocer is not there, that means that the consumer is going to have to go out of the rural community to do her shopping. Once they start doing that, well, they are going to buy other things. That is really the first link in the chain. If the grocer dries up, the town will dry up.

**Mr. Storle:** You had mentioned that the Canadian Federation of Independent Grocers had done some work in other jurisdictions in looking at the impact.

I am wondering whether, for example, in provinces like British Columbia that have had a fairly lengthy experience with Sunday shopping, there is any sort of similar concern to the one you talked about in rural Saskatchewan.

**Mr. Dyck:** Well, B.C. is an interesting situation because in B.C., as you know, they have had Sunday shopping for a long time. One of the issues here for opening Sunday was to curb cross-border shopping. Well, B.C. has the largest cross-border shopping probably of anybody in the country.

Further to your question about what damage it did to the independents, indeed, it has. I was just at a convention in Vancouver for independent merchants and they are struggling. They are indeed struggling. There is pressure from the corporate chains because they are building larger and larger

stores and, indeed, the retailers are having a problem. Some of them are going out of business.

I think as the chains continue to get into price wars, that eliminates the small guy. We all know that eventually the prices come back up. You need a strong sector of independent business people to keep the chains honest.

**Mr. Storie:** I have no further questions, Mr. Chairperson, of Mr. Dyck. I just want to thank him for his presentation and for the work he and members of the Canadian Federation of Independent Grocers have done on this issue. I certainly appreciate their interest in it and their pursuing it vigorously.

**Mr. Laurendeau:** Mr. Dyck, I know a couple of independent grocers. I see one standing next to you there, an old friend of mine, Mr. Kaufmann. I have a couple of them in my neighbourhood. I have Casey's Fine Foods and, of course, the Penner store out in St. Norbert. A lot of my constituents are saying to me that they shop at Safeway, but they also shop at Casey's. Some even go over to Mr. Kaufmann's place for the meat.

The reason they shop at these independent stores or at Safeway or in St. Norbert at the other store, is because of the service that they have from that establishment, the quality of the product they have at the establishment and the prices.

Let me tell you today that a lot of times, the independents are pricing under the major supplier in my community, and I have two majors. They are both the same in the community, but they are being underpriced by those stores. I feel the independent stores are doing very well in my community. I do not feel they are hurting in my community.

Now, would you say it would be justified to say that anybody who is employing more than four employees at any time should have to shut down altogether on a Sunday?

**Mr. Dyck:** Let me first say that the store in St. Norbert is a Foodland store, and it is our store. Indeed, we have been very fortunate in there, but I absolutely firmly believe that if you need to employ more than four employees, you shut down on Sundays and give the little guy a chance.

I stated earlier that I would be only too happy to close our store down in St. Norbert if that three-employee situation took place. If it did not, if my major competitors would close down, I would be happy to close down and let somebody else open up with four employees.

**Mr. Laurendeau:** So you are saying, if any store employed more than four employees at any time—

**Mr. Dyck:** Oh, no, no, I did not say that. I meant on Sundays. If you have to employ more than four employees on a Sunday, you should not be allowed to open up. If you employ only four employees throughout the week, well, we should not even be talking about—

**Mr. Laurendeau:** But now, Mr. Dyck, we are moving into another area, because you are saying, it is fine for the independent grocer who is a certain size, but we are saying no to the corner store today, because the corner store who operates with under four throughout the entire week, you are saying he can still operate on Sunday, and the independent grocer who has more than four employees during the week can cut down to three employees, but the larger-than-four would have to shut down.

\* (2240)

**Mr. Dyck:** No, that is not what I am saying at all. What I am saying is, if you are required to open a store on Sunday with more than four employees regardless of how many employees you have during the week, you should not be allowed to open up. That is what I am saying.

It is Sunday only. I do not care if you have three, four or 24 or 224 the rest of the week, but on Sundays you do not open up with more than four.

**Mr. Laurendeau:** I follow you on that one, and I do appreciate the answer to that.

Are you aware that within the bill, if the city of Winnipeg or any municipality passes this legislation that there will be six days that stores employing more than four employees any time during the week will have to close on those six days?

**Mr. Dyck:** Would you state—what are you saying to me? I do not understand the question. Oh, holidays—you are talking about holiday legislation?

Holidays should be the same as a Sunday. Really, honest to goodness, why can we not give the employees those statutory holidays off? What in the world do we have to open up for? Here you have Canada Day coming up and we are going to have chain stores open. It is ridiculous.

**Mr. Stefanson:** You cannot open on Canada Day. Just for a correction, Mr. Chairperson, they cannot open on Canada Day.

**Mr. Dyck:** On Canada Day? What about the 24th of May?



**Mr. Stefanson:** Stores with more than four employees cannot open on Canada Day.

**Mr. Laurendeau:** Now they can.

**Mr. Dyck:** They can open with four employees on the 24th of May, could they not?

**Mr. Stefanson:** Stores that normally open with less than four employees can open on Canada Day; but on Canada Day, stores with more than four employees cannot open.

**Mr. Chalrperson:** Further questions from the floor?

**Mr. Rose:** Thanks, Mr. Dyck, for a good presentation. I particularly enjoyed your comments about the quality of life in Manitoba, and I hope that that will continue even if this legislation passes relative to other jurisdictions.

You made a comment in response to a question about the difference in food prices between two countries. It was primarily in the products controlled by marketing boards, if I understood you correctly. Is that a good thing or a bad thing?

**Mr. Dyck:** I did not hear the last part there?

**Mr. Rose:** You made the comment that the primary differences in price in groceries between the two countries were in products controlled by marketing boards. I was just asking if you think that is a good thing or a bad thing, marketing boards?

**Mr. Dyck:** That is a delicate situation. We have a lot of good customers that are farmers. Let me say that we are not purchasing our products out of the province. We purchase from local farmers products that are grown in Manitoba where possible. We are not buying our chicken or our eggs out of this province. A lot of eggs come from B.C., chicken comes from the United States, there is meat packed in Calgary. As a matter of fact—[interjection] Yes, New Zealand across the ocean. We do not do that. Most independent retailers are the same.

I think the issue with pricing across the line is a little bit different. While we support our farmer, I think there needs to be some area there of concern to the government. We are getting into a free trade situation, and I think there should be some area of concern to get that pricing structure more competitive with the United States.

**Mr. Chalrperson:** Thank you for your presentation Mr. Dyck and Mr. Kaufmann.

Mr. Penner, did you have a question? I am sorry.

**Mr. Penner:** I have just one brief question for Mr. Dyck. I am not sure whether Mr. Kaufmann and Mr. Dyck are appearing jointly or whether Mr. Kaufmann is here—

**Mr. Peter Kaufmann (Canadian Federation of Independent Grocers):** The plan originally was that Mr. Dyck would speak first and then I would sum up with a few comments. We had planned it that way and put ourselves on that way.

**Mr. Chalrperson:** Maybe we could proceed with—you were asking a question of Mr. Dyck, Mr. Penner.

**Mr. Penner:** Yes, either one of them. Do either one of you open on Sunday?

**Mr. Dyck:** I started out my presentation by saying we have three stores. One is in Morden, closed on Sunday. One in Falcon Lake, it is open on Sunday due to the request from the government, which we do not disagree with. The other one is because of pressure, we were open in the city—our major competitor opened and about six months later we opened because we had no choice.

**Mr. Penner:** Can you describe for me the difference of one of the four employees that you employ on the Sunday compared to the employee that works at the Superstore that might employ 40 employees? What is the difference between those employees?

**Mr. Dyck:** We like to think we give a lot better service and are more concerned for the customer because our livelihood depends on it. We do not necessarily like the four-employee situation. We would like to be closed down. Indeed, we try to give a different level of service than the chain store can do.

**Mr. Penner:** That is the reason I asked. I wonder whether your employee likes working on Sunday more than one of the 40 employees that might be employed by a Superstore or a Safeway might like to be employed.

**Mr. Dyck:** I doubt if they like it any more. The only difference there is we literally strictly employ part time. We do not even ask our employees, who are our full-time employees, to work. They absolutely do not—we believe that they deserve the time with their families. We are very pleased to have the people we have. We feel we have some very good people. I do not have the heart to ask them.

That is why I am dreadfully afraid this thing is going to open wide up, and then what in the world are we going to do? Then we are going to have to ask people to work. I do not think it is right.

**Mr. Penner:** I have not been in government for very long. I have been in government five years. I guess the four-employee statute was passed the year prior to me coming into government.

I looked at that piece of legislation, and I asked myself to look at it fairly. I wondered what had happened to the competitive factor. The discussions are on the competitive factor, the four-employee business versus the 40-employee business, and whether there was some fairness that had been missed during that debate and the passage of that legislation.

I wonder whether there is some concern amongst the smaller business community being able to compete with the larger business community even on a six-day-a-week situation. I have been listening very carefully now to the five presentations, the presenters that we have heard, and yet have I to hear anybody saying that the government of this province should pass a piece of legislation closing down the retail sector completely. I have not heard that from you, from your presentation, or any of the other presenters.

I am wondering whether the concerns that you express are fears of being able to compete or whether it is really the social concerns that we have heard many talk about here tonight.

**Mr. Dyck:** I do not think the fear for good independents is of competing until the chains start price wars. That is a different issue. On a day-to-day basis, we can compete, and I think that you will see in Manitoba, we have a lot of good, strong independent grocers.

But, when the chains go after market share and deliberately bring the gross profits down to an unbelievable level so that nobody can exist, and they lose millions themselves just to get market share, then we have a problem on our hands. I think that is where the problem really is. It has nothing to do with Sunday shopping.

**Mr. Penner:** I think that is a good point, but that is not a Sunday shopping issue. That is strictly a competitive issue.

**Mr. Chairperson:** Mr. Dyck, thank you.

**Mr. Peter Kaufmann (Canadian Federation of Independent Grocers):** Mr. Chairperson, Mr. Minister, MLAs, my name is Peter Kaufmann. I am a resident of the city of Winnipeg, and I am a retail grocer. I am proud to be a retail grocer.

First of all, I want to say that it gives me a great deal of pleasure to stand here and speak to the three MLAs that really represent me. I grew up in a town called Winkler and moved to a town called Souris and now I reside in south St. Vital. So Mr. Rose and Mr. Penner and Mrs. Dacquay all have interests that are close to my heart. Being from rural Manitoba and now residing in the city and serving on City Council has given me a certain perspective about business in this city and how this province is run.

\* (2250)

I was born in Denmark, and I just recently came back from visiting my family over there, in fact, a week ago. Denmark, indeed, is such a country where they have country legislation. The stores are closed at 5:30 at night, except for Friday when they are open until eight. On Saturday they close at one o'clock in the afternoon, except food stores are open until two, and Sundays everybody is closed. Everybody says that is bad for tourism. I tell you that is wrong. It is great for tourism, because 90 percent of tourism is from the people that live in the country, and that is the same here.

We talk about how wonderful it is for tourism to be open on Sundays, well, how many tourists are coming up from the United States? Has anybody bothered to put a counter at the border and check how many cars are coming? Most of them are going the other way.

People need to have a day when they can go to the beach with their family. They need to have a day when they can go watch the son's bicycle race at Birds Hill Park, which I recently did. We need to spend time with each other, with our families.

Sure, we have two stores. We are both open. We started 14 years ago with four employees. That is all we had, period. We now have 60 employees in two locations, and I am pleased to say we are about to expand in a downtown location, but with the previous legislation only eight of our employees worked on Sundays, and as Mr. Dyck has indicated, I would not have any problem with going back to three, which would mean I would probably have to close the store in St. Vital on

Sundays, and leave the one downtown open. I do not have a problem with that.

We are living at a time when everybody says, well, competition is great, level playing field. We hear that all the time from politicians. I would love to see a level playing field, but what is it? Who can define it? Is it a level playing field when there is something called O and A money. You know what O and A money is? It is over and above. That is when large retailers get \$100,000 up front for listing a product, just to put it on the shelf. Money is not available for small independents. Carload discounts, co-op advertising, 2 percent for payment within 10 days, the breakers of bulk get that money.

Then they manufacture; they have vertical integration. They manufacture their own products. They sell them to us at one price. They sell them to themselves at another price. Is that fair competition? Are we playing with a level playing field?

I think the present Sunday legislation that has served us so well did something to level that playing field. It is perhaps, if I can relate it to, keeping the branch lines open in the rural areas, where they should not have been open, because we knew that the longer we could hold onto those branch lines and keep those elevators open, and when the elevator was open, the grocery store could stay open because the farmer would come to town.

The local creameries have all closed. I was sad to see the creamery in Winkler close recently and the price of milk go up in the rural area by five cents. Who can figure whether that is a level playing field? We have already got high dairy products, then all of a sudden the creamery in Winkler closes, the price of milk goes up five cents and now the milk that was already overpriced, according to the other side of the border, is a nickel higher. Is it a level playing field? We need to really take a long look at it, and I think I am in agreement with Mr. Dyck. There is no rush. There are not 500 people standing outside the Legislature demanding wide-open Sunday shopping. It is not an election issue. It is not going to be an election issue.

So from my point of view and from the point of view of CFGU, I think we should really take a hard look at it and do some real serious thinking. As to whether we will ever get to a level playing field in business, I do not know. It is difficult to say. I would like to be able to say, and I do in my own

business, that all independents, when they advertise something, make sure that the customer gets that product at that price. Even if it is a month later, they are going to honour a rain check.

I would like to pass federal legislation that any advertised product in any paper, by any chain, those products shall be delivered to that consumer at that price. We are faced with people advertising certain products. People drive in from rural areas for them. They are told, no, we had them at ten o'clock, but at eleven o'clock we were all sold out. Can I get a rain check? No, you have to come back tomorrow.

I do not think that is fairness in business, but we do not have legislation that demands that those who advertise a product at a certain price shall deliver that product at that price to that consumer that demands it. I just think it is fair business.

Do we need legislation to ensure that that happens? We are not going to get it. If we look at the Combines Act in the United States compared to what we have in this country, I can tell you that combines legislation in this country is nonexistent. I think one case has successfully gone through the Supreme Court in the last 15 years.

You need to document all of your problems. You need to document that you have been unfairly treated by your competitor, and you need to go out of business. You need to make it your lifelong ambition to take it to court and put all of your resources towards it. It is not fairness. So I think maybe this present legislation that we have now with four employees is slanted to help independent retailers, grocers, small-town kind of people who are in business.

I will close by saying that when I grew up in Winkler and Souris, Souris and Winkler were about the same size. We left Winkler in 1959, with a population of about 2,800, and moved into Souris, with a population of about 2,300 at the time. Winkler is now 7,000 and Souris is down to 1,600 or 1,700. That to me says that there is a relationship between how close you are to the urban centres. Souris is 28 miles from Brandon.

But there are other factors involved. Winkler has always had their own credit union that has been able to lend money to the local business community, whereas Souris relied on banks.

We in small business are faced with a myriad of problems. We have break-ins. We have banks

and governments that say that small business create all the jobs, but when you go to get a loan from a bank, unless you have at least two dollars for every one you want to borrow, they are not going to lend it to you. So how are we supposed to create all these jobs? We are waiting. We want to create more jobs, but we cannot, because I do not think necessarily governments understand small business, do not really understand how it works because, when you lose \$1,000 in sales, it does not sound like a lot. For me, that means I have to chop 10 hours off my payroll. When Mac's milk loses \$1,000 off its sales, they have to chop 20 hours off their payroll. That is how it works.

At the large store level, at the Costco or the Superstore level, they do \$300 and \$500 worth of sales for one hour of labour. So if we gravitate and we push more to the larger and larger, we will employ less and less people. In this province the service sector represents 70 percent of the employees, and it does not look like manufacturing is going to really get moving. We have lost 300,000 manufacturing jobs in Canada in the last year and over a million in the last two or three years.

It seems like the jobs where people make things are moving south and east. That is a phenomenon that is happening throughout the world. But at least, I personally believe that this present legislation that we have, really, and in service well for almost 20 years, and if it is not broken, do not fix it. Thank you.

**Mr. Storie:** Mr. Chairperson, just back to the quality-of-life issue, I think, which maybe we have not discussed as much in this committee as other issues.

I guess the question is: How is it possible that all of the independents and the chains that operate in countries like Denmark can do all of this without requiring that extra day?

**Mr. Kaufmann:** I can tell you very simply, and I have watched it. First of all, the Danish supermarkets are largely a combination of privates, corporations and co-ops, and they work together. They are very competitive. They sell beer and wine in their stores, liquor. The stores are open and all of the checkouts are busy all of the time. So there is a constant flow of business through the tills. The sales per man-hour must be phenomenal, and the minimum wage is \$13 an hour. So there is spending power in the hands of the people. The

average wage for people working in the supermarket business in that country would be well over \$20.

\* (2300)

But, I mean, they have their problems too. They have got the highest taxation rates in the free world. So I am not saying that their system is perfect. But at least in their food distribution system it seems to work well.

**Mr. Storie:** The obvious question then, is there any reason why it could not work in Canada, in Manitoba?

**Mr. Kaufmann:** I do not see any reason, but we talk about external forces, and unless you can get the neighbours to do similar things, I do not think you can change the world. But it just goes to show, for me anyway, that we are already open in this province 88 hours a week. Do we need that extra five or six hours? Do we need to go to 94? I mean, the average working week of a person is 40 hours. If in 88 hours they cannot do their shopping then there is something wrong.

**Mr. Storie:** I have no further questions.

**Mr. Penner:** I am pleased to hear that you were able to visit your family in Denmark, Peter, and I accept the reference you made to my part of the province, as well Mr. Rose's part of the province. We are certainly aware of your family's involvement in the business community in the Winkler area.

The competitive spirit in those southern towns is very alive and very well. Even during the last five, 10 years very few of the businesses have really closed because of the competitive factors from across the line and many of the businesses have made some very significant adjustments to be able to compete with their American counterparts.

I was interested in the reference you made to Denmark and the number of hours that they had their retail sector, I presume, open during the week.

I am wondering whether you are suggesting to us that we should close the retail sector entirely in the province of Manitoba on Sundays irrespective of what happens in the United States just to the south of us or to the east of us or to the west of us?

**Mr. Kaufmann:** I personally would not suggest that. I think there has to be reality as well.

When you are looking at Saskatchewan and Ontario and North Dakota, the border communities to those places would be really affected—places like

Russell, and the entire southern part of the province. Even if you go to the east, Kenora is very close to us.

I would have no problem with going to three employees, which would effectively shut down everything except those that should be open in my opinion.

**Mr. Stefanson:** I just have one question, Mr. Kaufmann. You spent some time on the Winnipeg City Council so you know what it is like to be in government and decide rules and regulations and by-laws and so on and so forth for business and for individuals.

In your opinion, and/or any feedback from CFG, who do you think should regulate Sunday shopping, governments or individual retailers?

**Mr. Kaufmann:** From what I have seen in Ontario and what I have seen in Saskatchewan—Saskatoon was open, then they were closed, then they were open, then they were closed.

Regina opening when most of the other communities were not open. We have statistics that show that grocery stores within 60 miles of Regina lost as much as 50 percent of their business and those kinds of ads with \$30 off—There have even been retailers that have openly advertised, you show your driver's licence and we will pay your gasoline. I mean it is just baiting people to leave their town.

When I look at communities, and I have travelled extensively throughout Manitoba as a salesman as well, there are communities, and I cannot figure out exactly what the dynamics of them are, but to me—I look at Neepawa. It seems like a very dynamic community, and then I look at it. It has two drugstores. It has three grocery stores. One of them is a chain, one is a co-op and one is an independent in the grocery stores. They have a real good solid mix of business—a couple of newspapers, car dealerships, implement dealers. They drive their business into the community and they do really well.

Right next door is Minnedosa. It does not seem to be doing as well. That is just my estimation from looking at it. Now I may be wrong. There is a 15-mile spread between Minnedosa and Neepawa.

So I cannot exactly say what drives a community and what makes it go, but it has to be something to do with the Chamber of Commerce, the people that are there, the local bankers, the entrepreneurship of the whole area.

The question was exactly? I forgot it.

**Mr. Stefanson:** Are you pretending you are back at City Hall? No, Mr. Kaufmann, I asked: Who should regulate Sunday shopping? Governments or—

**Mr. Kaufmann:** No, I believe the central government because I really would like to see the provincial government make the regulation. I think it is to me a question of leadership.

I know that there are two sides in the caucus and I know that there is a rural-urban split. Somehow, it has to come down, you have broad shoulders, I have broad shoulders, but I really believe that we elect the representatives to make the decisions.

My personal preference is that the provincial government would make the legislation as opposed to the—I think we will end up with a hodgepodge. I really do.

**Mr. Stefanson:** I was not asking, Mr. Kaufmann, which level of government. I was asking on the principle—we have asked businesses this before—the principle of who should regulate Sunday shopping. Should governments, municipal, provincial, whatever, should they regulate Sunday shopping or should individual retailers regulate Sunday shopping?

**Mr. Kaufmann:** Well, I guess I would throw back one question. Then would the sale of beer and wine also be regulated by individual retailers?—because Canada and Sweden are the only countries in the western world where beer and wine are regulated by governments.

**Mr. Stefanson:** Mr. Kaufmann, we are not at City Hall. You are not answering my question.

The reason I ask you is feedback from retailers is, 75 percent of retailers say it should be a retailer's choice, not a government's choice. I am wondering if you, as a businessman, believe in that and whether your association believes in that or do you believe that it should be government, the big hand of government regulating and maybe we should—

**Mr. Kaufmann:** Just throw it wide open. Is that what you are saying?

**Mr. Stefanson:** I am saying: Should the choice be retailer, should it be regulated by retailers or should it be regulated by government?

**Mr. Kaufmann:** No, my preference is that it should be regulated by government, largely for the

quality-of-life issue. It is not the economic issue for me.

I will tell you something. To me, there is more to life than money, and that is what it is all about.

**Mr. Chairperson:** Thank you very much for your presentation, Mr. Kaufmann.

I would ask the committee for some direction at this time regarding the presenters.

**Mr. Storie:** Mr. Chairperson, at the beginning we said we would try and decide around 11 what to do.

My recommendation is that we identify the next three presenters and go until we are finished and, if there is anyone who cannot present tomorrow beginning at 11, that they also be allowed to present regardless of how late we may have to stay.

But the next three on the list would be Mr. Jantz, Mr. McKinnon and Mr. Hopkins, subject to there being people who cannot come back.

**Mr. Penner:** I would suggest that we canvass the room of presenters here and ask which presenters would like to present tonight instead of tomorrow and allow those presenters to present tonight that will want to and we continue the presentations until we have heard those that would prefer to present tonight versus tomorrow morning.

**Mr. Chairperson:** Is there a willingness to proceed this way? [agreed]

\* (2310)

Just one moment, just to get a bit of a semblance of order, if all the people that would like to make presentations tonight would just hold up their hands. Okay, then those that would like to come back tomorrow, if you could go to the back of the room, the Clerk will then get your names.

So the ones that are willing to stay and present tonight, they will be heard, and those that will come back tomorrow, the Clerk will then get their names for presentation starting tomorrow at eleven o'clock. Agreed? [agreed]

Okay, on the list then, the next person to be called would be Mr. Harold Jantz.

I would ask the people that are going to the back of the room if you could try not to be too noisy because of the presentations going on.

**Mr. Jantz,** do you have a written presentation? Oh, we do have it. That is right, I am sorry. Yes, we do have it already.

**Mr. Harold Jantz (Private Citizen):** It is handwritten.

**Mr. Chairperson:** That is okay. It is just as good. You may proceed then, Mr. Jantz.

**Mr. Jantz:** I would like to just say a word about myself. I am speaking as a private person in the first place. I am also the editor of an evangelical newspaper, that originates in Winnipeg and is circulated across the country, called "Christian Week". I am here also with the encouragement of the chairman of the Evangelical Fellowship of Winnipeg. So I am speaking perhaps for three different elements there.

There were four points that I wanted to make. I think I would like to make them quite briefly, but I would like to have them heard. The first of these is that it seems to me that there really is no evidence that is convincing to show that it is necessary economically, or even indeed helpful economically, to be open Sundays, to have our Sundays be open to shopping right across the board.

We have already heard about the European example. I recall travelling in Germany and other parts of Europe a couple of years ago. If one takes a country like Germany as an example, they are able to close Saturday afternoon and Sunday. No one could argue that this is not a successful economy or that they are not able to do well in the time that they do remain open for retail business.

So I do not think that we can make the case convincingly that it is necessary to be open Sundays in order to be successful economically. The pressure from cross-border shopping had nothing to do basically with stores closed here on Sundays. We have already heard the reasons, and I do not need to repeat them.

There were other reasons then, the availability of shopping on Sunday that drew people to stores across the line. I think when one sees stores using the kind of inducements that we have already heard about where coupons, even double coupons, large reductions are made available to people if they come on Sundays, these are clearly an indication that it is not a consumer-driven demand which is causing stores to be open, but it is the enterprises themselves that want to have a larger market share that is pushing the drive for Sunday openings.

Secondly, there is no convincing evidence that it is wanted, and my question is: Who wants it?

Indeed there are some who want it, but who are they?

It is not the labour movement that is telling us they want the stores to be open on Sundays. It is not our church communities who are asking us to be open on Sunday. It is not the small enterprises of this province who create so much employment in the province. It is not them who are asking for the stores to be open on Sundays. It is not the rural communities for the most part who are asking for the stores to be open on Sundays. It is not even all the larger retailers that want it, and certainly it is not the bottom-end service workers, and these are many of the people who are made to work if stores are open on Sundays. It is people who are very dependent on that income that they have. It is certainly not these people who are asking for stores to be open on Sundays.

I would like to make the case that Sunday openings reflect short-term thinking. I would really encourage you to think long term. Is this really for the good of society long term to be open on Sundays? Now I am very much aware that across North America there is a great deal of Sunday shopping, Sunday business. But we have to ask ourselves, if we think of all the social problems that we have created in North America with all of our affluence, is it for our greater good, our long-term good to encourage yet more enterprise on one day which historically has been put aside as a day of rest, a day for recreation, a day for worship, a common pause day, a family day. Is it good to put more enterprise, more business into that day, and take away from these things which have contributed to our wholeness as people, to our spiritual wholeness, to our familial wholeness, to our community wholeness?

We may hope for economic gain, but it leaves us with less uncluttered time for family. We may indeed hope for economic gain but it puts more pressure and stress on people. I read a lot, you people read I am sure, and you are very much aware how much we hear about stress within our culture, within our society, in North America. Much of this has to do with the kind of economic activity which we are encouraging, and if we put more of it we will create more stress, more pressure. We put more pressure on people to go to work when they do not really want to, and this is pressure which becomes another element undermining families. We may indeed hope for economic gain, but we must

certainly understand that it is rebuff to the church community which would want this day as a day for worship, for recreation, true re-creation and rest and for the family.

A very large percentage of the people of this province, in one way or another, identify themselves with the church and would have Sunday as their preferred day of rest.

Fourthly, Sunday openings, I think—I do not want to make this sound too moralistic or too strong and, yet, I think it needs to be said—reflects an absence of political principle. It places the interests of the advantaged over the disadvantaged. I think we really must see it in this sense.

It is not the small business, it is not the most vulnerable businesses who are asking for it. It is the big businesses who are asking for it. So you are saying to the ones who are already most powerful, we will help you even more even though we know that it is going to hurt the smaller businesses or at least will disadvantage them and they are not asking for it. They do not want it.

It is also helping those who are already the better paid within our society over the poorer paid. I would guarantee you, if you did a very careful survey, you would find that the people who want to do the Sunday shopping are people who are very busy during much of the week because they are working and they are generating good income and they would like to use Sunday as a day when they could shop. The people who are going to serve them are people who are at the bottom of the totem pole economically.

Now you have to ask yourself, is this socially, is this morally, the direction that you want to take? It places economic gain over less easily defined social and spiritual benefits which are as fundamental to a healthy society as an active economy.

\* (2320)

Now we are hearing arguments for which are virtually only economic, but you people are responsible to legislate in a society which also has to value spiritual and social and moral elements.

I am asking you, and I am imploring, really, that you consider these seriously and act in a principled fashion to do that which you can truly in your heart say is for the good of this society.

Thank you for this opportunity to say this.

**Mr. Chairperson:** Thank you very, very much for your presentation, Mr. Jantz.

**Mr. Storle:** I want to thank you as well, Mr. Jantz, I think a very eloquent presentation dealing with the other side of this question, as you suggest.

I have to commend you on your analysis that this is very much a question of the advantaged versus the disadvantaged on many levels. Certainly, we have not seen many presenters here tonight from the small business community who have supported this legislation.

Dealing with the question of quality of life and the necessity of this legislation, I ask the question, who should be providing leadership on this issue? The minister was questioning the previous presenter about who should be providing leadership. Who is responsible for making these kinds of, I guess, social decisions? It is not just an economic question.

**Mr. Jantz:** I do not assume that government alone ought to make decisions like this, and I certainly applaud this government for giving this opportunity for various points of view to be heard. I think that is very important and it is healthy and proper. I do think that government has a responsibility to legislate in a way that serves the broader good, and clearly there needs to be legislation to place some limits on what can or cannot be done in terms of how businesses will operate.

So I think it is appropriate for the government to make legislation, and I would encourage the government to continue with what was, and I would echo some of the previous respondents who suggested that three, at the most four, persons in certain kinds of retail business would be plenty adequate to meet the genuine need. I am agreed that there, indeed, are needs that must be met somehow through a certain level of business on Sunday. I think three or four persons can adequately meet that through the legislation that has been in existence in the past.

**Mr. Storle:** One final question, Mr. Jantz. The government has referred, on a number of occasions, and others have referred to the fact that consumers appeared to want Sunday shopping. How do you respond to the issue of consumer wants? How should the government respond if consumers say that they want this, in your opinion?

**Mr. Jantz:** I think there are several answers. To me it is not at all clear that the consumers do,

indeed, want it. There have been a variety of polls taken, and I have seen various statistics indicating different levels of want, if you like.

The second response though that I would make to it is that part of the responsibility of government truly is to do that which is for the broader good through its legislation, and it is doing it every time it legislates. It is saying we really believe that this is for the broader good. That does not nearly always reflect what people want, or the majority want, or many want, but we recognize it is for the good of our society and so we do it. I think that the same would be true here.

**Mr. McAlpine:** Mr. Chairperson, I am curious to ask you, sir, you have indicated that you are writing for some churches.

**Mr. Jantz:** I edit a newspaper.

**Mr. Chairperson:** Mr. McAlpine, could you bring your mike a little closer.

**Mr. McAlpine:** What responsibility do you think that the churches should take on the issue of Sunday shopping?

**Mr. Jantz:** Well, I think what they have done in a good many cases is to teach their people Sunday observance, which in most cases, I would expect, would be to use the day in a way that contributes to the refreshing of themselves as a community, themselves as persons, through what they do as families, what they do personally, what they do corporately as a group.

**Mr. McAlpine:** Would you say that the churches are achieving that level of commitment to their members?

**Mr. Jantz:** I think a good many are. I would say there are also many who are not but, certainly, there are many who do.

**Mr. McAlpine:** Would you say that the churches would have difficulty in their membership making the choice themselves or taking the responsibility as to whether or not they are going to shop or not on Sunday?

**Mr. Jantz:** I think, in fact, in a good many churches there would be a good deal of unease about those who are actively members of congregations engaging in shopping activities on Sundays.

**Mr. McAlpine:** What would you say are the numbers in terms of what you are speaking for here this evening on this issue of Sunday shopping as far as the Christian church is concerned?



**Mr. Jantz:** I think I should be careful not to presume to speak for too many. I think for those who are actively involved in congregations there would be a high percentage, whether they were Catholic, Protestant, Evangelical, who would have difficulty with casual Sunday shopping. For those who were not actively involved in congregations, I suspect it would be a higher percentage.

**Mr. McAlpine:** Do you have any idea how many members here who are presenting here tonight are representing any church organization other than yourself?

**Mr. Jantz:** No, in fact, I am not aware, but I think to be fair, there has been very little public notice of this meeting. Even some of the people representing towns were not aware of this. As you heard Mr. Krahn say, he did not know about it until yesterday evening, so the government has not made it very easy really to have the public heard on this. The fact that there are a number here is due to their persistence rather than the government's help in making it possible for people's voices to be heard.

**Mr. McAlpine:** I only have one other question. You made the statement that you felt that Sunday shopping, if there were three or four employees who worked in an establishment, would be acceptable to you as far as you were concerned.

\* (2330)

**Mr. Jantz:** The point that I would make with that is that there are indeed times when there is real need or are real needs that people have that need to be met at that moment. For that reason, I do not think most churches that I know would be opposed in principle to a certain level of opening.

**Mr. McAlpine:** As a Christian, I have difficulty with that statement, because to me, I do not think three or four employees makes it any more right as far as our Christian responsibility. I think that I have a great deal of difficulty with that statement, Mr. Jantz.

**Mr. Jantz:** Well, let me just explain. Perhaps I could just explain that. Now, when Jesus taught, he was very conscious of living in a society where the rules against breaking the Sabbath were very strong and yet he broke them. He said if someone's ox falls into a pit, you do not leave it there or if someone is sick, you do not leave him unattended. There are legitimate needs that people have. If a certain level of enterprise broadly provided is necessary to meet that need, I do not

know that any Christian would seriously quarrel with that. That is quite different from wide-open enterprise. So I would beg to differ with you on that.

**Mr. McAlpine:** One more comment. He also taught us lead us not into temptation.

**Mr. Jantz:** He certainly did.

**Mr. Stefanson:** I just have one brief question, Mr. Chairperson. Thank you for your thoughtful submission. Your fourth point disturbs me a little bit. You refer to Sunday openings reflect an absence of political principle, and you suggested, places the interests of the advantaged over the disadvantaged.

I went back to a previous submission, because I had seen some of this research or information before. I will just read you from a previous submission. It is the 1990 Goldfarb study in the province of Ontario showed that over three-quarters of all respondents favoured Sunday shopping. Over three-quarters of those who worked on Sundays favoured Sunday shopping. Support is highest among single parents, working women and those who work irregular hours. A large majority indicated Sunday shopping does not interfere with their family activities. I guess reading from that and research done, I am not sure that corresponds with your suggestion in your fourth point.

**Mr. Jantz:** That is interesting. I have another article here with results of another survey which showed 57 percent opposed to Sunday shopping in Ontario for much the same reasons as I was making here.

**Mr. Stefanson:** I read you excerpts from what is here, and it goes into more detail about not only percentage numbers, but the breakdown from various backgrounds and so on. I guess your statement about the advantaged over the disadvantaged, I am not sure what that means. I am not saying that these necessarily, but I was curious how you correlate your statement to some of the research that is being done that takes it a step further than just saying X percent say yes or no to wide-open Sunday shopping. I do not know if you have any other research that shows different results than this and how you would say that your statement corresponds to that research that I just read.

**Mr. Jantz:** When the argument was raging there in Ontario about Sunday openings, there were a number of groups that made presentations about

this question. I have a list here of groups that united. They were all very much of the same sort that we have heard here this evening who invariably are representing the small enterprise or the smaller groups. The ones who are arguing for the Sunday openings and managed to persuade the government in the end were the ones that represented the large corporate chains.

Obviously, there is a debate here. We would both like to claim that the small person is helped, I am sure, but I think if we are looking at this fairly, we will have to say that in terms of economic activity, the ones certainly who are appealing to us not to open Sundays represent the small enterprises rather than the big enterprises.

**Mr. Penner:** Mr. Jantz, I am disappointed, quite frankly. I hope you do not present yourself here as representing all the views of all the churches or Christianity for that matter.

I would have appreciated and I would have expected you to come before us and say to us that you would represent the view that there should be no Sunday shopping, but I have a great deal of difficulty with somebody of your stature representing the churches, at least some of the churches, appearing before us and wanting to take both sides of the issue. That is why I present to you, Mr. Jantz, that we have a great deal of difficulty amongst our young people today in not directing clearly, announcing clearly what the teachings are.

I suggest to you that when you appear before government especially that there is a message. We respect messages, many of us do. We respect clear announced messages. If we want to retain the teachings of Christ, then the analogy of the ox fallen in the well might well be utilized here tonight.

**Mr. Storle:** I am not sure what provoked this tirade from the member for Emerson. Mr. Chairperson, I do not think we normally treat presenters in that fashion.

The presenter was here to legitimately present his views and did so quite eloquently. I think the analogy that he drew was quite appropriate. I do not think he needs to be chastised by the member for Emerson for anything he said or his views. I thought we encouraged the views of the public to be expressed at these kinds of opportunities. I am offended that the member for Emerson would attack one of the witnesses in that way. It is certainly not in keeping with the tradition in this committee. We

listen and we ask questions based on the presentation. We do not attack presenters.

**Mr. Chairperson:** I would just like to make one point. The member did not have a point of order, but I would point out to members that the dictated decorum and the direction of questions and answers should be done through the Chair and for the presenter's benefit.

**Mr. Jantz:** I do not mind this comment at all from Mr. Penner. I welcome it. I am not offended by it, so I do not need an apology for it. I would be prepared to argue though that while I think many would say just what you said, at the same time I think I would like to just have the point recognized that most of what Jesus did in terms of the Sabbath offended those who were most careful about keeping the Sabbath.

In other words, Jesus did break the Sabbath for those people, and he recognized, or at least he, for those who identify as followers of Jesus, gave them certain reasons upon which they could legitimately say, this needs to be done.

I myself have worked on Sundays in areas where I felt perfectly free in my conscience to do that work, though I am very conscientious, I think, about keeping Sunday. I will not buy gas on Sunday unless I am travelling across the country. I take as few meals in a restaurant on Sunday as I possibly can. I will not go into a store to buy something on Sunday. It is a matter of conscience for me.

And yet I do believe that there are areas of need for which a certain amount of enterprise needs to be opened. So I do not mind at all that you say it, but I am quite willing to argue for what I was saying.

**Mr. Chairperson:** Thank you very much for your presentation, Mr. Jantz.

I would now like to call on Mr. Paul McKinnon, Henderson and McIvor Foods Ltd. His presentation has been presented, and it has been distributed. Mr. McKinnon, you can proceed at your leisure.

**Mr. Paul McKinnon (Henderson & McIvor Foods Ltd.):** Thank you, Mr. Chairperson. My name is Paul McKinnon. I am one of the owners of Henderson and McIvor Foods Ltd. We are located in the McIvor Mall, 1795 Henderson Highway.

Henderson & McIvor Foods Ltd. opened in 1979, owned and operated by Ted and Irene Froese. Ted and Irene retired in 1991 and sold the business

to their three daughters and two sons-in-law. We belong to the Foodfare Group of Independent Grocers.

\* (2340)

Froese's Foodfare currently employs 24 full-time staff and 66 part-time staff. Our store hours are Monday to Saturday, 8 a.m. to 10 p.m. We are closed Sundays and holidays.

We are not in favour of full-scale Sunday shopping. Since the trial period of full-scale Sunday shopping, total retail sales have not increased but have only shifted sales from independent retailers to multinational chains.

The increased Sunday sales gained by the chains have only been achieved by deep discounts for Sunday-only specials, as the two attached sheets that I have to your paper there.

As a result, more people have to work Sunday with no extra benefits of added hours or more full-time positions. We also feel that the chains' deep discounting of Sunday-only specials will eventually result in the elimination of many small retailers who cannot compete with the extended shopping hours and added advertising costs.

During the Sunday shopping trial period, the provincial government allowed the municipalities to enact on their own Sunday shopping by-laws. We agree with the municipal leaders that the responsibilities of enacting Sunday and holiday shopping laws are the responsibilities of the provincial government and they should not abdicate their responsibilities.

We have not seen any Manitobans benefit from full-scale Sunday shopping. We recommend that the provincial government enact fair and equitable legislation limiting full-scale Sunday shopping and holiday shopping in Manitoba.

Thank you.

**Mr. Chairperson:** Thank you, Mr. McKinnon.

**Mr. Storie:** Mr. Chairperson, thanks to Mr. McKinnon for his presentation. Mr. McKinnon, you indicate that you are not currently open on Sundays, and I am wondering whether over the past few months you, along with the owners, have discussed the need for opening on Sundays. Are you under pressure at this point to open?

**Mr. McKinnon:** Basically, the owners are my wife, my two sisters-in-law and my brother-in-law. We have decided that we are open 84 hours a week.

We are in a very religious area of North Kildonan and through comments from our customers, they would like us to stay closed and we have decided to stay closed as a personal decision.

**Mr. Storie:** I gather from your remarks, Mr. McKinnon, that you are concerned, however, that some of your business may be being siphoned off to the large chains. Are you concerned that at some point you may have to revisit this decision?

**Mr. McKinnon:** At this point in time, our business is holding its own, but the moment it does jeopardize jobs of the families who are employed at our store, we would open if we had to. It is either stay in business or let them be unemployed.

**Mr. Storie:** I gather, Mr. McKinnon, you are before the committee because you do not want to be put in that position of having to make that choice.

**Mr. McKinnon:** No.

**Mr. Storie:** Mr. McKinnon, we have heard on a number of occasions that consumers, in the government's opinion, want this. Have you or any of the other independent grocers that you are familiar with, are in contact with, felt this similar pressure?

**Mr. McKinnon:** We have had surveys like probably everybody else that will come here and have surveys on whether they are in favour of Sunday shopping or not. Ours, a lot have been known to have been sent to ministers and the government. The one thing with the Sunday trial, if it was such a popular thing, why did we extend the trial?

When you look at the advertising, Sunday is a popular day to shop. In Superstore's ad in Sunday's paper, ice cream for free, eggs for free, orange juice for free, sugar for free. Why do we have to give free items on such a popular day? I am sure if many of you drive by the shopping centres, does anybody have a problem parking in the major shopping centres, they are that full that Sunday is that popular?

**Mr. Storie:** Mr. Chairperson, I gather that as you operated under the previous legislation that you had never contemplated opening under those circumstances either.

**Mr. McKinnon:** No, we have not been open for 13 years on a Sunday.

**Mr. Storie:** Mr. Chairperson, a final question to Mr. McKinnon. You mention in here that you are

concerned about the province's decision to pass this off to the municipality. Are you anticipating then that, if this legislation passes, the City of Winnipeg will allow wide-open Sunday shopping?

**Mr. McKinnon:** Most likely, I would, as far as the passing of this proposal. A lesson I have always told my 10-year-old son, and that is, if you start something, finish it. Do not start it and pass it off, and I think the government should take that stand. They are the ones that started Sunday shopping; let them answer the question on whether we should have it or not, not the municipality leaders.

**Mrs. Louise Dacquay (Seine River):** Yes, I have one quick question comparable to the question Mr. Storie asked. Your statement here reads that: "During the Sunday shopping trial period the Provincial Government allowed the municipalities to enact their own Sunday shopping BYLAWS."

Can you explain that, because the legislation that was proposed under Bill 4, there was nothing in that bill relative to municipal by-laws?

**Mr. McKinnon:** Not in that bill, but when you read the newspapers, when the government passes off this Sunday shopping law which—I am not sure what Bill 23 is really about, I am concerned about Sunday shopping—but when they pass the rights off to municipal leaders to make the decision on whether the Sunday shopping law is legal or not, that is not right.

**Mr. Laurendeau:** Mr. McKinnon, you said that your customers at this time did not want to do or have Sunday shopping at your facility. I think that is what I understood you to say.

**Mr. McKinnon:** Basically, in talking to a lot of our customers, whom we do talk to, the majority of them, the answer was they did not want Sunday shopping. I have had quite a few express to me that they will not shop at the store if we open. Where they will go, I do not know.

We have a lot of affiliation with the churches in our part of town. I talked to a lot of customers in our store and their views were no.

**Mr. Laurendeau:** What would you do if the demand was there, if your customers started coming to you saying, we want you to be open on Sunday?

**Mr. McKinnon:** Those demands are not there right now, so when the point of time comes to think

about the solution, we will. Hopefully, we will not have to think about that solution.

**Mr. Storie:** Yes, just a final comment, Mr. Chairperson.

I can understand why Mr. McKinnon was uncertain about where the government was at, because Bill 4, of course, was the government's intention to impose wide-open Sunday shopping. Of course, perhaps because of some concerns of people like yourself, the government decided to pass off the decision and Bill 23 is the attempt to pass it off to municipalities. I gather from your remarks you are opposed to that kind of wishy-washy approach.

**Mr. McKinnon:** On my presentation, I am here for Bill 4.

**Mr. Chairperson:** Thank you very much, Mr. McKinnon. Thank you very much for your presentation.

We call on Mr. Sandy Hopkins of the Winnipeg Chamber of Commerce.

Mr. Hopkins, did you have a written presentation?

**Mr. Sandy Hopkins (Winnipeg Chamber of Commerce):** No, Mr. Chairperson, I do not. Our views on this issue are quite well known, and I felt that it would be somewhat redundant to provide you with a written brief.

Mr. Chairperson, just to be sure that everyone here was awake and alert, I suggested to Paul Moist of CUPE that we switch briefs, but given that I do not have one and his is about a hundred pages, it was too good a deal for Paul so I backed out of it.

Given the fact that our views are known on this issue, and it is quite late, I will be very succinct. I would ask the committee, when they are completing their deliberations, to eliminate the emotional arguments that we have largely heard tonight and embrace those arguments that are logical and fair.

\* (2350)

Let me put forward to you what I believe to be the only logical argument that I have heard on either side of this issue. Every industry in this province can open on Sunday at will, and I emphasize they can open as they choose for as long as they choose, every single industry with the exception of the retail industry. I am curious as to why those folks, who coincidentally are on my left tonight, who oppose Sunday shopping would choose to segregate against the retail sector. It seems odd to me that

those who profess to represent the rights of many, to an extent better than some of us, would choose to segregate against one sector of our economy.

Why is it acceptable, Mr. Chairperson, for the transportation industry to work? Why is it acceptable for hotels to be open? Why can the media operate? Why can manufacturing companies produce? Why can the mining industry operate? Why can construction build homes? Indeed, why can the farming people farm, yet the retail sector cannot sell their goods?

I have asked the question of all of those whom I have come across who oppose Sunday shopping: are you prepared to legislate closure of all of those businesses in all of those industries? The answer always, of course, is no, because that is a ridiculous proposition. Why then do you choose to legislate against one sector of the economy?

The arguments that I have heard tonight against Sunday shopping are all based on emotion, fear or speculation. I have not yet heard a single argument that is based on logic or fairness, and I would hope that in the course of the questions that I anticipate will come my way, I will hear an argument that is based on fairness, on logic and then perhaps we have something that we can deal with in a realistic fashion. Unfortunately, we have nothing other than speculation, fear and, indeed, a great amount of emotion.

Unfortunately, I believe Mr. Ashton slipped out to catch the Blue Jays game, but he chose to comment at great length recently in the House about the difference of opinion between the Winnipeg Chamber of Commerce and the Manitoba Chamber of Commerce on this issue. In fact, I believe it was our first presenter tonight from Morden who chose selectively to take information from the Manitoba Chamber position.

I was present at the last two Manitoba Chamber annual meetings. In 1992, when the resolution regarding Sunday shopping was introduced, it was overwhelmingly endorsed. The resolution, of course, was in the negative. The resolution was against Sunday shopping. It was overwhelmingly endorsed, probably something of a magnitude of six or seven to one.

Between that meeting in 1992 and the meeting in 1993 we had the trial period of Sunday shopping throughout Manitoba. At the annual meeting that just took place in Thompson the resolution came to

the floor again. The resolution, still against Sunday shopping, passed, but this time it passed by one single vote, not an order of magnitude of five or six or seven to one, but by one single vote. That would tell you clearly that many of the rural chambers have changed their position. Clearly, they came to understand that Sunday shopping was not this great bugaboo that it is being portrayed to be. Clearly, they came to see that emotion was not the answer and that logic and fairness was the answer.

I would hope that the gentleman from Morden was still in the audience tonight, although he likely has gone home, because I certainly would have a question for him. He placed great emphasis on the fact that people should not have to work on Sunday, that they should be at home with their families, and it was grossly unfair to ask retailers to have employees in on Sunday. The question I would ask that gentleman from the chamber in Morden is, if your new employer in Morden, Monsanto, became so successful that they wanted to add a Sunday shift, would you, at the chamber of commerce, oppose that Sunday shift? Would you, at the chamber of commerce, tell Monsanto that they could not have people working on Sunday because they had to be home with their families? I speculate not. Again, we are back to emotion and not logic.

I have a question for you, Mr. Storie. You have favoured most of the presenters tonight with most of the questions, so I think it is only fair that we give one back to you. I ask you, sir, should the mining industry be forced to close on Sunday?

In conclusion, I would simply emphasize that the position of the Winnipeg Chamber of Commerce is that the right to open or close a business should rest with the owner of that business. That owner is the one who has made the investment in the operation. That business is his or hers to manage, his or hers to earn a return on that investment, his or hers to provide service to the customer. It is only appropriate that the owner of that business be allowed to make the decision on whether or not they are open.

In every single industry in this province, with the exception of retail, the owners have that right. I would urge you to give that right to the owners of retail businesses as well. Thank you.

**Mr. Chairperson:** Thank you very much, Mr. Hopkins.

**Mr. Storie:** Mr. Chairperson, I want to thank Mr. Hopkins for being here to present his views. He mentioned in his opening remarks that the members that oppose this legislation happen to be on his left. I would suggest that virtually everyone is on Mr. Hopkins' left.

Mr. Chairperson, having had many discussions with Mr. Hopkins, the other good news is that Mr. Hopkins does not get to ask me questions, I get to ask Mr. Hopkins questions.

**Mr. Hopkins:** Is that fear of my question, Mr. Storie?

**Mr. Storie:** No, Mr. Chairperson. It is a sense of urgency that you answer my questions, the questions of the committee.

I would like to begin by saying that one of the presenters suggested that this issue, when you boil it right down, is a question of those who already have advantage, a significant advantage in their view, and we are talking about independent grocers here and small independent businessmen versus those who have significant advantage, national chains and multinationals.

I want to know from the Winnipeg Chamber of Commerce whether there is not some logic to that categorization of the argument?

**Mr. Hopkins:** Frankly, I do not follow it. Perhaps you could explain it to me?

### Point of Order

**Mr. Penner:** I wonder at the line of questioning or comments here. I mean, the honourable member for Flin Flon, Mr. Storie, just chastised me for "attacking," is the word that he used. Well, I will be kinder to him. I will not call this an attack. I will, however, question his line of reasoning that he is using here and some of the statements that he has made. I wonder whether he is not as close to an attack as I was before with Mr. Jantz.

**Mr. Chairperson:** Order, please. The member did not have a point of order, but I would caution all members that this is indeed not a time of debate. It is a time for hearing of submissions and asking questions of the presenters and for clarification of their presentations.

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**Mr. Chairperson:** Mr. Storie, to continue his questioning.

**Mr. Storie:** The issue that I am trying to raise with you is the question of whether, and we can use SuperValu perhaps as an example, what we are trying to do by this legislation is create a level playing field in your opinion? Or is there a level playing field currently in the opinion of the Winnipeg Chamber of Commerce?

**Mr. Hopkins:** It seems to me you have asked me two different questions. I am still trying to wrestle with your first question, which was the advantage versus the disadvantage. If I understand that question, your suggestion is that by having SuperStore offering employment to people on Sunday, that is unfair? Is that the nature of your question, that offering employment is unfair?

**Mr. Storie:** With all due respect to Mr. Hopkins, he knows that was not my question.

**Mr. Hopkins:** Well, then would you explain your question, and I will be happy to answer it.

**Mr. Storie:** The question was that national chains such as SuperValu have many inherent business advantages: first of all, their size, by virtue of the scale of their business, by virtue of the fact that they can amass significant amounts of money for advertising purposes; they buy in volume; many of the things that one of the presenters representing the Canada Federation of Independent Grocers suggested as significant business advantages that are enjoyed by large operators.

\* (0000)

**Mr. Hopkins:** I would suggest to you, Mr. Storie, that perhaps you might glance from time to time at The Globe and Mail, because what you will see if you were to do that is that most large businesses in North America are indeed in serious trouble and most large businesses are attempting to remake themselves into small businesses.

And I can cite examples of that from any industry that you choose to mention where it is the large businesses who are in trouble, who are laying off employees, who are experiencing financial losses, and the small players within those industries are the ones that are enjoying the profits and the growth.

So I fail to see where your question is headed, sir.

**Mr. Storie:** Mr. Chairperson, you know, Mr. Hopkins can wander all over the map if he wishes.

We are talking about Manitoba. My question was—

**Mr. Chairperson:** I would caution the member, to badger can be—

### Point of Order

**Mr. McAlpine:** Point of order, Mr. Chairperson, I do not think that we are here to listen to the commentary of the honourable member for Flin Flon. I think we are here to ask questions of the presenters. I would ask you to bring the member to order and ask his questions instead of going on and on and running off at the mouth with the commentary that he is presenting to every member.

**Mr. Chairperson:** Order, please. I will caution all members again that this is not a time for debate. It is a time for short, concise questions. The presenters have come here to make presentation. We are here to question, to inquire but not to debate or to badger. I would ask all members to take this into consideration.

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**Mr. Storie:** Mr. Chairperson, I will attempt to be brief and to put the question. The question was, the situation in Manitoba as we have just heard from the Canadian Federation of Independent Grocers' representatives is serious as far as they are concerned. They are losing and will continue to lose market share under the wide-open Sunday shopping scenario to large chains such as SuperValu.

Is the Winnipeg Chamber of Commerce not concerned about that continued loss and erosion of small-business-sector opportunity?

**Mr. Hopkins:** Well, Mr. Storie, I do not know that they are losing market share to the large chains. What I see is that they are able to compete successfully head to head six days a week and that they would like to have some advantage for themselves on the seventh day. I do not know that that is entirely fair.

**Mr. Storie:** I think, Mr. Chairperson, that Mr. Hopkins and I may agree, that in fact they see the existing legislation as a balancing, that in fact it does give them some additional opportunity that is not provided—

**Mr. Hopkins:** I understand from Mr. Emery that the shoplifters think it is a pretty good deal, too.

**Mr. Storie:** Of course, Mr. Emery has the right to close or to open his business—

**Mr. Hopkins:** As should every retailer, sir.

**Mr. Storie:** Well, Mr. Chairperson, you have just acknowledged and I hope that you will accept the premise that this is an attempt to balance the interest of small businesses and large businesses.

**Mr. Hopkins:** I will remind you, the Winnipeg Chamber of Commerce has 3,300 members, 66 percent of those members have 50 or fewer employees and 50 percent of those members have 10 or fewer employees, so we are very close to small business in this community. We feel very comfortable in representing the views of small business so I can assure you that small business is healthy and alive in Winnipeg and Sunday shopping is not going to reduce it or eliminate it in any fashion.

**Mr. Storie:** Mr. Chairperson, then the president of the Winnipeg Chamber of Commerce is suggesting that the concerns that are being expressed by small businesses in Winnipeg are unfounded and the Winnipeg Chamber has no concern about their particular views on this issue.

**Mr. Hopkins:** The Winnipeg Chamber of Commerce is suggesting that it should be the right of every business owner to open and close as he or she sees fit. It is allowed for every industry other than retail. We do not understand, sir, why your government decided to segregate against retail, and I would appreciate knowing why you think it is appropriate to continue that level of discrimination.

**Mr. Storie:** Well, Mr. Chairperson, perhaps Mr. Hopkins should go back and read the record, because it was not our government that implemented the retail Sunday closing act. That act has been around for a very long period of time not only in this province, but in other provinces and other jurisdictions, and perhaps Mr. Hopkins would want to further—[interjection]

**Mr. Chairperson:** Order, please. If both commentaries would come through the Chair, please. Mr. Hopkins to reply.

**Mr. Hopkins:** If I am incorrect that it was not your government that introduced the four-person rule, then I stand corrected.

**Mr. Chairperson:** Thank you very much for your presentation. Thank you very much, Mr. Hopkins.

**Mr. Hopkins:** Thank you.

**Mr. Chairperson:** The next presenter on the list was Ms. Toby Oswald, but she has agreed to come back tomorrow. Mr. Brent Stewart has already made a presentation.

The next person is Mr. Dale Botting, who is also making a presentation or was scheduled to make a presentation on Bill 4 and Bill 23, so he will be making a presentation at this time. Mr. Dale Botting. His presentation has been distributed to the members for the members to have in front of them now.

**Mr. Dale Botting (Canadian Federation of Independent Business):** Mr. Chairperson, I had a 15-minute presentation, but I think in light of the hour I might be able to condense it to almost 15 seconds. Well, at least I will try. At least give me a couple of minutes and fifteen seconds.

I am here not to vociferously shed a lot of heat on one side or the other, but hopefully the role of our presentation tonight is to shed a little light.

We could be called, I suppose, the democratic Federation of Independent Business as opposed to just the CFIB. We have about 4,000 members and we are very broadly based. Because we are so broadly based by sector—in fact retailers represent only about 30 percent of our membership—it is sometimes difficult for us to take a stand on certain issues. What we have done though is provided you with some light in the way of some extensive polling, going back four years of research, and the results are mixed. That is essentially the title of our brief, a Split Decision, in terms of our overall view.

The results in a nutshell provide data that should probably be no surprise to you. It shows that in Winnipeg, the support for extension of Sunday shopping beyond a trial period is there; in rural Manitoba, the concern goes the other way; and in the retail sector, there are also concerns.

In our overall membership as an organization it is about 50-50. For those reasons, we are rather neutral on this debate because we have people who feel very strongly on both sides of the issue. We have Canadian Tire stores which you have heard tonight, and we have Independent Grocers which you have heard tonight.

What I am going to talk about is at least that survey data, and to indicate I guess several reasons for the splits which frankly go beyond sectoral. Obviously, the sectoral breakout is part of it.

We also have smaller firms who are small business, but they service the retail sector and they, in turn, are tied into the tourism and hospitality industry. So that has a skewing to the point where in fact we see a surprising amount of retailers, Winnipeg for example, who are pro Sunday shopping and still very small because of the importance of tourism and hospitality. We have other members, I am sure, who just simply voted as consumers, voted like the general polling that Mr. Stefanson talked about.

We have a large number of ethnic business owners, more all the time, and because of the shifting trends in Canada, the multiculturalism in Canada, where people are not all Christian anymore—I am talking about some of our Asian members and so on, for example—they have perhaps different views. We have also an awful lot of our members who are women in business and two-income families. So that, too, has had an effect.

In fact, the whole thing that makes all of this very messy are all of these shifting trends. The family is different. The multicultural society is different and technological trends make it difficult to know what a store is anymore.

We have people in the hospitality and tourism area who are in retail. We have people in retail who see themselves in tourism and hospitality. So it creates a very messy picture. I am not giving you an awful lot of emotion here because I really have a difficult situation. I am right in the middle.

\* (0010)

But the other reason why I am here—apart from giving you that simple data which I thought would be useful for you, because it is probably as comprehensive a polling from the business community as you have maybe seen and it is direct polling and very recent, if you go through the three charts we have provided—I just wanted to speak on two other provisions, technical provisions of the bill, regardless of its outcome, and that is the stance we have to take in a little bit more detail.

One, lessee protection, it has not been talked about tonight, but I do want to make a strong pitch for the importance of the lessee protection in this bill. I must say that the wording in both the first bill and the second bill is a little clumsy in terms of lessee protection. I have suggested for you, for the aid of the committee, regardless of what you do, some



simpler wording, some alternative wording that I think might make lessee protection very clear.

I think the intent of the Legislature and of the government is if you proceed forward that every business, regardless of size, has protection as a lessee. I am worried about a little loophole where in fact, where you read the bill, the small firms may not have the protection of those above four. That made me nervous, so I am giving you some, hopefully, simpler wording that I hope you reflect on.

The second issue is Employment Standards Act amendments. Tomorrow, I am sure you will get a presentation from organized labour and they may want to talk about the Ontario model. The Ontario model is only 48 hours advanced notice, and we say that is insufficient.

We strongly endorse the principle of a minimum 14 days advanced notice for employee right of refusal. We believe that independent business generally plays fair with its employees and they want their employees to play fair with them. The revolving door of workplace relations should not swing only one way. This is not to say that giving workers the right to refuse Sunday work is user cost free, and in fact, many of our owners probably will work longer hours if their employees refuse Sunday work, but minimum 14 days notice.

The size threshold on notice is something you may want to revisit. It is at four employees, or more than four employees, we are suggesting perhaps it should be 10. After all, if you have one or two employees of a firm of 10 employees who do not give you fair notice, there is 20 percent possibly of your workforce who suddenly is leaving you high and dry on a Sunday. So you may want to revisit exactly where you draw the line on that size threshold.

But the important thing is that there be a threshold sensitive to small firms and definitely keep at least the four, only above four or five, in terms of right of refusal. If you have right of refusal for small firms of three or four, you really do put that small owner in the lurch, so we hope there is no backsliding on that point.

So again, not a lot of emotion from this organization because we are split by virtue of our membership composition, but we felt it was important that our data would be useful to you. You will notice in our chart 2, for example, when we did a 1992 study of cross-border shopping, that the

rough compromise, if there is such a way to put it, appears to be certainly for retailers beyond 100 kilometres of the U.S. border in Manitoba, 48 percent, the dominant category says allow each municipal government to decide on Sunday shopping in its own area. That comes from our own research. But they are all over the map. This is Manitoba. This is Manitoba business, lucky you. But that is what we are looking at. I think our data base is fairly representative.

Last point, and that is another reason why we thought it would be useful to be here, is that we are sensitive to the plights of our friends, independent grocers and many of our members who are in rural Manitoba. If you have not read already in our brief, and obviously I am not going verbatim, but we are about a 60-40 split; 60 percent of our members are in Winnipeg; 40 percent are in rural Manitoba, again, not unlike the Manitoba economy. But we are concerned about siphoning of rural retail expenditures to larger urban centres. You may want to consider beyond this committee or beyond the work of this bill other policy initiatives, and we would appreciate your serious consideration and concern of other areas in your work in the Legislature.

Example: Do not exacerbate problems by compounding higher sales tax rates or other forms of major taxes, and we appreciate the freezes on small business corporate income tax rates and personal income tax.

Example: Now, then, is not going to be the time, for a while until this thing settles, for major minimum wage increases, particularly because we are in a deflationary economy as well, and higher government wages and benefits only contribute to general labour market inflation and also put a squeeze on the small rural retailers as they try to adjust to whatever is ultimately the outcome.

Municipal and local education taxes: We have to really think hard in a longer-term way about the regressivity of using that local tax base for so many purposes.

Higher commissions for retail sales tax collection, another offsetting measure that we may want to look at for those smaller retailers and to provide a more enriched commission. Both, of course, beyond your mandate. We are pursuing federal GST commissions.

You may also want to look, as time goes on—we have talked to your Finance minister (Mr. Manness) about this, about the wisdom of sales tax simplification and possible integration. So, instead of having this crazy, unco-ordinated two sales tax system, at one point we should look for one simple sales tax. Our compliance cost, I should tell you, on sales tax is a real cost for small business. It is about 25 cents on the dollar of sales tax collected in this country.

It is the highest in the world according to the research we have done, and we have attempted to calculate those compliance costs by measuring them and surveying our members. New Zealand estimates their compliance costs at seven cents a dollar for sales tax, because they have a one sales tax system, not 11 which is what Canada has, or 10 I should say, nine provinces and the federal government, separate rates, separate audits, separate remittance schedules and so on and so on

Finally is an offsetting or mitigating measure, if the government moves ahead on Sunday shopping for small retailers. We have to be very sensitive to other things and look at accelerating regulatory red tape and paperwork removal where we can. We are working very actively with the current government on an overall regulatory reform strategy. So this means things like, for example, if your Environment department is looking at multiple sales tax, separate levels for a diaper tax or bottle returns, please watch that, because there are enough other challenges obviously facing the small rural retailer and the small convenience operator without compounding those problems. There is a better way to do it.

So, again, we are not here to be as strident emotionally on one side of the debate or the other, but it is important for us to hold true on these two principles: (1) lessee protection regardless of outcome; and (2) some appropriate advance notice for employee leave and maintaining the principle of the threshold so small firms are not left in the lurch on Sundays.

Hopefully this survey data further helps both sides of the debate, I suppose, give a little more background information.

**Mr. Chairperson:** Thank you very much, Mr. Botting.

**Mr. Storie:** Mr. Chairperson, I would also like to thank Mr. Botting for a very thoughtful presentation

and well-documented presentation. It is certainly nice to see. I agree, as your surveys of your own members show, that this is not a simple issue.

Two things strike me in your presentation. One is the question of the results and the likely impact on rural Manitoba. In your comments, you say: We are also worried about the inevitable siphoning off of rural, retail expenditures to large, urban centres.

I wonder on what basis you are saying that this is inevitable.

**Mr. Botting:** We are concerned in a period of adjustment that there may be some loss of sales. We have seen some examples. This is one area where we have not had the empirical research to determine how extensive that was, say, in neighbouring Saskatchewan or Alberta.

However, I must say again, on the other hand—I am going to sound a lot like a lawyer tonight, on one hand and on the other hand—the name of the game in any small business is finding that appropriate market niche. All of us will have a challenge to upgrade the marketing skills, niching ability, service quality and so on, as somebody else said. That is also how small business competes.

So there will be a period of adjustment and transition, how much I cannot tell you, how much siphoning we do not know, but there may be some, and we have to all work at improving the skills and acumen in the small business community in Manitoba.

**Mr. Storie:** Just for my information, how many businesses does the Canadian Federation of Independent Business represent in Manitoba?

**Mr. Botting:** About 4,000, and sectorially I mentioned we are about 30 percent retail. I will give you a few more of the sectorial breakouts: We are about 21 percent service; 12 percent manufacturing; 6 percent resource-based industry; 4 percent transportation; 11 percent construction; 9 percent wholesale; and 5 percent financial, insurance and real estate.

If you look at the overlay of the economy, we are pretty close. Our criteria is that you must be Canadian owned and operated and in an independent business, not publicly traded. We are generally small firms, but we do have medium-sized members like our friends in Canadian Tire.

**Mr. Storie:** Mr. Chairperson, the other thing that struck me in your brief was your point that employers

cannot always choose, that in fact the market may dictate for some of these small independents that they open simply to try and maintain their market share.

My question to you is: How should the government respond? How should communities respond when that pressure forces someone to open, when they lose their competitiveness as a result of loss of market share to the large, national chains?

\* (0020)

**Mr. Botting:** One of the ways, I guess, to help at least if the bill proceeds ahead is to assist the employer in a two-way street in terms of employee relations so that advance notice is maintained, and 14 days, we think, is very important.

There has been a lot of discussion tonight about the level playing field, and this is the fuzzy area, almost the philosophical question of what is a retail store anymore, the concerns raised by others about how we had once a clear idea of a drugstore versus a retail store versus another service station versus a hotel. Those were once distinct and clear lines; now, I am afraid, they are rather blurry.

Consequently, that is your problem. No matter how you attempt to codify this legislation, I cannot give you more of a description than that, but I know we are in a very blurry period right now. So in the instance of that, some degree of freedom of choice is why half of our members are saying, go for it and open it up.

On the other hand, we have those independent retailers who have other family values, other considerations. So it is just going to be a matter of developing market niches and specialization, and people may be able to leave their store open on Sunday and compete very nicely. It depends on how they develop their quality business and the quality service for the other six days.

Again, we are mixed. We have heart-rending stories of the people you heard on both the independent grocery side or the convenience store side, and we have others like Mr. Gershman, who is a member of ours you are going to hear tomorrow from the Charter House Hotel, who sees that a healthy retail sector around him is very important for the success of his small—relatively small, for a hotel that is—tourism operation or hotel business. So this is the dilemma of the debate.

**Mr. Storie:** I guess maybe I did not make myself clear. My question more is, if we see what you suggest in your brief will happen, that there is going to be this inevitable siphoning off of business, and we can detect—you, for example, in protecting your members detect that we are losing businesses in rural Manitoba, what should the government's response to that be?

**Mr. Botting:** I think that is the question. The real issue is how we monitor this. I do not know hypothetically yet how far it will go because it is a hypothetical question. We are going to monitor. I make that commitment to the committee because of the way we are so broad-based, we can survey very quickly through our ballots and our mandate and so on. We will monitor to see how fast that siphon is. There are offsetting measures again that other jurisdictions have applied to help buttress this.

Some jurisdictions, as you know, have looked at such alternatives or offsetting measures as giving independent small stores beer and wine or other things like that. We are going to survey our members on those issues as well.

What is one mitigation or rear-guard action without, necessarily, getting back into this whole crazy debate of codification because there may be no way out of that. We do not know, but we are going to monitor it very carefully.

**Mr. Storie:** Two other questions. One, in your survey, I gather it was a—although it is April-May on your chart No. 1. When you sort of isolate your retail members, 57 percent say no to Sunday shopping, no to wide-open Sunday shopping—a majority. I am wondering whether you have broken that out for Winnipeg.

**Mr. Botting:** We are doing that now. As you notice it is preliminary data, so some of our ballots are still trickling in. I took a quick look at it before I came here this afternoon, and it is a little more than 50-50 in Winnipeg retail actually in favour of open Sundays, but I will have those definitive numbers within about two weeks by the time our full ballot count is done. That is why we said preliminary on the survey.

**Mr. Storie:** So the previous presenter, the president of the Winnipeg Chamber, left the impression that small business that they represent was universally in favour of wide-open Sunday shopping, and certainly your survey results would indicate that there is some caution on the part of

small business in Winnipeg to the prospects of wide-open Sunday shopping?

**Mr. Botting:** What we have attempted to do is break it down by sector, and we think that that is the only fair way to present the data.

**Mr. Storie:** The final question, Mr. Chairperson, I guess dealt with the question of—and maybe this is an unfair question at this point—whether the Canadian Federation of Independent Business felt from its members any pressure to move to Sunday shopping, or has this whole debate and the subsequent criticism been as a result of the government's actions? Was there initiative on the part of your members to move to Sunday shopping?

**Mr. Botting:** I would have to say that, to be quite honest, we are here as a reactive exercise to the bill. I would further say that we had much more pressure pro-Sunday shopping when the dollar was about 88 cents a year ago and there was an awful lot of cross-border shopping debate which, of course, as you know, this is the time we did this survey, but things can change.

They changed then, they can change again. We do have some of those other members like the Canadian Tire people you heard tonight who continue to feel the uneven playing field from their perspective in terms of having to compete with people stretching the boundaries of the current law and playing at the margins.

**Mr. Stefanson:** Thank you, Mr. Botting, as well, an excellent presentation, as usual, from the Canadian Federation of Independent Business.

I have two questions. One, realizing that in the last short period of time provinces like New Brunswick have changed their Sunday shopping legislation; Ontario, as we know, recently went to wide-open Sunday shopping; Quebec, a matter of several weeks ago, went to wide-open Sunday shopping. I believe eight provinces out of 10 have wide-open Sunday shopping of some fashion in Canada.

Do you have any information you can share with us from other provinces in terms of whether the kinds of things, the kinds of split in communities, the kind of issue that it is, whether there is a common pattern across Canada in terms of dealing with this issue? Do you have any sense of anything happening in other provinces by comparison?

**Mr. Botting:** I guess the most common pattern, frankly, is what Manitoba is proposing, which is a

devolution of decision making at the municipal government level in terms of the law. This is how, as you have heard referenced, Saskatchewan has done it and other jurisdictions, Alberta and the provinces you just mentioned.

In terms of what has happened in the economy, there have been winners and losers in the retail sector as well as in other sectors. I happen to know Saskatchewan very well because I am back and forth between the two provinces quite a lot. There is no question that in Saskatchewan, the Superstore, for example, in Regina, we have to understand this and this is why we use the word siphoning, there is no question that the Superstore in Regina has had some effect, some negative effect on the independent grocers within a certain radius.

However, there have also been benefits in other retail sectors that are affiliated with the tourism and hospitality sector. For example, in the town of Fort Qu'Appelle in Saskatchewan, which is a major tourism attraction, and other areas where they have benefitted because they have taken advantage and capitalized and built upon some destination tourism facilities.

So there are even shifts, and it is hard to make general comments even within the retail community. There are some winners in retail and some losers in retail from what we can see because of this experience.

**Mr. Stefanson:** Mr. Botting, do you know if your organization has done a similar survey in Ontario, as an example, or in Quebec, the two provinces that in the last several months have gone to wide-open Sunday shopping?

**Mr. Botting:** Yes, we have. I did not present them, but frankly, the results are remarkably similar in terms of this kind of split, in terms of almost 50-50 and in terms of a rural-urban kind of split as well, and of course, the sectoral splits—very similar.

The thing that is—it is getting more blurry as this mix between retail and service. There was a time when service served retail. There now has become increasingly a time where retail is retailing to serve service. That is something that we are tracking across the country.

**Mr. Stefanson:** One last question, in recognizing that some provinces have had wide-open Sunday shopping in place for several years, and you talked about monitoring here now, which we certainly are glad that you are going to do that and we look

forward to receiving that information as well. But I am wondering if your organization did that in other provinces that have implemented wide-open Sunday shopping in the last few years and if you have any of the results from that in terms of—we heard earlier today from the Winnipeg Chamber of Commerce in terms of concern about what is feared and what really might happen in those types of things. Do you have any information that you could share with us from other provinces in terms of follow-up?

\* (0030)

**Mr. Botting:** No, we have not got that kind of data. I must say that as we monitor Manitoba, and I have made this commitment, the trickiest thing, the most difficult thing, as you have had with your trial period, is to separate your variables to really get a handle on all of the factors.

We have been monitoring—again I will pick Saskatchewan as an example—retail sales and so on, but I must tell you the biggest factor in Saskatchewan has been that for two consecutive years they have raised their retail sales tax from seven to eight and now from eight to nine, and so cross-border shopping is a real concern in the adjacent province, not so much north-south these days, but east-west, both into Alberta and, to a lesser degree, here in Manitoba because you have an advantage. Manitoba has an advantage.

So it is hard to separate all these variables to really be able to do this properly, but we will give it our best shot. We are still working on some methodology, and obviously it is going to be perception research, in many cases, just asking people to what degree they felt Sunday shopping has been a good thing or a bad thing. I do not have any precise data this evening.

**Mr. Chalrperson:** Thank you very much for your presentation this evening, Mr. Botting.

Now the next person on the list is Mr. Charles Finnbogason, but he has agreed to come back tomorrow. So the next person on the list is Mr. Don MacKinnon, Westfair Foods. Do you have a written presentation, Mr. MacKinnon?

**Mr. Don MacKinnon (Westfair Foods):** No, I do not.

**Mr. Chalrperson:** That is okay, then you may proceed.

**Mr. MacKinnon:** I will endeavour to follow the litigator's dogma to stand up, speak up, and shut up and get out of here. I will do it as fast as I can.

First of all, we have heard a lot of things tonight from various presenters, a lot of which frankly is emotional, and a lot of which frankly is nonsense. The reality is that we are seeing broad support for Sunday shopping amongst our customers. We would not be open if we were not seeing that broad support, and, frankly, we are doing good business on Sundays.

In the province of Manitoba, strictly as a result of the experimental Sunday shopping, we have created a new additional 120,000 hours of employment for employees that are earning between \$6.12 to \$18.29 per hour for an average hourly rate at \$9 per hour. That is in our business alone, one small segment of the retail industry. If the experimental legislation, ultimately, is not passed, those hours will be lost. Those are now existing hours of operation.

When I looked around the room tonight, one thing that struck me was that the majority of the presenters and the majority of the listeners were almost without fail middle-aged men and women who are gainfully employed. I am a middle-aged man who is gainfully employed. There are very, very few young people here, but whom do we hire, and who are those employees that are taking those positions? They are young people. A majority of our employees that have been hired to do work on Sundays are university students and younger people. We have employment for them. We are creating employment in this province.

These people are not working against their will. They are not working because we tell them you have to work on Sundays. They are working because they want work. We tell them, if you want to work Sundays, it is there for you, but we certainly do not, in any way, shape or form, tell them they have to work. The legislation protects employees, our collective agreement protects employees and, as a matter of policy, we do not force people to work when they do not want to work.

Many things have been said this evening about the role of independent business. The large chains have been accused of predominating the market. The reality is, we do predominate the market. With respect to Mr. Kaufmann and Mr. Dyck, the small independents make up such a small

percentage of the market share in Manitoba that when they are hurt by us, it is almost that they are nicked by inadvertence. They are not our target.

Our competition is Costco and Safeway. In other provinces, it is the same story. We are not involved in an attempt to hurt the independents. We do not want to do that. Frankly, we wholesale to the independents. But sometimes, inadvertently, they are damaged.

The problem that we have right now, however, with the legislation that pre-existed the current experimental legislation and the difficulty with four-persons-per-store concept is that, as most of you are aware, our stores are very large. They generally run from a minimum of 100,000 square feet all the way up to about 140,000 square feet. They cannot be run with four employees. But for every one of our stores sitting in St. Vital or sitting in Grant Park, there may be five or six smaller Safeway stores scattered throughout the city that can be run with four employees.

Now, our market share is dependent on our being able to compete with our major competitors, that being Safeway and Costco. Costco is in the same position we are in. But Safeway can open up these small stores with four employees and, in effect, their combined floor space separated from within the four-store group may very well equal the floor space that we have in one of our stores. They can open with four employees per store. We cannot open one of the larger stores. It cannot be done. That is what we consider to be an improper playing field. It is not a level playing field. This is the problem that we have.

We have heard people come forward this evening who, frankly, have very deeply held religious beliefs. It is expected that some of the honourable members themselves have deeply held religious beliefs and those are beliefs that we very much respect. But the reality of Canadian society, particularly in urban areas, is that we are no longer simply a Christian, white society. We have a society where people practise different religious beliefs. They have different Sabbaths, and here we are, even in the existing experimental legislation, reflecting the Christian, white majority view that we can only have part of our Sunday open. We have to close to allow the churches to function in the morning. Well, anybody who has seen attendance at churches recently, we do not have to keep closed on Sunday

mornings to let people go back to church. They are not going to church.

The fact of the matter though is that we are still reflective of that view that is no longer considered to be appropriate in our society, and the courts have effectively said that. They have said that in the Big M Drug Mart case, and they have said it in a number of other cases that basically do not permit us as a society to create, in effect, a Sabbath that favours one denomination or one religion.

With respect to the experimental legislation, the experimental legislation is, with due respect, typical of something that ought to be better, but perhaps cannot be because of the political realities of Manitoba. It ought not to have a half-Sunday opening situation. We ought to be permitted to open on Sundays just as we should open on any other day of the week. It ought not to be in any respect discriminatory against individuals who do not practice the Christian religion. It frankly ought not to be given to municipalities for local control. It ought to be dealt with by the provincial government.

I want to make very clear why we say that. You have to understand that Westfair Foods, and particularly the Superstores, operate as an individual entity from Thunder Bay through to Victoria. Another branch of the Weston operations functions in Ontario and east.

We function within an extremely complicated regulatory environment. I know because I do the regulatory law for Westfair Foods throughout western Canada. It is unbelievably complex.

We have to deal with jurisdictions of four different provinces—five different provinces now with the operation at Thunder Bay. We have to deal with three different regions of the federal government with respect to certain branches of that government. If anybody thinks that each region operates the same, that is not right, they do not. They have different policy concerns, different administrative concerns. They are not harmonized, to use the colloquialism that is in vogue today.

We have significant problems dealing in that regulatory environment. We have four provinces. We have umpteen dozen municipalities and now what we want is we want to create another system in Manitoba where, when we create our relationship with our employees, we have to differentiate between what we do, for example, in Winnipeg and what we do in Brandon, or perhaps down the road if

we open a store in Thompson or Flin Flon, what we do in those communities.

The reality is that it would be a better solution, from our point of view, if the law in Manitoba was uniform, if the provincial government made the difficult decision to pass the legislation as they see fit, but apply it across the province rather than permit municipalities to enact their own legislation or enact their own by-laws.

Finally, gentlemen, we want to do business and I think that is something that a lot of Canadian business people are trying to say to government these days. We want to do business, get out of our way. Let us do what we do best; let us earn money; let us employ people; let us make sure that the economy works. We are in the same boat that every one of you is in. We want this economy to work. We want business to work. We want our employees to do well, and we want to be able to do it with a minimal amount of unnecessary, as opposed to necessary, involvement by government.

We respect and understand that government has a supervisory role to play to ensure that the field is level, to ensure that people are protected and that there is proper competition in the marketplace.

\* (0040)

What we do not need however, gentlemen and ladies, we do not need interference that is based on grounds that are improper in accordance with the Charter and we frankly need to have encouragement to do business, as opposed to discouragement to do business.

Thank you very much.

**Mr. Chairperson:** Thank you, Mr. MacKinnon.

**Mr. Storle:** Thank you, Mr. Chairperson, and I want to thank Mr. MacKinnon as well for his presentation. I want to say at the outset that I hope Mr. MacKinnon has not felt under attack. Certainly, that was not the intention.

I have, on occasion, used the Superstores as an example, but I recognize what the mandate of the Superstores is and certainly it is to be a profitable company. I do not think any of my colleagues or any members of this committee have any objections to that. The question, of course, is how we can ensure that that happens, that you be a profitable company while ensuring as well that there are not other events taking place in the province which undermine other communities and other individuals'

opportunities. In many ways, it is like the old adage that the work of government and the work of politicians generally is finding the art of the possible, making both things happen.

Two questions come to mind from your presentation. One is the question of whether Sunday shopping is necessary for maximizing your profits. You said, if I understood you correctly, that in large measure your need to open on Sunday was as a result of the four-person rule and the fact that your competitors were opening. I am wondering if this level playing field excluded Sunday shopping generally for, in your case, the food industry, the grocery business. Would that also be acceptable?

**Mr. MacKinnon:** First of all, let me start by suggesting to you, No. 1, I am a trial lawyer. I do not very often feel insulted or concerned about questions. I think that is part of the game. Secondly, with respect to your suggestion that Westfair Foods or Superstores is in business to make a profit. That is right, we are and frankly do not apologize for it. Third, I think you are quite correct. I think that it is quite appropriate for government to say, what can we do to ensure that on balance the population of Manitoba is well served?

I think that this government has endeavoured to do that, frankly, and I think that the legislation they have brought in, though we are not entirely happy with it, is better than what existed before. Our concern is that we participate on a level playing field with our real competition. There are all sorts of debates that are possible of what constitutes a level playing field, and I am cognizant of those debates, and I sympathize, frankly, with some of the positions. But when we talk about competition between Costco, Safeway and Westfair Foods and the Superstores, we are not talking about a difference in strength in terms of advertising dollars.

You have to understand that we, Westfair, are for all intents and purposes, at least in the Superstore level, a western Canadian company run from western Canada competing with multinationals such as Costco and Safeway. That is the reality that we face. We are a Canadian company, and we may be a big Canadian company, particularly when you consider the Weston parent, but nevertheless that is what we are. We are in here for Canada.

Now, in terms of your question, I do not know that there are easy answers, Mr. Storie. I think I see and understand some of the difficulties you face. I have to tell you that I have some difficulty in understanding, when a company such as ours creates the equivalent of 63 full-time jobs or 135 part-time jobs simply by being able to open on a Sunday, how that presents a problem in terms of economic growth and prosperity. There is no evidence, lots of emotion, but no evidence that Sunday shopping has hurt or will hurt rural Manitoba. Just the opposite. The gentleman from Canadian Tire quite eloquently spoke of an increase in business, in retail sales, in both urban and rural Manitoba, so frankly I do not understand what the problem is.

**Mr. Storie:** Mr. Chairperson, I do not know whether Mr. MacKinnon was here earlier when the Canadian Federation of Independent Business was presenting their brief. Mr. Botting indicated that the Saskatchewan experience quite clearly indicated that there had been a loss of business in a radius around Regina as a result of Westfair's opening—

**Mr. MacKinnon:** Well, you have got to understand, though, what is happening—

**Mr. Storie:** My point is that it does happen simply because we do not have statistical evidence of it yet that it is happening. We are not opposed to the Superstore or Westfair creating 63 jobs. Our concern is that the creation of those 63 jobs—and you are a very high-volume business—may be undermining 120 jobs in 30 towns in a hundred-mile radius around Winnipeg. The net economic benefit for the province may be a lot lower than what you are suggesting. As well, the impact of losing those jobs in that community has a ripple effect on those communities.

**Mr. MacKinnon:** You are doing what we in the trade call a run-on question. I do not know which one to answer first.

First of all, I think the key thing to say is that there is no evidence at this point in time that that harm has befallen Manitoba. I would feel a lot differently about this, perhaps, if this was at the outset of the introduction of experimental legislation. But we have been working under this experimental legislation for some time to the benefit of rural and urban Manitoba. I mean, this is not something that we are thinking about doing next week. This is

something that has existed for some time to our benefit.

Second of all, the situation in Saskatchewan is a lot different from the situation in Manitoba. The Superstores originated in Winnipeg. We probably would still be here save for certain circumstances. The fact of the matter though is it originated here, they have been well established here for some period of time, and our market share situation is relatively well established.

The situation in Saskatchewan is a little different. When you were in Saskatchewan, there is a situation where we are probably in a situation where we are gaining more market share. I am not saying that we are new in Saskatchewan, I am saying that we are newer in Saskatchewan. The result is that there has been a shift in market share that, obviously, has been to our benefit.

One of the things that we offer to the public, frankly—and throughout all the presentations tonight nobody has talked about the consumer. The fact of the matter is that we provide food, a staple that we have to have, at less cost. The consumer is the one that benefits from our operation.

Frankly, we would not open on Sundays if nobody opened on Sundays. We probably would not even open on Sundays if Safeway and Costco did not open on Sundays. But if Safeway and Costco are going to open on Sundays in smaller stores—obviously that is not the case with Costco—in order to maintain our market share and in order to maintain what we refer to as a level playing field, we also have to be able to open.

Nobody wants to hurt small, independent businesses in rural Manitoba. For the most part, our interests lie in larger centres in Manitoba. The fact of the matter is that there is some economic imperatives that result in people coming to those centres to buy products. The economic imperatives are more than just Sunday shopping.

The reality, unfortunately, for rural Manitoba is that transportation is no longer the problem that it once was. There has been an amalgamation of smaller centres into larger, regional centres. Those larger, regional centres—Portage la Prairie, Brandon and others—have in fact taken some of the retail business out of the smaller communities.



The fact that we do or do not have Sunday shopping is not going to strongly affect that. That is going to continue to exist nonetheless.

**Mr. Storle:** I agree with much of what you have said. I think that certainly historically that process has been occurring. My concern is that this simply accelerates that and perhaps unacceptably so for many small rural communities and small businesses.

My question—and perhaps one of the run-on ones that Mr. MacKinnon missed, and perhaps he answered it—was the question if the Province of Manitoba could set that level playing field by limiting Sunday shopping further for your direct competitors, for Safeway and Costco, would you feel obliged to open on Sunday? The question was, is Sunday shopping really necessary in the retail sector?

\* (0050)

**Mr. MacKinnon:** I think there are good reasons for Sunday shopping. There are really two parts to that question. The first part is, is it absolutely necessary to open on Sunday if our competition is not open on Sunday? The answer to that question is no, it is not. From our point of view, I do not think it would have a particularly adverse effect on profits or on market share.

The more significant question is, what about the economy of Manitoba? Here we are in a situation where we are an island amongst Ontario, Saskatchewan, Alberta, B.C., Minnesota, North Dakota, all of whom open on Sundays. To be perfectly frank, Manitoba is going to rapidly gain the reputation of the economic backwater that it frankly does not deserve. Maybe it is a small thing that we do not open on Sundays, but it is one other small thing that adds to the image that Manitoba is going to have in that kind of environment.

The truth of the matter is that a lot of the people who have appeared before you tonight, aside from those who are appearing out of religious conviction which we profoundly respect, are people whose ox is going to be gored by a change in the legislation. They want to make sure that their business is as best protected as possible. They do not want a level playing field in the sense that we perceive a level playing field. They want a level playing field that gives them a specific advantage to counteract economic advantage that our size and financial abilities give to us. That may be a level playing

field in some people's minds. To be perfectly blunt, it is not in ours.

**Mr. Storle:** Mr. Chairperson, I think your analysis is absolutely correct. That is the only basis on which I have defended the existing legislation. Perhaps not in your mind but in the minds of many independent businesses and small businesses it does create a leveller playing field, if only for one day of the week. The other time they face the same kind of competition as anybody else.

Backing up, I think we have agreed that Sunday shopping is not necessarily imperative for your business. As long as you have that level playing field with your level of competition, in other words the big guns in the business, this Sunday shopping legislation would not be necessary for you.

**Mr. MacKinnon:** No, I—

**Mr. Storle:** Go ahead.

**Mr. MacKinnon:** I have difficulty differentiating between questions and speeches. It is a problem.

**Mr. Storle:** They are sometimes one and the same.

**Mr. Chairperson:** This is not a time for debate.

**Mr. MacKinnon:** Mr. Storle, I was going to suggest something to you. Frankly, some of the kindest and nicest people that I have met in my life are representatives of your party, but you are wrong. You are economically wrong. The problem that we run into as business people is the playing field that you perceive is an artificial playing field. It is a playing field that is not controlled by market forces, but it is controlled artificially by government. Frankly, it does not work worth a damn. That is the problem that we run into.

What we want to see is a realistic playing field that is controlled by market forces. To some extent, some of the earlier speakers have said that there are winners and losers in retail under those circumstances, and that is true. There are winners and losers.

But there are people such as Mr. Kaufmann who, I am certain, will do very, very well regardless of what happens because of the quality of the product he offers and the service that he offers at his establishment. Frankly, I buy my meat from Mr. Kaufmann. The reality is that there are some players who will find their niche whether it be through service or whether it be through product that are going to do extremely well in the marketplace.

Frankly, my honest opinion is that we are not going to erode the independents' market share significantly so long as the independents work towards finding that niche.

**Mr. Storle:** Well, I appreciate that, and Mr. MacKinnon, you will know that some of the nicest people whom I have ever met, entrepreneurs—[interjection] No, I was not going to say lawyers, I said, work for Westfair.

Mr. Chairperson, my final comment is that despite what Mr. MacKinnon may think, there are other jurisdictions in other countries in the world who operate quite well and whose businesses, including their grocery businesses, do quite well without operating on Sunday or Saturday afternoon.

**Mr. MacKinnon:** I mean, clearly, it does not matter how many days of the week we operate, so long as it is done on a level playing field but, if you are going to create artificial barriers or artificial bumps in the playing field, then it does create problems for the economy and that is all we are complaining about. That is our major concern.

**Mr. Laurendeau:** I do have one question. You got me a little interested in something when you said—

**Mr. Chairperson:** If you could pull the mike up a little closer, Mr. Laurendeau.

**Mr. Laurendeau:** Sure, I will bring the mike up.

Why is it that Superstores left Manitoba?

**Mr. MacKinnon:** Well, I do not know that there is any one reason why Superstores left Manitoba, but I think that you have to appreciate that in order to function, in order to run a business in a province, particularly a headquarters business, there has to be an environment, both a political and economic environment, that is attractive to business. If that attraction is not there, business in a modern, mobile world will vote with its feet, and that is exactly what happens. Business does vote with its feet.

In my business, in the practice of law, we are seeing unfortunate effects in the business community. I am not suggesting that all of those effects are a result of the recession. To some extent, the fellow who was here earlier spoke for all of us. Business is overregulated, overtaxed, overburdened with paperwork, and it has gotten out of hand.

If you think the problem is bad for small business, it is compounded when you are dealing with big

business because, fine, maybe we as a big business can afford to buy computers systems or employ people to do all of this stuff for us, but the reality is that it is the cost of doing business that takes away from our ability to throw money back into the economy.

**Mr. Laurendeau:** Where did you move the offices to?

**Mr. MacKinnon:** To Calgary.

**Mr. Penner:** Are there less regulatory processes in Calgary?

**Mr. MacKinnon:** In terms of the federal process, no; in terms of the provincial process, probably not. The major problem I think is the difference in attitude towards business.

I do not think that it is within my mandate to discuss the pros and cons and the advantages of being in Calgary versus being in Winnipeg, because I do not know, first of all, that I have the knowledge necessary to pass that information on and, second of all, I do not know whether the same things could be said today as could be said at the time of the move.

**Mr. Penner:** Does that mean you might consider moving back?

**Mr. MacKinnon:** Good question, I cannot answer that though.

**Mr. Chairperson:** Thank you very much for your presentation, Mr. MacKinnon.

**Mr. MacKinnon:** You are quite welcome, gentlemen.

**Mr. Chairperson:** Thank you very much. The next person on the list is Mr. Ken Nolan. You will now move to the bottom of the list. The next person is Mr. Norm Leach.

Norm Leach? Thank you. Norm Leach, your presentation has been circulated so you may begin.

**Mr. Norman Leach (Manitoba Chamber of Commerce):** Thank you.

Good evening, good morning, whatever point we have reached at this time of the night. Quite aside from the presentation itself, I think it would be interesting to my members to know that decisions of this import are made at one o'clock in the morning after a long day of work from everyone. We will have to look at the procedures, I think, in terms of who stays up until 1:30 in the morning trying to make good decisions at that time of night.

I am here speaking on behalf of Jack Wilson, the President of the Manitoba Chamber of Commerce. His home is in Thompson, and he was unable to make the hearings on short notice to come down, so he has asked me to speak on his behalf.

I speak on behalf of the Manitoba Chamber of Commerce founded in 1929 to represent chambers of commerce throughout the province. It is the only organization that embraces all facets of business, industry and professions in Manitoba. The Manitoba Chamber of Commerce includes 56 individual chambers ranging in size from the Winnipeg Chamber to the Pansy and District Chamber of Commerce.

At its annual convention, which includes a policy-setting session, the vote is done on the basis of one vote per chamber. We consider this system an absolute essential in order to somewhat redress the imbalanced demographic make-up of Manitoba with over 60 percent of the population in Winnipeg.

The Manitoba Chamber's policy positions are not necessarily unanimous ones. The executive presents to each government of the day the majority of decisions from the annual conventions as presenting the official policy of the organization. Individual chambers are free, of course, to let their minority positions on particular issues be known to the government and to the general public.

\* (0100)

For example, it is well known that the Winnipeg Chamber is in favour of full-scale Sunday afternoon shopping. It is my duty to present to you the majority position of the member chambers of the Manitoba Chamber of Commerce, as determined at the annual convention held May 14 and 15, 1993, in Thompson.

Two separate but related resolutions dealing with Sunday shopping were approved at the convention. The first resolution asked the Manitoba government to return to the status quo as it was prior to November 29. That is to say, stores could only be open on Sunday with four or fewer workers on the premises. This stance is the preferred position of the majority of the Manitoba Chamber of Commerce.

However, in the case that the government is adamantly against reverting to the old system, the convention delegates adopted a second resolution on the topic of Sunday shopping. That resolution asked the government to hold public hearings on the

proposed new legislation and that it assume full responsibility for the decision-making process.

We accept the government's decision to have this set of public hearings, via your legislative committee, serve as the opportunity for various views on the controversial issues to be aired. Ideally, however, it would be better if hearings could be held in a number of regional centres in Manitoba.

The Manitoba Chamber is firmly opposed to the government's proposal of having Sunday shopping decided by local option. We can foresee a number of very serious drawbacks to this approach, quite apart from the fact that it signals the government's unwillingness to show political leadership. First, it could lead to a beggar-thy-neighbour situation, if one municipality decided in favour of full-scale Sunday shopping while a nearby community in another municipal jurisdiction decided on limited Sunday shopping or in fact none at all. This could lead to serious strains developing between communities which could be harmful to the overall public good.

Secondly, visitors to Manitoba would be confronted by the likelihood of a checkerboard or crazy quilt pattern of stores either open completely or not at all or at least on an overly varied system of hours of operation.

Third, because many retailing operations in Manitoba are purely family enterprises, there could be extreme pressure placed on the traditional family life if a business felt compelled to cope with the competition by operating seven days a week. This potential ill effect also will be felt by family-owned retailing operations in Winnipeg.

Finally, a switch to wide-open Sunday shopping does nothing to the creation of additional wealth in Manitoba. All it does is redistribute the spending of retail dollars. Any such redistribution is bound to work mainly in favour of large retailers, most of them with their head offices remote from Manitoba.

We also fear that the major retail outlets in Winnipeg will attract a disproportionate share of the Sunday shopping dollar, which would have a devastating impact on the economies of rural communities within an hour's drive of Winnipeg.

This government has set itself on a path of making Manitoba competitive. While we applaud these efforts and encourage the government to continue, we are concerned that the case of Sunday shopping is one of treating the symptom not the disease.

The government would make Manitoba more competitive by concentrating further on the economic health of the province in general. The further reduction of interprovincial trade barriers, the lowering of taxes and the rationalization of regulations will go much further to helping Manitoba business than a change in the Sunday shopping laws of the province.

Why are we speaking out? The easy path for the Manitoba Chamber of Commerce would have been to sit quietly on this issue as our vote was very close. However, this silence would have done a disservice to the province and the issue. While it is never easy to be a dissenting voice we are simply responding to our membership. It is clear that there is no agreement across the province on this issue. It is also clear there are no facts on either side to justify a change in the regulations.

Thus, the Manitoba Chamber must go on record as being in opposition to both of these bills. Respectfully submitted by the Manitoba Chamber of Commerce.

**Mr. Chairperson:** Thank you very much, Mr. Leach.

**Mr. Storie:** Mr. Chairperson, I want to thank Mr. Leach for his presentation on behalf of Mr. Wilson.

Just for the record, I hope the Manitoba Chamber does not feel isolated having to make this presentation based on a very close vote on the issue. I know that the, I was going to say, sister organization, the Canadian Federation of Independent Business, has surveyed its members, many of which parallel Manitoba members in the chamber, and they have found that 57 percent of their members are opposed to Sunday shopping. It appears that many small businesses, if not most small businesses, the majority, are opposed to this legislation.

Mr. Chairperson, the Manitoba Chamber makes two points that I think have been made consistently. One, that the government should not abandon its responsibilities to make legislation. I am wondering other than the confusion that it is going to create, what the chamber's concerns are about leaving this to municipalities?

**Mr. Leach:** The president of the Roblin Chamber of Commerce, Neil Stewart, who desired to speak here and had to withdraw his name because of a child getting ill, was going to make the point that we have within the city of Winnipeg, one municipality,

15 councillors or 14 councillors and the mayor or 15 councillors and the mayor and we seldom get a united view of anything.

Outside of the perimeter we have 200 municipalities, we have 1,150 councillors, R.M.s, Reeves, et cetera. To try and get any kind of a consensus on this divisive an issue would be almost impossible. So it is not simply the confusion to a tourist wandering the streets but it is also a confusion of what happens with a business who is located adjacent to a town but in the neighbouring R.M. where the rules are different. This can be a problem and we see it as a problem on this issue because of the number of R.M.s and the number of councillors involved. We have, I understand—and I stand to be corrected from Mr. Stewart's presentation that he forwarded to me—one R.M. where we have one councillor per 14 residents. This gets to be very confusing for business. I think if we had to take the worst, that is take Sunday shopping, the Manitoba Chamber members would want it on a provincial-wide basis rather than a hodgepodge basis.

**Mr. Chairperson:** It should be pointed out that Mr. Stewart's presentation was received and will be part of the proceedings. Mr. Storie to continue.

**Mr. Storie:** I have already made reference to some of the comments made by Mr. Stewart.

The other issue that is raised here that we have discussed with other presenters is the issue of the siphoning off of businesses to large urban centres.

I am wondering if the Manitoba Chamber has decided or has done any analysis of which centres may be the winners, whether there is more than simply the centre of Winnipeg and perhaps Brandon, that there are other regional centres that may actually turn out to be winners in this battle over market share.

**Mr. Leach:** The general assumption, and it is an assumption at this point, would be that any of the large regional centres would pull from the smaller centres.

I talked to Mr. E.J. Collins today, owner of a MacLeod's store in Pilot Mound. They are terrified that Morden does open on Sunday and Pilot Mound stays closed because they would see that their—we have a word in this province, and I have to admit that I am an 11-year transplant. I have been here 11 years and am still adjusting to the term "perimeteritis" because, when I visit our 60

chambers, there is a perimeteritis about Winnipeg, but if you were in Minnedosa your perimeteritis is about Brandon, and if you are in Pilot Mound your perimeteritis is about Morden. We would just see that this would lead to more of that rather than less if we go to a regionalized basis.

So the centres that would benefit? The ones that have benefited to date. The ones that are surviving and thriving while smaller communities are dying off. It is that simple.

**Mr. Storie:** I gather that your perception is like mine that this simply accelerates a process that is already ongoing?

**Mr. Leach:** The Westarc Group, the think tank at the Brandon University—and I wish not to name the communities because I do not have them clearly in my mind and could look it up for you—came out with a report a couple of years ago, two years ago, that said that if we continued on the same path the only communities that would be left in Westman were three. Again, I hesitate to name them, but I know that Brandon was one, and I believe Neepawa was the other, and the third is just not in my mind tonight. But they project this is something that is inevitable if we do not change the way we do business in these communities.

**Mr. Storie:** My final question is that you perhaps, Mr. Leach, heard the presentation from Westfair in which they said that they saw an alternative to this and that was, for their own protection, all they were seeking was a level playing field with their major competition, that being Safeway and Costco.

I am wondering whether the Manitoba Chamber would support amendments to this legislation which would in effect leave the status quo for the majority of businesses and attempt to equalize the field for the large national chain?

**Mr. Leach:** I hesitate to answer that question, simply because that has not been an option that has been put in front of our board and without the board's comments on it, I would have difficulty—  
[interjection]

**Mr. Chalrperson:** Order, please. The gentleman is trying to answer the question.

**Mr. Leach:** I would hesitate to answer that, Mr. Storie, in that in my role as spokesman, I carry the approved voice of the board of directors, and that is certainly an issue that will be taken to our next board meeting. I can guarantee you that there will be a position taken on it. I would hesitate in my role as

spokesman tonight to answer on behalf of the board of directors on an issue that they have not discussed in terms of that option, that particular option.

\* (0110)

**Mr. Storie:** I appreciate your position on that. It simply arose, I guess, because it seems that Westfair has allowed that they are not anxious to have Sunday shopping necessarily. Certainly, if there is going to be Sunday shopping, they are looking for a level playing field with their competition. What we are looking for, and I believe the Manitoba Chamber is looking for, is a position that is going to protect the interests of rural Manitoba to the extent that that is possible. Thank you for your presentation.

**Mr. Chalrperson:** Thank you very much Mr. Leach. Oh, pardon me, Mr. Minister.

**Mr. Stefanson:** Mr. Leach, I just have one or two questions. Earlier this evening, I am not sure if you were here for Sandy Hopkins' presentation—

**Mr. Leach:** I have been here through them all.

**Mr. Stefanson:** —from the Winnipeg Chamber and so you heard his comparison of the participation in your annual meetings of 1992 and 1993 and his portrayal of some of the shift in the closeness of the vote in this second meeting, the 1993 meeting.

I am wondering if, first of all, you can confirm what he put on the record and, secondly, whether or not that indicates that clearly some communities shifted their position after experiencing the trial period and maybe realizing that there was potentially a positive economic benefit in their community and/or not the negative impact that some were maybe expecting or anticipating or fearing.

**Mr. Chalrperson:** Mr. Hopkins. Pardon me, Mr. Leach.

**Mr. Leach:** Thank you for the elevation to president of the organization. However, I prefer to represent mine.

Mr. Minister, the vote again numbers—I have an uncle who is an accountant—and excuse the digression—and I thought once that I wanted to be an accountant. I said this would be an easy job because all you have to do is add up numbers and come up with an answer and if it was right or wrong, there were no vagaries—[interjection] Exactly. He said to me, no, that before he started to fill out the company's financial statement, he found out who the president wanted to embarrass, who the

president wanted to look good and the financial statement reflected that.

The numbers that Mr. Hopkins gave were absolutely true, but inaccurate; that is, eight chambers abstained from that vote which meant that they felt neither strongly for nor strongly against, at least not enough to put their vote on the record. So it is a three-way split, as opposed to the CFIB which had a two-way split. The Manitoba Chamber split almost neatly in three different ways, sort of eight, eight and seven for this issue. So, yes, he is accurate, but not entirely. Again, we come to this with some trepidation. We come to it with some concern, because there is not a unified voice in this province. It is what the CFIB told you earlier. I am reflecting that.

**Mr. Stefanson:** I guess what I wanted to get to is that there was a shift within your organization from the position in 1992 to 1993, and you must have sat through hearing what chambers from different communities were saying.

**Mr. Leach:** Absolutely.

**Mr. Stefanson:** Obviously, some changed their position to now support wide-open Sunday shopping. So I am assuming that, when they spoke to the issue, they must have said why they changed. I am not putting words in your mouth, but either it had a positive benefit or it did not have a negative benefit.

**Mr. Leach:** Mr. Minister, the responses, the changed chambers, those who voted differently from the year before had two arguments. One was either we believe in government getting out of regulation or we do not. So they voted, they put their money where their mouth was.

While it was difficult, the Brandon Chamber, for example, is in direct opposition to its town council. The town council said there will not be Sunday shopping or at least has indicated that if it goes to a vote, there will not be at this point. The Brandon Chamber stood up against that and said, no we should have Sunday shopping, simply on the belief that government should not be regulating business, and that was their—at least in this type of an issue.

The other argument was it did not hurt us, so why not? It was not that anyone stood up and said, we benefitted, we had a 30 percent increase of tourists; but it was we thought the world was going to cave in and it did not. Those were the two arguments we

heard from the chambers who changed their vote from the year previous.

**Mr. Stefanson:** I also want to thank you for your compliment on the last page of your submission about what the government is doing to make Manitoba more competitive. I do want to assure you that the other issues you raise, I think you are fully aware, are being addressed. We are leading the nation in the charge in breaking down interprovincial trade barriers. You have seen what we have done with taxes in this province, and you know the issues we are addressing on rationalizing of regulations.

**Mr. Leach:** There seems to have been a perception at one time, and I will take this opportunity to do a brief commercial announcement, that the chambers of commerce in this province were—a perception, and not a reality—but the perception was that chambers of commerce were made up by a bunch of rich people who were busy trying to figure out how to put orphans out of their homes. That is certainly not the case.

We, certainly at one time, I think chambers played a dog in the manger, where we complained about everything government did and we have tried to move away from that. So we try to provide a balanced report card as opposed to a negative report card, or a positive, glowing report card at all times.

**Mr. Rose:** A couple of quick comments, I hope. You refer to being against local option, that it might "lead to a 'beggar thy neighbour' situation" to quote from your brief, if one municipality decided in favour while a nearby community decided against it. In my constituency of Turtle Mountain, I cannot think of one town or rural municipality that will have to do anything because they currently are covered by the four-employee legislation.

Can you describe the situation where there would be one municipality side by side that—

**Mr. Leach:** Again, in your constituency where I have spent some time, you are absolutely right. But the communities that border on the towns the size of Portage, or border on the towns the size of Brandon, do have some concerns of what their municipality is going to do. What is a Neepawa going to do against—a Neepawa which does have stores with more than four employees—against a Minnedosa which had—but there is only 15 miles,

and in modern days, 15 minutes of drive separating the two?

In those situations, you would see a concern. Certainly, along some of the tourist corridors, we would see that along Route 16, Highway 6.

**Mr. Rose:** I would doubt if there would be many businesses in either of those communities that might be open with less than full force, but the point is, they can open now under the current legislation.

The second point I wanted to mention, your concern about a checkerboard, crazy quilt pattern of stores either open or not, the only solution to that that I can see is for the government to legislate that everyone is either open or they are closed. We are not quite prepared to legislate that they be open. Are you suggesting that should we be insisting on Sunday shopping, that we legislate that all stores must be open?

**Mr. Leach:** No, the Manitoba Chamber motion that was passed, our motion No. 11, which was passed, indicated that if there was indeed to be Sunday shopping then it should be the option of every merchant across the province to open or close at the discretion of that business, so therefore they would have the right to be open from noon to six on Sunday.

If they chose to stay open that was again them, the managers', the employees', the workers', the families' choice to stay open or closed but not that it be left to the vagaries of a local council, an R.M. council, who as again, we heard the mayor of Winkler here, the town council has a different mandate than the chamber of commerce does. They may not see eye to eye on this kind of an issue, so we would prefer that it be open to everyone having the right to if that is indeed the way the government is going for the vote.

**Mr. McAlpine:** Mr. Leach, I want to thank you for your presentation.

I just have a couple of observations and I would ask you one question in terms of the presentation that you have made. It appears to me, would you not agree that this issue basically is one of responsibility as far as the Sunday shopping issue is concerned, is a matter of responsibility, would you not say?

**Mr. Leach:** I am afraid I am not understanding, Mr. McAlpine. I will put it down to the lateness of the hour.

**Mr. McAlpine:** As far as I see it here, the responsibility either is with the government or with the individual. Is that not correct?

**Mr. Leach:** Under the proposed legislation, Mr. McAlpine? Under what has been presented here?

**Mr. McAlpine:** Under the Sunday shopping issue here that we are dealing with. It is the responsibility either of the individual or it is the responsibility of government. Do you not agree?

**Mr. Leach:** Yes, we would ask that that be the case, that it be the responsibility of the provincial government or the individual.

**Mr. McAlpine:** All right, in that case then, if the responsibility has to start with the individual, I think, that is fair to say. Would you not agree?

**Mr. Leach:** Yes.

**Mr. McAlpine:** Then I would suggest to you that if that is the case, if we have to start with the individual then it goes with the community and then it goes with the government. Am I not making myself clear?

**Mr. Leach:** I understand the question. However, we have long agreed in this country that there are federal issues over which the federal government will have jurisdiction, that there are provincial jurisdictions that the provincial government will hold sway over the municipality and the municipality cannot overrule those, and then there are municipal issues that can be dealt with at the municipal level.

\* (0120)

We are suggesting that setting the water rates in a community is probably a justifiable thing for a municipality to set. This is a provincial-wide issue that should be set provincially just the way we set road restrictions, speed limits, et cetera. There is a provincial level of responsibility. We are simply saying that if we have three baskets, federal, provincial and municipal, the chambers of commerce would like to see this issue planted in the provincial basket as opposed to the municipal basket.

**Mr. McAlpine:** Would you not agree that we need less government?

**Mr. Leach:** Yes, we need less government. However, I would not stand here and argue that we should get rid of health inspectors because we need less government nor would I argue that we should get rid of safety inspections on our roads because we need less government. There are certain

things that must be governed and, unfortunately, we believe this is one of them.

**Mr. McAlpine:** In your submission here, we also fear that the major retail outlets in Winnipeg will attract a disproportionate share of the Sunday shopping dollar which would have a devastating impact on the economies of rural communities within an hour's drive of Winnipeg.

Are you suggesting that the communities outside of Winnipeg like Ste. Anne, Teulon, Stonewall, within an hour's drive, are these the communities that you are referring to, Selkirk and places like that?

**Mr. Leach:** Those would be the communities that we would see being first hit by Sunday shopping, and they see it themselves. They certainly say that themselves.

**Mr. McAlpine:** Most of those communities are commuting distance to Winnipeg, and most of the people who are in those communities, or a lot of them anyway, whether they are farming in that community, also work in the city of Winnipeg. Would you not agree?

**Mr. Leach:** A certain percentage. I am not in a position to say whether it is a majority or not but certainly a percentage, and a large percentage in the case of Stonewall, perhaps less in Teulon, but certainly a large percentage in Stonewall and those types of communities. Yes, I would agree.

**Mr. McAlpine:** In that case then, Mr. Leach, I would suggest to you: How many of those people are going to come back on Sunday and shop after working here in the city for six or five days? Would you not think that they would prefer to stay in their communities and have a day of rest rather than coming into Winnipeg to shop?

**Mr. Leach:** We revert to Brent Stewart's presentation, the very first presentation, that that is fine as long as that option exists to shop locally or to shop in Winnipeg. The concern of those merchants, the concern of those communities is that that constant driving back and forth, which they discourage now, which they wish would not happen as much as it does, would affect the infrastructure to the point where that is no longer an option, that businesses will close up because of that traffic back and forth.

**Mr. McAlpine,** there is no easy answer, and I wish I could put it in stone and write it and hang it on the wall and say, this is what is going to happen. If I

could, I would have Mr. Filmon's job and be doing a great job at it.

We all wish we had the ability to see into the future. These communities are protecting a way of life, and they see this as a threat the way they would any other major issue in the province, and they are responding to it.

**Mr. Chalrperson:** Thank you very much, Mr. Leach. Now call on Susan Hart-Kulbaba, President, Manitoba Federation of Labour.

The presentation has been circulated. You may start at your convenience.

### Point of Order

**Mr. Laurendeau:** I have a point of order. Mr. Chairman, I have too much respect for Susan than to have her read these words on the record. I do not believe that these—

**Mr. Chalrperson:** The member did not have a point of order. The presenter does have the opportunity to make the presentation.

\* \* \*

**Mr. Chalrperson:** Please begin.

**Ms. Susan Hart-Kulbaba (President, Manitoba Federation of Labour):** Mr. Chairperson, I do not have to go into all of this. I know that most of you know that we represent 85,000 union members in Manitoba, and many of them are employed in the retail sector.

I have to say that name-calling is not very appropriate but, frankly, we get into it in fairly great detail here, because we are exceedingly disturbed by what we have seen happen with the government. Again, this government is attacking workers. It has taken direct aim, this time at retail workers with Bill 23, an act which will force thousands of union members and nonunion members to work on Sundays. This act has nothing to do with improving the quality of life for Manitobans. That is really one of the benchmarks that the labour movement looks at when we put policy together and when we respond and react to legislation that is put before us.

This bill continues the flow of antiworker legislation that we have seen from this government and this government has become noted for. It has gained an international reputation for trampling on workers' rights. We have recently put forward



another complaint to the ILO about the actions of this government.

Since coming to power in 1988 we believe that the quality of life for all Manitobans has deteriorated steadily. We have seen people, as we heard the gentleman from Westfair say, vote with their feet and leave the province to seek employment elsewhere. Others have experienced long-term unemployment and social assistance. We have seen those numbers over and over again. The labour movement has commented publicly on those before.

Retired people are paying more for their prescription drugs and personal care home costs. Real taxes have increased and public services have decreased. Organizations representing the interests of vulnerable groups of Manitobans have had their funding cut and their ability to represent and service their constituencies hamstrung.

It is within this climate, this context, that we see Bill 23. We see it as yet another brick in the wall that is growing between an acceptable quality of life and Manitobans. It is harder and harder to maintain. For thousands of Manitoba workers this bill is the end of having only one predictable day of rest with their families and friends.

I want to comment that the gentleman that spoke from Canadian Tire talked about, erroneously, labour taking a position that people would be working seven days a week. That is not our position. Our position is one of concern that there needs to be a common day, a common pause day, where people can be with their families.

These workers, many of them single parents, are going to be faced with many new challenges. For example, what are single parents who rely on child care services in order to work going to do when they find themselves involuntarily working a Sunday shift and their child care service is closed?

Particularly vulnerable are those workers who are not represented by union negotiators. For them the government's promise that Sunday working is not mandatory, that all one has to do is indicate their unwillingness to work on a Sunday, is a hollow commitment. We believe you are well aware of what can take place in this case. We have explained it to some of you individually. We have had this discussion with ministers before.

If a nonunion worker refuses to work on a Sunday, they run the risk of not being called into work for the

rest of the week. The legislation only addresses dismissals. It does not address penalizing them with pay. It does not address shifting them to other jobs. It does not address the issue of not realizing promotions because you are not considered part of the team because you will not put in a Sunday. It does not address any of those things. It simply addresses dismissal.

To say that this is going to solve it is dishonest. We have talked about this before and will continue to talk about it. Trying to justify Sunday working by saying it is what Manitoba needs to get the economy back on track, which is what we have consistently heard from this government, is just nonsense. By making it easier for consumers to spend their disposable income does not increase the amount of disposable income that is available.

Now, we heard the gentleman from Westfair talk about the equivalent of so many full-time jobs—God knows why he said equivalent, because they do not create full-time jobs in that industry anymore—or 165 part-time jobs I think he said, because of the increase in hours on Sundays. Well, we also know that his competitors, because we get pension remittance based on numbers of hours worked, has dropped by 50,000 hours in the same period of time.

\* (0130)

We are not talking about disposable income increasing. We are talking about a shift in market share. This is not new economies. This is not new wealth in our economy. This is somebody else at another place losing a job, while he creates five hours of employment on a Sunday—and he is supposed to be a hero for it—at the lowest wage rate that he has. It is not increasing the amount of wealth we have here. It is simply spreading it over seven days instead of six.

Sunday working does not hold any real promise of increasing the number of jobs in the retail sector. It does spread the assignment of work from six days to seven and, in fact, what we see is longer line-ups on Wednesdays because everybody is working Sundays. It may be an incentive for employers to convert some full-time work to part-time jobs even so that they can spread that 40 hours over seven days instead of spreading it over the five that would have normally been done.

Bill 23 does not necessarily mean that the retail sector in Manitoba is going to be bolstered by extra revenue. While some operations will no doubt

benefit, and we have heard from some that have, we have also heard from some that will not, and the majority of medium and small businesses are going to be saddled with extra operating costs that could well translate into higher sticker prices for consumers or conversely a lower profit margin for the operators, and some do not have any margins left.

When this caucus floated a trial balloon last year to test the waters of public opinion about Sunday working, they chose to cloak it with the spurious argument that it was to reverse the flow of cross-border shopping. Well, this is not a new argument. We have had this one before too. You have heard our comments in the media that the issue of cross-border shopping was not going to be solved by Sunday working. Manitobans were shopping south of the international boundary not because they were frustrated that they could not buy desperately needed products on Sunday in Manitoba, but because they were encouraged by the federal Conservative high-interest-rate monetary policies that kept that Canadian dollar artificially high in relationship to the U.S. dollar. The imposition of the goods and services tax, consumption taxing at its worst, aggravated the situation considerably.

The premise that Sunday working in the retail sector is going to somehow reverse this flow is academically dishonest and a transparent fabrication. We have since heard from ministers, from business—Dale Botting said it on an open-line show with me yesterday—that in fact the issue that has stopped cross-border shopping was the change in the value of the dollar.

The other thing we want to know is where are the results of the government's so-called careful study of the trial period that has been in effect since last fall? When we heard that this was coming out, there was going to be monitoring and we were going to be able to see some evidence before the government made a decision on whether or not they were going to act. Why has that not been released for public scrutiny before this bill was introduced? Why has the trial period been extended without the results of the first trial period being released for analysis by anybody else if there are any? What is being concealed from the public view? That is the only thing that we can see is that we feel that something is being hidden from us, otherwise, all the

statements about why it should be there, it would have been presented to us by now.

We have also heard some members of cabinet have also attempted to justify Sunday working by saying Manitoba has to keep up with other parts of the country. I think the minister tonight talked about other parts of the country and what they are doing with their Sunday working legislation. Vancouver, B.C., which is one of the areas in Canada that is hardest hit by cross-border shopping, has had wide-open Sunday working since 1981—[interjection] No, we do not support it there. We do not support it anywhere, Jack, whoever puts it in. That is why I am here.

The potential impact on small- and medium-size businesses, the quality of family life for workers in communities outside of Winnipeg has obviously created many stresses. I live in a small community outside of Winnipeg. It is starting to be called a bedroom community. Frankly, last week our little hardware store just shut down, because frankly there is a big Canadian Tire 20 minutes drive away that just sucked it dry. We do not have a pharmacy, and I am very worried about the Tom Boy that is in our town. What is going to happen is we are going to be entirely a commuting town that is going to work in Winnipeg, because there are not going to be any jobs left. We laid off some more people in our community, in my little community, last week, another family business.

It has been said by other presenters here tonight, and I am going to say it again that the government displays its lack of courage to take responsibility for its legislative agenda and a lack of leadership in creating a community consensus, frankly, that we had under the previous legislation by offloading the final decision for Sunday working onto individual municipalities. We do not support that. We believe that this government should take a decision. We may not agree with the decision, but we believe that the decision should rest with the province and not the individual municipalities.

The government is fully aware that the only major supporter of Sunday working, the Winnipeg Chamber, will exert tremendous pressure on Winnipeg City Council to endorse it. If successful, this is sure to initiate a domino effect as communities close to Winnipeg will feel compelled to open on Sunday as well to preserve their market share. We heard that from some business people tonight that they felt that, if they were going to be able to

compete, whether they wanted to as a matter of choice, as individuals, entrepreneurs or not, they were going to have to open.

The resulting chain reaction will spread to most other communities in Manitoba making Sunday working a reality whether it is supported or not. You know that gradually widening circle is going to occur at more than just the geographic level. Businesses that supply other businesses with goods and services and the workers they employ are going to be forced into Sunday operations as well, as demand for their services spreads to a seven-day week. I spoke about child care facilities, but what about people who do heating and cooling for instance. They are going to be forced, though they are not a retail operation, if they want to be competitive in their industry, to be responsive to their customers' needs who are now going to be open on a seven-day operation, to be available also to act. So this broadens in terms of who is going to be working.

The divisive nature of Bill 23 is demonstrated by the fact that the Manitoba Chamber of Commerce with its mainly non-Winnipeg membership is officially opposed to Sunday working. In the Manitoba Chamber's newsletter, it is noted that with only one exception, Thompson, every municipal chamber of commerce outside of Winnipeg has gone on the record in direct opposition to Sunday working. I think we heard a bit of a difference of that tonight in the hearings, so I was glad I was here for that.

The Selkirk Chamber of Commerce past president, Jim Gaynor, told the Manitoba Chamber recently that Sunday working is having devastating effects on small and medium-sized independent grocers. Major supermarket chains are the main beneficiaries of wide-open shopping on the Sabbath.

He said: Government programs to build jobs in rural areas will be negated by Sunday shopping. There is little the independents can do on their own. In addition, many small and medium-sized businesses in Winnipeg are opposed to it. The way in which the government is going about this travesty is repugnant and offensive to the democratic process. This is a serious, serious concern for us.

Without the benefit of enacted legislation, the government has effectively suspended laws that are

on the books dealing with retail trade on Sunday. By instructing police to ignore infractions of existing laws, the government has come out of the closet and made it plain that it intends to obey only those laws that it feels like.

There is a stark similarity between the cavalier attitude that the government is displaying as it relates to enforcing retail trade laws that are in force now and the dictatorial manner in which it rides over workers' rights, signed, legal collective agreements, and the collective bargaining process itself.

What will be the next law the government decides to ignore, The Human Rights Act? Legislation governing elections? The Filmon Conservatives have already made it plain that the law of the land should only be obeyed when it does not inconvenience them.

How much of the democratic process is the government prepared to leave intact? In its drive to advance its major corporate agenda, just how much are the Conservatives prepared to sacrifice? Will we see laxer environmental and workplace safety and health legislation in order to give big business yet another cost break? Will we see child labour laws relaxed or repealed?

With so much opposition to Bill 23, why then is the government so intent on forcing it through? The New Democrats have stated they do not support it. Some members of the Conservative caucus do not support it, have said that. Who knows what the Liberals think? I have not heard what the Liberals think. Rural Manitoba seems to be opposed to it. Many small and medium-sized businesses in Winnipeg are opposed to it. The majority of workers want nothing to do with it. Who then is pushing Sunday working?

It was initiated by this government. There was no hue and cry out there. Urban Tories have pushed for this. The major retail corporations are pushing for this. The Winnipeg Chamber of Commerce is pushing for this. Well, is that who the government represents? Is that who the Filmon government represents, major corporations and the Winnipeg Chamber, and everybody else can go to hell?

\* (0140)

### Point of Order

**Mrs. Dacquay:** I do not know if Ms. Hart-Kulbaba recognizes that we are sitting and that we have

certain words that are deemed to be parliamentary and nonparliamentary. It was my understanding that everybody was supposed to be cautious in terms of the language that was put on the record.

**Ms. Hart-Kulbaba:** Mr. Chairperson, I would certainly apologize for any unparliamentary language—and everyone else go jump?

**Mr. Chairperson:** Thank you very much. Continue.

\* \* \*

**Ms. Hart-Kulbaba:** The Tories are using their government power to send an unmistakable message to the people of Manitoba and our major employers. Consumerism and whatever legislation it takes to advance it has a higher priority than family values, and our members really believe that.

It has a higher priority than the religious values that promote family togetherness and worship on Sunday, and are you comfortable with that? Obviously, you are.

It is interesting to note that Conservative MLAs sitting in this House are not pushing through changes to their own working hours. I am not saying that people do not work on Sundays. I am saying that there is no policy enforced that puts people in a position of having no choice, that they must work on Sunday. There is no policy to that effect.

**An Honourable Member:** Neither does Bill 23.

**Ms. Hart-Kulbaba:** It does. It does not—

**An Honourable Member:** I am sorry, my dear—

**Mr. Chairperson:** Order, please.

**Ms. Hart-Kulbaba:** We can get into this when I am finished.

**Mr. Chairperson:** I am sure the person will be able to take questions. Continue.

**Ms. Hart-Kulbaba:** There has been no suggestion that everyone must report to offices in this building on Sunday. If you are so determined to push through Sunday working, why do you not adopt a policy that reflects that zeal for your own caucus?

When the day is done, government must be accountable to the people in Manitoba on this and many other issues, and it should have the courage to either govern in the interests of all Manitobans or

call an election to get a mandate for an agenda. Thank you.

**Mr. Storie:** I want to thank Ms. Hart-Kulbaba for her presentation on behalf of the Manitoba Federation of Labour.

I guess I certainly find it quite surprising that we have such an interesting array of people before committee tonight, on the same side of one issue. I cannot remember the last time that the Manitoba Chamber of Commerce, the Canadian Federation of Independent Businesses, the mayors of communities in Manitoba and the Manitoba Federation of Labour agreed that a course of action that this government has set upon is wrong, wrong, wrong.

I guess my specific questions on the presentation are several, but the first one is on the issue of the trial period. Like the MFL and like the Manitoba Chamber and others who have presented, I guess I was expecting that the government would have something more substantive to show us with respect to the impact of this legislation on, particularly, rural Manitoba.

I am wondering whether the Federation of Labour has, other than the number of hours, I guess, of employment lost in the retail sector, any information on the impact on small businesses and the potential cost of this legislation for small businesses in outlying areas.

**Ms. Hart-Kulbaba:** No, the only information that we have on that is what we get from the chambers in terms of what their members tell them and the CFIB.

**Mr. Storie:** Mr. Chairperson, through you, the Canadian Federation of Independent Business suggested that, in the retail sector across Manitoba, about 57 percent, I think was their figure, of businesses opposed this legislation. You asked the question, who is supporting this. Who is supporting this?

**Ms. Hart-Kulbaba:** Well, we have heard who supports it. The Winnipeg Chamber supports it. Apparently the Thompson Chamber supports it. Susan Thompson has stated publicly she supports it. So we have seen sort of what Winnipeg city councillors have done in terms of splitting.

We have heard some Tory caucus members say that they do not support it, and we have heard other Tory caucus members say that they will wait until the trial period is over before they decide what to do, but

we have no information about what the trial period showed so we do not know why they are taking a position now to proceed with legislation.

**Mr. Storle:** Finally, dealing with the issue of responsibility of the provincial government for this type of legislation, apart from the general question of leadership, what are your specific concerns about allowing municipalities the right to make this decision?

**Ms. Hart-Kulbaba:** Mr. Chairperson, we have some concern that we should not two-tier rights of workers in this province, that what is a right of a worker in one part of the province should be a right of a worker in another part of the province.

We are also very concerned about the impact in employment standards departments. If some municipalities move forward with this and they have no way to take the complaints, et cetera, it would be up to the provincial department to handle any complaints or violations of dismissals—none of the other things, of course, no lack of promotion, no lack of hours, those kinds of things as punishment for not accepting, just the dismissals.

That creates some concern for the employment standards branch, who is going to have to be responding differently in different municipalities to the kinds of requests that come forward in terms of complaints.

**Mr. Storle:** Mr. Chairperson, I guess I have attempted to get into this area with a number of the presenters and that is a question of why in North American, why in Canada, why in Manitoba we need Sunday shopping.

I am wondering whether you can share with us any of your experiences from your international contacts with other labour bodies about the experiences in countries like Denmark and other European countries where there is no Sunday shopping. How is it that they can manage without this and give a pause day to workers in those countries in this sector?

**Mr. Hart-Kulbaba:** They have just determined that that is important to their society so that is what they do. They make sure that no one has an unfair advantage over anybody else and that there is no push for some to be open and others not to be.

I think part of the issue arises with the different kinds of cultures. There was a significant compromise made by the labour movement with the last legislation, and I think it was a good community

compromise, in that some consumers demanded some services and we were prepared to ensure that there were limited openings to address this issue.

By some of the talk that I heard up here tonight, people think we do not have Sunday opening right now and it is a travesty that we do not because consumers are somehow being denied the opportunities. Well, that is nonsense. The stores are open. They were open with the previous legislation. No one was denied any opportunity, no one was denied any choice, but it was limited so that its negative impacts were minimized for workers, for small businesses, for those who would not support this but are prepared to say, there are some things that need to be dealt with on Sundays.

We are prepared to provide that to the consumer, to the tourist, whatever. It will not be flashing wide open, and it does not need to be in order for us to provide that. It was a good compromise. It met the needs of the consumers, and that is why we did not have consumers screaming at our doors, because they could go. Well, they had to wait in line an extra 15 minutes, but if they really wanted to go there, and that is how they wanted to spend their Sundays, then they could go and shop. Nobody was stopping them from doing that.

I really feel bad for these people who shop for entertainment. My God, we have got to get them lives, folks. We have to teach them how to party or something, because this is not a great way to live, to shop for entertainment.

\* (0150)

**Mrs. Dacquay:** Ms. Hart-Kulbaba, are you aware that the hours that all legislators in this Assembly work are through an all-party agreement?. Indeed I want the record to show that I am sure that all MLAs, regardless of their political stripe, work countless hours on Sundays, have, and continue to do so.

**Ms. Hart-Kulbaba:** No, I was not aware of that all-party policy. Part of what happens is that people who make presentations to public hearings bring with them only the information that they have, so I appreciate the fact that you have provided me with further information.

**Ms. Rosann Wowchuk (Swan River):** Mr. Chairperson, just a couple of questions and comments that I would like to make. As a rural member, I have great concerns about what the impacts of this legislation is going to have on rural

Manitoba, and what impact it is going to have on the quality of life, because I think we are going to see a drain on rural Manitoba and we are going to see services reduced and we see businesses close, so that is one of my main concerns.

But I want to address something else that you have raised in your presentation and that is child care services. Many of these people who are going to be required to work on Sunday are, as some other people said earlier, single parents, and need child care service. Unfortunately there are many daycares that are not open on Sundays. I want to know whether you or your organization has done any analysis of this, or has had this concern raised to you by workers who feel that they have to work. I know the legislation says they do not have to work, but when they are on limited hours they want to put in those hours and they are worried about not coming back.

Have you looked at that? What are the impacts going to be, and how are child care services going to have to be changed in order to meet the needs of these people?

**Ms. Hart-Kulbaba:** I think that that is something that the Manitoba Child Care Association, if this legislation goes through, is going to have to seriously address through their ability to access parents, et cetera, and the network that they have already through the established centres and the family day care practices, et cetera. What I have heard from is individual workers, mostly nonunion.

I ran into one woman who works at a hairdressing shop in one of the malls in Winnipeg, and she could not refuse to do somebody's hair on Sunday, because the customer was in the mall shopping for something else, wanted to get their hair done. She was losing long-time clients whose hair she had done for years if she did not go in, and then she becomes less and less useful to that hair salon, so she was staying in.

But one of the things that had happened to her was she was a single parent, and she has a preschooler. It was causing significant problems for her because there was no child care to watch the child. In fact, her ex-spouse was using that fact in a custody battle, that she was not available to parent anymore, and that this child was going to be unduly harmed by having to be with another set of strangers than they were with in terms of child care all week.

She was really upset, crying on the phone to me that now this—she is into a custody battle because she has to work on Sundays and she has no care. She has no family in the city. Those are the kinds of human stories—I tried to suggest to her that she should call the MLA for that area, the area that she lives in and the area that she works in, and speak to them about it. But a lot of these people do not understand the legislative process. They do not understand that they have access to committee hearings, et cetera, and so they were just looking for whoever they could talk to try and help them with this problem. She was going to lose her kid and she was scared to death.

**Ms. Wowchuk:** That is a serious concern, and we will see there are not services to meet the needs.

The other area of service that has been brought to my attention that I do not think has been addressed is that not all people who work are fortunate enough to have vehicles in the city of Winnipeg. The bus schedules in the city are different—you have to bear with me for a minute as I am not from the city and I am not all that familiar with bus schedules, but I understand that schedules are not the same on Sunday as they are on other days of the week.

Those people are very concerned that this is also going to put additional pressure on them, and again, in some cases, they might not be able to get to work. Has that concern been brought to your attention as well?

**Ms. Hart-Kulbaba:** Yes, in fact, it has been raised with us. It has also been raised with us that that may in fact change the scheduling impacting on the transit budget for the city of Winnipeg and impacting on other workers who would have had enough seniority not to be driving Sundays and holidays anymore who would now be forced back into working Sundays, but they had not been before.

So, again, it goes to more and more services that are not necessarily retail, but in order to provide service to the retail sector and those employees and the kinds of businesses that they do, it is going to impact on other service sectors, too, and some manufacturing likely.

**Mr. Chairperson:** Thank you very much for your presentation, Ms. Hart-Kulbaba. Oh, pardon me. Mr. Minister?

**Mr. Stefanson:** Thank you, Mr. Chairperson. Ms. Hart-Kulbaba, having listened to you in reading through your presentation, I think unfortunately,

from my perspective, it detracts from your presentation with some of the inaccuracies in it and some of the issues you leave hanging with questions that leave certain impressions that, again, are inaccurate.

Having said that, I do have one specific question. At the top of page five, you say that the majority of workers want nothing to do with it. I am wondering what you base that on, whether you have done a survey of some of your workers, your total membership, whether you have done a survey of your membership within the retail sector, what you are basing that particular statement on?

**Ms. Hart-Kulbaba:** We are basing it both on policy that has passed democratically by our conventions where workers who are affected—and I am not just talking about retail workers because as I have said in here it does impact on other workers, too—who have discussed this, have debated it at their own workplaces, have brought forward resolutions, have debated it and it has passed our own conventions as well as the kinds of calls we have been getting in, the kinds of supports we have been getting from workers in other sectors who complain to us all the time.

We wanted to try and do some surveying, but could not get into the nonunion workplaces. We were not allowed to distribute surveys to nonunion workers in the retail sector, and so without the employers allowing us access to them, we have no way of reaching them. We have no mailing list with which to reach them.

But certainly the calls that we got in our office were all antiworking and were concerned about it. When we spoke out in the newspapers we got many calls from nonunion workers thanking us for taking a position. We have received calls after phone-in shows as well and during phone-in shows on radio.

**Mr. Stefanson:** I guess my concern with an emphatic statement like that, without anything to substantiate or back it up, is I have heard from many of your members as well on both sides of the issue. Some who have contacted me opposing wide-open Sunday shopping; some who have contacted me supporting it, because they feel there are a few extra hours and they appreciate the opportunity to do that.

My concern is, when you make a statement like that, I would expect or hope that it would then be backed up by something that would substantiate it and not the results of one meeting where some of

your members are expressing an opinion. I do not think that that necessarily can lead one to the conclusion to suggest that the majority of workers want nothing to do with it.

Unless somebody can show me, I do not know that anybody at this table can make an unequivocal statement on either side of that issue as it relates to workers in Manitoba.

**Ms. Hart-Kulbaba:** It certainly was not just one meeting. If you understand the process of our conventions, those are many, many meetings amongst many workplaces, not just individual unions but individual workplaces represented by those unions who bring forward positions and debate them thoroughly. So there has been quite broad debate within our community on this issue.

I must say that there are some workers who are financially desperate enough to say that they will work Sundays, and some of them do not have the kinds of responsibilities that would be a barrier to them doing that like some of the students. If that was only the case, what we heard was a creation of jobs. What that means is they have created—Westfair, for instance, has created a bunch of jobs by hiring some students to work on Sundays.

It really is not a creation of wealth, and it just spreads the poverty around. It spreads the economy around to more people, but it does not improve the economic situation of Manitobans in general.

\* (0200)

**Mr. Stefanson:** I just have one other question. Again, I cannot find the page, but it was referred to earlier, your concern about single parents. We recognize that concern. I guess the question I would have is, you are obviously not concurring with some of the research that has been done in other jurisdictions that indicates that amongst the people who are most supportive of the opportunity to do some shopping on Sunday often are single parents.

Again, just the feedback that I get from some of them is, even if they work what we might call the traditional Monday to Friday job—which is not so traditional anymore—and have a family, and Saturdays tend to be activity days, with many children, whether it is sports or artistic events or whatever it might be that Sunday is an opportunity for them to do some of the personal things they need to do. Shopping often is one of them.

Certainly, there is a significant element within that category that is quite supportive of the ability to have wide-open shopping on Sunday.

**Ms. Hart-Kulbaba:** I think that there are a couple of responses to that, Mr. Minister. One is that that was done in a fairly different climate in terms of attitudes. I think that survey was done in the province of Ontario. Just to show you the difference of opinions, all the chambers in Ontario were supportive of wide-open Sunday shopping. They are not here. There is a big difference in attitudes. I think we have to be clear about what the consensus is for our community here.

In terms of people taking advantage of a convenience that is already there, as opposed to clamouring and demanding as consumers, wide-open shopping, as I said, we are not suggesting that there should be no shopping for these people. In fact, we do not have a position that there is no shopping. We have a position of limited shopping. If a single mom can fit in the time to do that, she is certainly welcome to go do that. There are lots of places for her to do that without going to full wide-open shopping impacting on more and more people.

We have given her the choice. We have given him the choice to do that already.

**Mr. Stefanson:** You referred to the chamber in the province of Ontario, and I think any provinces dealing with the issue of wide-open Sunday shopping, there is no consensus, and in many respects it is not an easy issue to deal with.

I am wondering whether you were aware, just because you refer to them, we had a presentation from the Canadian Federation of Independent Business who, not putting words in their mouth, but they indicated to us from a question I asked that they found a similar situation in Ontario and in other provinces that are looking at wide-open Sunday shopping. So, I think, the issue of the reaction of communities, the reaction of the public is probably fairly similar amongst many of the provinces.

**Ms. Hart-Kulbaba:** I can only go by what I have heard here tonight. There have certainly been a lot of people who have been expressing their disappointment with the legislation coming forward.

**Mr. Chairperson:** Thank you very much for your presentation, Ms. Hart-Kulbaba.

I will now call on Mr. Schellenberg from Independent Jewellers. Do you have a written presentation?

**Mr. A.D. Schellenberg (Independent Jewellers):** No, I am sorry, I do not.

**Mr. Chairperson:** That is okay. You can proceed.

**Mr. Schellenberg:** I am here on behalf of Independent Jewellers. We have two retail locations, also two Time Centre stores in Polo Park and St. Vital. We are what is referred to as small business.

I think we have heard and we know the importance of small business in Canada and the effect that it can have, and the things that small business can do in Canada. I have to agree with some of the speakers that wide-open Sunday shopping will hurt small business and aid the cause of big business.

I do feel that there will be a shift of business. They have the sustaining power to hold out where small business does not have that ability. I think we all agree that we are in tough economical times at the moment and there is not a surplus of funds around, so opening on Sundays does not increase business. It rather spreads it around which means that expenses increase and ultimately the merchandise will increase in price as well.

Having the two stores in the shopping centres, Polo Park and St. Vital, we did try Sunday shopping for four to five weeks. At the moment we are not open on Sundays for two particular reasons. First, most of the staff were not willing to work on Sundays. We were going to try another extra week or two of experimental work, but the staff refused to volunteer, so we could not try it. Secondly, we found that the sales did not warrant being open on Sunday.

(Mr. Jack Penner, Acting Chairperson, in the Chair)

So I suppose as a result of this, we feel pressured or forced to do things we do not want to do if the legislation comes to pass. If it does pass that wide-open shopping is available, even though we would not have to necessarily work if there is provision for that, the owners at the shopping centres would make us by virtue of our contract with the shopping centre. We would have to be open. Our contract with them reads that if the law permits, they can make us to be open the hours that the



shopping centre is open. I am glad to see there are shaking of heads because that is my understanding.

Also, I am a member of the Portage Avenue M.B. Church on Portage Avenue. We have approximately 550 members. The issue of Sunday shopping has been discussed a number of times, and it is our conviction that Sunday shopping will not help to build the community.

People need time off. They need rest. It is much better if the public would choose one common day of rest each week rather than have each working member in the family have a different day off. The family should have the opportunity of being together.

I just returned recently from a visit to England. I noticed that businesses there were closed most evenings, Sundays, and even some Saturday afternoons. When questioned how they could afford to close for so many waking hours, the reply was, quality of life is too important. We need to spend time with our families. They said, we have ample time to do shopping. We do not need the extra time.

A few months ago, former President George Bush addressed the Partners in Pride Conference of Virginia Patterson Group at the west coast. In the question-and-answer period that followed he was asked, what is the biggest problem facing America today? Without hesitation he replied, the breakdown of the family unit.

Ladies and gentlemen, it is within your power to make a difference in the quality of life for the people of Manitoba. By restricting shopping hours, you will move in the right direction. Thank you for listening.

**The Acting Chairperson (Mr. Penner):** Thank you, Mr. Schellenberg. Are there any questions?

**Mr. Storle:** Mr. Acting Chairperson, I want to thank Mr. Schellenberg for being here at this hour.

**Mr. Schellenberg:** I thought it was important you should hear from an independent.

**Mr. Storle:** Hear, hear. I did not hear all of your remarks, but I did catch the last few minutes. I wanted to ask you a general question. Certainly, we have all heard some specific concerns with the legislation, but you have raised the question of its impact on family values.

I guess my question is, as an independent, as a businessman, a member of the community, are you

saying you are prepared to make an economic sacrifice to do what you believe is right for our society and our families, families within this society?

**Mr. Schellenberg:** I would say, yes, but I guess with some reservation. I guess if it would have meant closing down the business I might change that, in all fairness. But if we can hold out, I would like to hold out.

**Mr. Storle:** Mr. Acting Chairperson, I assume, however, you are here and making a presentation based on the assumption that Sunday shopping is not a necessity.

**Mr. Schellenberg:** Absolutely not, in my opinion.

**Mr. Storle:** A final question to Mr. Schellenberg. If the government was given an alternative to wide-open Sunday shopping, if the government was given that opportunity, what should the government be prepared to do to protect businesses outside the city of Winnipeg?

**Mr. Schellenberg:** To protect businesses outside of Winnipeg?

**Mr. Storle:** Yes.

\* (0210)

**Mr. Schellenberg:** Well, I think first of all the legislation should be from the Province of Manitoba and not by municipalities. It should be fair. I was hoping the law would not change, that it would stay the way it has. I think there are emergencies that have to be met, and I think those have been met in the past.

We have talked about level playing fields a lot this evening. I believe small business does need an advantage and, if big businesses open, small business cannot compete. As I say, our staff did not want to work. We did not force the issue, but it makes it very difficult.

**The Acting Chairperson (Mr. Penner):** Any further questions?

**Mr. Storle:** I do not have any further questions.

**Mr. McAlpine:** I have just a couple of comments. You made mention here of small business. Mr. Schellenberg, you are a small businessman and 80 percent, as you know, of the economy is based on the revenue that is generated by small business. Do you have any idea where the small business generates their revenue from in terms of big business—small business, do they not need big business to survive as well?

**Mr. Schellenberg:** Do you mean in the sense of competition or suppliers or what were you referring to?

**Mr. McAlpine:** In terms of, if we did not have the big business, would there be small business?

**Mr. Schellenberg:** No, I think we do need both. I really do think we need both, but I think the playing field has to be fairer and, by being fairer, it need not be exactly on the same level. With big business not being open on Sunday as the law used to be, I think it makes it fairer for the small business, for the small corner grocery store that wants to be open.

**Mr. McAlpine:** The way it is now, they can stay open regardless, whether they are a small business or big business. Would you not think that it is more fair for big business and small business to have the same playing field?

**Mr. Schellenberg:** Well, big business, as we have heard, has much greater buying power. I think small business, if it is four or less to be open, I think that makes it fairer for them compared to big business.

**Mr. McAlpine:** Well, I guess we will just have to agree to disagree on that point.

I wanted to get on to another aspect of a breakdown of the family unit and in terms of what you are saying as far as the representation or the church element that you have of 550 members within your church organization. You alluded to suggest that there was a disagreement or dissatisfaction with the issue of Sunday shopping within your church organization.

**Mr. Schellenberg:** I think what I did say, if wide-open Sunday shopping happens, we feel it would not help the quality of life because I think the family unit is important. I think I should point out, as President Bush said, that seems to be the crux of their problems in America, the lack of family unity or the breakup of the family unity.

**Mr. McAlpine:** Just on that point, though, if you say the breakdown of the family unit, the breakdown of the family unit existed before we even had an issue here of Sunday shopping. That was existing long before this issue even came up.

**Mr. Schellenberg:** I agree it has, but I think this will make it even more so. I think we are going in the wrong direction.

**Mr. Laurendeau:** Mr. Schellenberg, what do you think of the opening up at certain times, such as the Christmas season and the summer?

**Mr. Schellenberg:** If wide-open Sunday shopping were to become law and we would try and hold out by staying closed, I do think we would have to, for the sake of market share, be open during the Christmas period, because we would lose too much market share. If you lose market share, you cannot stay in business.

**Mr. Laurendeau:** You made one comment about the commercial tenants' lease, and there is a provision within the legislation that prevents that from happening.

**Mr. Schellenberg:** Well, I am glad to hear that. I thought that was only during the trial period. Okay, I am glad to hear that.

**The Acting Chairperson (Mr. Penner):** Thank you, Mr. Schellenberg. Are there any questions?

**Mr. Storie:** Mr. Acting Chairperson, just so the record is perfectly clear, of course, there are groups, including the groups representing mall owners, who are going to be making representation asking for that what they call loophole, to be closed, so that they will be allowed to enforce the contract. So that proposal is still out there.

**Mr. Stefanson:** Mr. Acting Chairperson, I cannot leave on that note, because the legislation is clear that you cannot be forced to open, and you will have the choice as a retailer. So I do not want you to be misled, not necessarily intentionally, by Mr. Storie's final comment.

I do want to thank you for your submission. I agree with you on the importance of family, recognizing it is the single most important issue from my perspective in our society and give you certainly my assurance that if I in any way thought this legislation was going to have a negative impact on it, I would not be supporting it. So I guess we will agree to disagree on that, but I will agree with you on the importance of family.

**Mr. Schellenberg:** Thank you very much. I appreciate that.

**The Acting Chairperson (Mr. Penner):** Thank you, Mr. Schellenberg.

The next presenter is Mr. Borowski. Would you come forward please, Mr. Borowski? Have you a written presentation, Mr. Borowski?

**Mr. Joe Borowski (Private Citizen):** No, I do not.

**The Acting Chairperson (Mr. Penner):** Would you proceed then, please?

**Mr. Borowski:** Yes, thank you, Mr. Acting Chairperson. I appreciate everybody is tired and usually gets cranky about this time of the morning. I do not envy you being elected today. I really want to thank you from the bottom of my heart for really being concerned about what citizens think by staying here and listening. It is a long time. You have all had a long day, and you are going to have a long day tomorrow.

If this legislation is passed, and I hope it is not, I hope that the government is going to practise what it preaches and is going to impose on Manitoba, and that is, that you will consider having hearings and sitting on Sunday like the rest of us.

If you are going to be consistent, then the Legislature should sit and committee hearings like this should be on Sunday. After all, it is the logical time, people work during the week. They cannot very well come to the Legislature and listen to the debates. Sunday we have a day off. It would be a great time to come down when you are sitting and listen to the debate.

I have three points that I would like to deal with as briefly as possible. I realize that some of it will be repetitious. One is the family consideration. We know how many parents, both parents, work today. Family life is not exactly thriving by all statistics that I have seen, and by getting a family to work on Sunday, the real losers will be the kids who are neglected badly enough as it is. I am not pointing any fingers, but that happens to be a fact. Sunday shopping will just make that that much more difficult.

The second item is the religious. This is a Christian country and according to the statistics in Globe and Mail this morning, 85 percent of Canadians still believe in God. Most of them, I hope, practice the Ten Commandments, whatever their respective churches teach, although we all sin occasionally, some more than others. Nevertheless it is a Christian country, and Sunday is important. As a matter of fact, when I visited Poland a few years ago—here is a communist country under a hard-line regime, Sunday was sacred—everything closed down on Sunday, except the essential services which we used to have down here.

(Mr. Chairperson in the Chair)

I find it strange that a Christian country, a democratic country, after 100 years of fine-tuning legislation to make life livable and decent and easy for us, would come around with legislation like this that is going to disrupt family life and cause all kinds of difficulties, economic would be one of them.

The last, third item is the economic cost. If you open the seventh day, you do not have to be an Einstein to figure out what is the extra cost, if you are employing 10 people six days a week, you have to employ them on Sunday, what is the cost? Is it 13 percent? You know, if you passed legislation on GST or ST or workers' compensation or income tax and said we are going to increase 13 percent, you would be run out of town, but, in fact, to business people that is what it is going to mean.

\* (0220)

Now, I am an independent businessman, and I have one full-time employee and two part time, and no matter what the legislation is, I have no intention of opening on Sunday. But there are people not as fortunate, not as successful as our business is, and they may be forced by competition. I do not know what some of these stores that people have spoken of pay. Okay, I know that Superstore and Safeway pay very good wages because they are unionized. I do not know about Canadian Tire, but regardless you are looking at about \$15,000 per employee per year if you use those figures.

So where is this money going to come from? There are only so many paycheques, and if they spend it one day they are not going to spend it on the next day.

I heard the figures here given by two of the companies how much their sales have increased. There are only really a couple of ways you can increase your sales. One, if immigration is good. Do we have immigrants coming into Canada? Has our immigration increased to the point where this store can report 44 percent sales? You can get it by increasing your wages, 44 percent. I have not heard of anybody getting that kind of an increase. Or you can get it by cross-border shopping, that is North Dakotans coming here or Ontario or Saskatchewan. If you are not doing that, and we are not—I think our population is fairly stable in Manitoba; we have not gained anything, no reflection on the government—then where is the money coming from? Where are these enormous sales increases I heard tonight coming from?

It can only come from one place. Small businessmen and rural communities, and these are the people who are suffering. This is a brutal recession. I do not have to tell you; you are politicians, you know what is going on. This is a brutal recession, everyone is suffering. Some of them self-inflicted like Air Canada and PWA, one is trying to run the other out of business by outrageously low fares. But basically it is a problem that is not this government's fault, not the Mulroney government's fault. There is a world-wide recession and everybody is suffering.

Opening on Sunday, if somebody could stand up here and prove that opening Sunday is going to end the recession, I would have great difficulty arguing against it, but I know it is not going to happen. I do not understand why this government, which I consider a friend, would be bringing in legislation to alienate their friends, the people who talked here—religious Mennonites and Hutterites vote, too, Catholics, others. Why would you bring in legislation to please a small number—Winnipeg Chamber of Commerce will not elect you to office either side—and alienate all of these other people who are good friends, good citizens, good business people and good workers? From a political point of view, it makes absolutely no sense to me why you would do that, insult your friends.

Your Premier, who I consider a very good man and a good Premier, has already done that. What is her name? Loudmouth Kim Campbell insulted a leader of my church. You know, the comments she made and you also know that she thought that Canadians who do not participate in a political thing are SOBs. When he is interviewed by the press, they ask him, what is your comment? He is supporting her. He did not say, if it happened in here or in the Legislature, if somebody had used the wrong language, you would say, I demand that you withdraw and apologize. He is going to continue to support Kim Campbell. That is an insult to me as a Catholic because she attacked my leader, the Pope, and it is an insult to Christians generally across this country.

Now you are bringing in another insult to the same religious people by bringing in this legislation which is not wanted. As somebody pointed out, there is not 500 people lined up saying, we want this government to bring in this legislation for Sunday shopping. I cannot, for the life of me, think of why you would want to do that.

If you are going to go through with this legislation, then I think that you should be consistent. This government should be consistent.

There are a lot of services that I think we could have on Sunday that we do not have. For example, services that you run. If I want to get my drivers licence, have my picture taken, I cannot do it on Saturday or Sunday. What about the liquor store? There are a number of other government businesses.

I mean, if you are going to tell us that we can be open or force people to be open, then how about doing that yourself? If you really want to serve the public, then how about opening up your own businesses and the two of them I mentioned? I am sure there are other ones that you can think of that the government is involved in. Let us all be in business. Maybe the judges should work on Sunday.

We spent tens of millions of dollars building these beautiful buildings. I should know. When I was minister, I built some of them. What are they doing? They are sitting most of the time. More than 50 percent of the time, there is nobody in there, so maybe we should put the judges to work, too. I mean what the hell, pardon me, they are not any better than any of you or the rest of us. Let them work on Sunday, too. Let us be consistent and say we are going to have Sunday work for everybody. Then maybe some of us will be able to swallow this line of argument.

I think that the government is making a mistake in bringing in this legislation. I think the government should back off, but if it should be so foolish as to go ahead—and again, I want you to understand, I say this as a friend, seriously. If you are so foolish as to go ahead, then it should be at least uniform. The idea of having each municipality bring in their own legislation is just ridiculous. Could you imagine, as somebody pointed out, if you had different speed limits? What about beer parlours? Do they close at twelve o'clock? The guy in the next town says, well, we will stay open until two o'clock. The town further on says, well, we will stay open until three o'clock.

I mean, you can look at the municipal by-laws and you can have a terrible mess. You would have competition and nothing but confusion for the public—certainly for the travelling public—and for tourism. Each town you would go in, you would

have to stop some place and say, would you folks tell me what your rules and regulations are as far as shopping? It is just ridiculous.

So if you are going to go through with it, and I urge you not to, at least say we are going to make the legislation as we do on speed limits, hunting, fishing, all the things that are under our jurisdiction. These are the rules, these are the regulations, everybody is going to be treated fairly.

As far as having an even playing field, I heard two of the presenters here talk about an even playing field because they want to have market share. Is it not remarkable? You as politicians should understand that. What were they after? They did not say as you would say, and as I would say, I want to serve the public. The reason we want to open is we would like to serve the public.

Not one of them said that. They want market share. They want to protect their territory. That is all. They do not give a damn about you. They do not give a damn about the public. If they want to serve the public, I will tell you what they can do. They can do what they do in Phoenix, a place in the States.

I visit Phoenix every winter and tell you, I love going down there. First of all, there are thousands of Canadians there, a lot of my friends and customers, and the stores are open 24 hours a day. Now, these people really want to serve the public. They close on Sunday.

When I left there, there was a big fight going on. One of the stores, Smitty's, broke the Sabbath and went to court and said, we want to have Sunday shopping. But six days a week, these stores are open 24 hours a day. Now that, I say, these people are sincere when they say, we want to serve the public.

These clowns, not one of them, is interested in serving the public. They are interested in this thing here. They do not give a damn about the public. They could turn around under the present legislation, I believe, stay open later, and if they cannot, they could come before this committee and say, look, we do not want Sunday shopping, but at least allow us to do what they do across the line and stay open till midnight or two o'clock or all night. If the people cannot get enough shopping in six days, 24 hours a day, then there is something wrong with that household, how they are running their affairs.

So, Mr. Chairperson, I have four pages of things I would like to say. I am not going to say them. I am simply asking you to seriously consider to withdraw this legislation. It is not needed and it is not wanted and it is not going to do you any good unless you want to sit in the opposition the next election, and I do not think you do.

Thank you very much.

**Mr. Chairperson:** I would like to thank Mr. Borowski for his presentation. Are there any questions?

Thank you very much for your presentation, Mr. Borowski.

**Mr. Borowski:** You are welcome.

**Mr. Chairperson:** At this time, I would like to inform the committee that the committee will come back at eleven o'clock tomorrow in Room 254.

The people who will be presenting are Ms. Toby Oswald with Canada Safeway, Mr. Charles Finnbogason with Bramalea. We have already called once Mr. Walter Kucharczyk and also Mr. Ken Nolan.

We would also be calling Ms. Joan Seller, Mr. Paul Moist with CUPE and Ms. Darlene Dziewit with the United Food & Commercial Workers, Mr. Randy Cameron along with Mr. Art Kerr with the Manitoba Association of Shopping Centres and Reverend Cliff McMillan.

Committee rise.

**COMMITTEE ROSE AT: 2:26 a.m.**

### **WRITTEN SUBMISSIONS PRESENTED BUT NOT READ**

Attention: Committee Hearings for Sunday Shopping

I am strongly opposed to the proposed legislation to permit Sunday Shopping for the following reasons:

1. Sunday is the Day of the Lord and a day of rest. Employees involved in the retail trade are entitled to this day of rest.
2. There are only so many dollars available for the retail trade. One more day of shopping is not going to make more dollars available to the retailers.
3. One additional day of shopping is only going to increase the cost to the retailer, who in turn is going to pass this added cost to the customer. The

middle- and low-income earners can ill-afford this increased cost in our depressed economy.

4. One of the arguments in favour of Sunday shopping is to curb cross-border shopping. British Columbia has had Sunday shopping for several years and it has not stopped cross-border shopping.

I trust your committee will give favourable consideration to these reasons in dealing with the proposed legislation.

Respectfully yours,

Fern and Jeanne Marion

\* \* \*

Members of the Standing Committee:

My name is Stan Phillips, I am an independent I.G.A. retailer in Brandon.

We have been operating our store in Brandon for 17 years with a staff of 23, and also our store in Rivers, MB, with a staff of 17.

Our store in Brandon has been open on Sundays for the past nine years. We found, because of the larger corporate stores that were opening and expanding in our trading area, that we decided to open Sundays to at least retain our share of the market and continue doing business.

During the past year, since two of the larger corporate stores started opening on Sundays, we found our volume of sales drop by 47 percent, along with a reduction of our Sunday staff.

We would like to see the government look at reducing the number of employees to three on Sundays, in this way eliminating any chance of the corporate stores from opening.

As we all are aware, the corporate stores seem to have an unlimited resource for pulling out all stops in doing business in our communities.

We, the independent group, provide over 75 percent of the jobs created in this country and we would like the government to recognize this issue as it is vital to our survival in the retail food industry.

We would hope that this committee would recommend the reduction of staff from four to three on Sundays, enabling smaller independents like ourselves to do business in our communities.

In our city alone, we have had at least six smaller independents close with a few more to follow in the near future.

Your consideration on the above issue is important to our survival in the marketplace; "Remember we are the small cog that makes the big cog go around."

Thank you.

Yours truly,

Stan Phillips

\* \* \*

Dear Mr. Reimer,

I write to convey the comments of the Manitoba Association for Rights and Liberties (MARL) on the legislation, presently under consideration, which governs the operation of business on Sundays. MARL is an organization of people of many ethnic, religious, and economic backgrounds which seeks to ensure that the human rights and civil liberties of Manitobans are not abrogated.

Our comments are not on the specifics of Bills 4 and 23, but rather state the general principle on which we consider this, and any similar legislation, should be founded.

There would seem to be no reason why Sundays, or any other day selected for religious reasons, should be reserved as a mandatory day of rest. To do so may cause offence to the many Manitobans who adhere to other religions or to no religion. Consequently, we do not oppose the operation of business, or, indeed, of government offices or of any other employer, on Sundays. We do oppose any restrictions placed upon the activities of any employer, or on any other commercial or noncommercial activity, where these restrictions are made for religious reasons or sentiments. In particular, we see no justification for the restriction of business activities on Sundays, or on any other religious holiday. Rather, we see such restrictions as likely to promote discrimination or social disharmony.

Additionally, nondiscriminatory provision for leave from work for religious observance exists in the Manitoba Human Rights Code. The code requires employers to make reasonable accommodation for employees who wish to be absent on religious occasions. If it is found that the code does not adequately provide this protection, then it should be strengthened to provide all religious adherents equal opportunity to meet their respective religious obligations.

Further, it is our view that Manitoba's labour legislation can provide adequate protection for employees to prevent employers from requiring overlong work weeks. If this protection is not adequate, the legislation should be strengthened.

Thank you for this opportunity to participate in the review of Bills 4 and 23.

Sincerely,

Elizabeth R. Sellick, per M.C.  
President, Board of Directors

\* \* \*

To: Bonnie Greschuk  
Committee Secretary

From: Neil Stewart, President  
Roblin & District Chamber of Commerce

Realize the consequences of this legislation on Manitoba. The transfer of decision making from the provincial realm to the municipal realm will affect our community.

One hundred and six rural municipalities, 36 towns, 38 villages, 17 LGDs, 5 cities, 1,012 councillors or aldermen, 202 mayors and Reeves—to gain consensus among all these people throughout the province would be difficult. Bill 23 demands that all these people will make decisions affecting the retail economy of our province. Inequities under the present rules are evident when 17 aldermen decided for the city of Winnipeg of approximately 600,000 citizens that holiday retail shopping would be permitted. But what of the rest of Manitoba? How many contradicting decisions will be made in the name of municipal authority?

To put Bill 23 into some sort of perspective to Manitoba, consider not holiday shopping but choice of daylight-saving time. In our history, daylight-saving time was recognized by a few municipalities in this province but ignored by others. Confusion was created by these municipal inequities. What would life be like if a Manitoba citizen had to adjust time measurement every 40 kilometres in travel distance? Bill 23 would cause the same confusion in shopping service to Manitobans.

The Honourable Mr. Len Derkach has indicated in an interview reported in a recent issue of the Focus that a municipal review is underway. The goals of intent of the review are not evident, but he does promise a conclusion within three years.

With the promise of municipal review, how can the Legislature of Manitoba and the Honourable Mr. Stefanson propose legislation in the form of Bill 23 which would make action on the review difficult if not impossible?

Given the limited time the Roblin and District Chamber of Commerce has had to view Bill 23 before your committee, I urge you to strike the municipal requirements from this bill before irrevocable harm is done to our Manitoba, or, to stop this legislation until the municipal review is completed.

Debate within the Legislature and beyond has forgotten the province with its structure of municipalities for the common benefit of all Manitobans. Bottom-line economists and freedom of business advocates must concede to common sense. Bill 23 is destructive, not constructive.

Thank you for your attention. Bill 23 is important to the Roblin and District Chamber of Commerce. Our province is in your care.

\* \* \*

In this the "Nervous Nineties," I am still amazed that our provincial government must continue to be "mired in the quicksand of indecision" regarding "Sunday shopping."

Every province has moved with the times because the old traditional ways of conducting business are no longer practical. "Restructuring" is the magical word that is at the forefront of government, IBM, General Motors and many more conglomerates. Business as usual is no longer practised or discussed. How do we get the best "bang for the buck" with emphasis on attracting the buyer with scaled-down staff, with the installation of efficiency procedures and latest technology to cut operating costs?

The marketing plan of business today is emphasizing volume at reduced prices. The work week includes Sundays because it has now become a family day which includes shopping as a family. This is only from 12 p.m. to 5 p.m. and therefore does not affect church attendance. You cannot legislate families to attend church—it is their option.

The same applies to government legislating hours for opening and closing. Businesses pay taxes on a 365 day basis and therefore it should also be their option to operate as they deem necessary. The

consumer will make the ultimate decision for business to stay open or closed on Sundays.

Moore's clothiers, for example, close Sundays in January and February, open March to July and close Sundays between July 1 to August 15 and reopen until December 31.

Tourism is an important factor to consider for Sunday openings. We spend a great deal of advertising dollars to lure Americans and others to Manitoba. Many of the tourists come on weekends. Can we therefore close our malls on Sundays when surveys show that 90 percent of the visitors end up at a mall? They are not coming for one day only.

The absolute height of inconsistency was reached when we permitted businesses to be open on Sundays with only four employees. This led to poor service, stealing and total chaos. You cannot be half pregnant. If the law was good for four employees, it makes no sense to prevent businesses to go full scale at their discretion. We must generate jobs.

It is my firm belief that if we continue to shatter the panes of the window of opportunity, we will lose our competitiveness. We need to emulate what our competition, i.e., other provinces, are doing and compete on a level playing field.

Tourism Winnipeg, Tourism Association of Winnipeg, Tourism Association of Manitoba and the Winnipeg Chamber of Commerce all voted in favour of Sunday shopping. The solution is simple, let every jurisdiction make their own decision. It is their call.

One of the basic principles of living in a democracy is freedom of choice. Let the citizens make their choice.

Respectfully submitted:

George Gershman, CHA-FPCM  
President, Tourism Association of Winnipeg

\* \* \*

Dear Mr. Remnant:

The following is the position of the Hudson's Bay Company on Sunday shopping for presentation to the committee:

Retailing in Canada is undergoing profound transformation. The impact of the deepest recession since the 1930s has created record numbers of bankruptcies. The shopping public

has both cut back on purchases and placed an extraordinarily high premium on low prices. It is likely that there will continue to be job losses and closures in the retail sector for the balance of 1993.

The hemorrhage of cross-border shopping persists and is becoming an ingrained consumer behaviour. A poll last fall of Zellers shoppers revealed that one-third polled had gone or had a family member who had gone to the United States exclusively for the purpose of shopping within the three previous months.

Consumer spending patterns are changing as a result of demographic change. The boomer generation is cocooning. They are in a stage of life where their major household formation has occurred.

Canadian retailers are responding to these changes by refocusing their product lines, lowering prices, improving distribution systems, using information technology, investing in staff training and revising formats.

These changes are necessary, and they are occurring. Changes are also necessary in public policy to respond to the new circumstances.

Our Position on Sunday Shopping (The Hudson's Bay and Zellers):

Sunday shopping since November has been a success for The Bay and Zellers, consumers, workers and government. Sunday shopping resulted in significant increases in sales, income for many of our people and additional sales tax revenue for the government.

There were virtually no employee objections. The few that arose were dealt with to each party's mutual satisfaction, proving that the current labour protection mechanisms are adequate. As responsible employers, we respect the rights of our employees to refuse to work on Sundays and will continue to do so.

Sales figures suggest Sunday openings led to a decrease in the number of cross-border weekend shoppers. Increasingly, cross-border shoppers were leaving on Friday evenings and returning to Manitoba on Sunday evenings. This trend appears to have been moderated when stores were open on Sundays in Manitoba.

Customers demonstrated their desire to shop on Sundays based on customer traffic in all Bay and Zellers stores.



A move to permitting Sunday openings year round would be viewed very positively, and would play an important part in Canadian retailers' fight for survival.

A withdrawal from regulating store hours would have no cost to government, no cost to retailers, and would benefit employment levels, consumers and communities across Manitoba.

We urge the committee to continue the positive effect on the retail sector by recommending year round Sunday shopping.

Yours truly,

N. Blundell  
District Manager  
Zellers Inc.  
for The Hudson's Bay Company