

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 29 June, 1982

Time — 8:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Government Services.

HON. S. USKIW: Mr. Speaker, I rise at this moment to give indication to members opposite and, indeed, to the general public that we have concluded that in light of the events that have taken place with respect to the debate on the Crow issue, in light of the report that has been tabled by Dr. Gilson, in light of the fact that we have arranged for a meeting with the Minister of Transport for Canada, that it would be prudent and wise and responsible for us to not further proceed with the present resolution on the Order Paper.

Mr. Speaker, to proceed with it in the way that it is worded would, indeed, be somewhat irresponsible in light of the changes that have been proposed and I believe that what we must now do is sit down through another consultative process, with Mr. Pepin and his department and, indeed, with the interested groups within the Province of Manitoba, to arrive at our final position for the Province of Manitoba.

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker, we can understand the position that the Minister of Transportation has announced on behalf of the government and their desire to withdraw a resolution which, in the original instance, was badly framed, badly thought out and really did not represent the thinking of anybody in this province except a small rump group which they claim to be the agricultural industry in this province. I would disagree with the Minister to this extent, Sir, that he says nothing on the Order Paper reflects the new condition as outlined by Dr. Gilson in his report. I would suggest that if the Minister of Transport reads the amendment that was proposed by me some several weeks ago he will find that amendment is still sensible in the light of the comments and the recommendations made by Dr. Gilson and that if the Minister saw fit to proceed with that amendment tonight, I would think that it would be of benefit to the whole farm community of Manitoba if we were to pass that amendment and reflect thereby, a sensible and thoughtful opinion of this House based upon the facts of the case, rather than upon the rather narrow, tunnel-vision view that was presented in the original resolution.

In any event, Sir, it is not our purpose to try to indicate to the government what their course of action

should be with respect to the resolution. Suffice it to say, that the fact they are withdrawing their own ill-thought out resolution, I think is a sufficient testimony to the fact that they should think twice before they try to play politics with an issue that is so fundamental to the agricultural industry of Western Canada.

MR. SPEAKER: Notices of Motion . . . Introduction of Bills. . .

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker, I presume that in the absence of most people on the front bench, my question should be addressed - first question, I have others, but the first question would be addressed - to the Honourable House Leader to give us some indication in order that we all may apportion our time accordingly, as to what the order of business will be that he expects to call tonight and see that the first three pages of the Order Paper are largely given over to Third Readings. There are some Debates on Second Readings that are to be called, some that we anticipate will not be called. An Act that has just been introduced, by leave, No. 65, to amend The City of Winnipeg Act, which reflects the agreement arrived at between the Winnipeg Police Athletic Association and the City of Winnipeg. I can indicate to the House Leader that it would be the intention of this side to give leave for that bill to proceed into its regular stages and to pass if that is the will of the House. Could the House Leader indicate to us what other bills, at Second Reading, will be called, if any?

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Mr. Speaker, it would be my intention, pursuant to an announcement I made towards the middle of the afternoon, to call the Adjourned Debates on Second Reading, initially, of Bills 44, 48, 49 and 59, and at that point to consider, as we are still considering I should advise, whether or not we will call Bill 30 that is still moot and proceed thereafter, in any event, to the Third Readings in the order in which they appear on the Order Paper.

I would proceed, first of all, once we begin now with the Orders of the Day, to introduce Bill 65 on Second Reading perhaps; dispensing with that. I think we might dispense fairly quickly, if the Member for St. Norbert is here, with the Adjourned Debate on the Proposed Motion of the Minister of Municipal Affairs. We've already had an announcement about the Crow Resolution and then go to the Adjourned Debates on Second Readings, as I just enunciated, and then we'll see where we are.

HON. S. LYON: When can we expect, Mr. Speaker, in the ordinary course of events, to have some indication from the government with respect to their disposition of Bill No. 30 which is standing in my name?

HON. R. PENNER: Mr. Speaker, this evening I should say that it was the impression of members on this side, or a significant number of them, that there had been a consensus with respect to Bill 30 which we had hoped to achieve. Apparently there is not now. I have no great hope that one will emerge like Aladdin from the lamp, by consistent rubbing, during the course of this evening, but you know hopes of mine have gone astray on previous occasions, one way or another, and I think that we will come to a decision on that not too late in the evening.

HON. S. LYON: Mr. Speaker, I would thank the Honourable House Leader for his candour and for his interpretation of the problems through which he and his caucus are passing. I can only assure him, Sir, that it would not be our intent to rub the lamp the wrong way.

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker, my question is for the Minister of Transportation. Can the Minister of Transportation confirm that he has fired the entire Board of the Licence Suspension Appeal Board?

MR. SPEAKER: The Honourable Minister of Government Services.

HON. S. USKIW: Mr. Speaker, I believe that the Member for Pembina would recall that when that Board was appointed it was appointed at the pleasure of the Lieutenant-Governor-in-Council and I want to report, Mr. Speaker, that the present Lieutenant-Governor-in-Council had been pleased with the work that was carried on to date but in its wisdom has decided that it is time to bring in a Board that does, in fact, reflect the thinking of the new government and that is standard procedure, Mr. Speaker.

MR. D. ORCHARD: Mr. Speaker, I find that somewhat ominous where the Minister of Transportation wants to bring in a Board more in tune with the thinking of this government. I might remind him that the License Suspension Appeal Board is an apolitical Board which deals with appeals of suspended licences. My question to the Minister is, what political in-tunement does the Minister desire in the replacement of this Board? Does he wish a Board that can be interfered at the ministerial level?

HON. S. USKIW: Well, Mr. Speaker, I'm surprised that the Member for Pembina has been in the Cabinet for one term and doesn't recognize the fact that when one appoints a board, which is part of the government system, that one doesn't brief this board as to what the thinking and philosophy of the government is with respect to the operation of such an agency.

MR. D. ORCHARD: Well, Mr. Speaker, possibly the Minister of Transportation could confirm that one Anatoly Shafransky is the newly appointed Vice-Chairman of the Board.

HON. S. USKIW: Mr. Speaker, I believe that is correct,

I can't recall all of the names offhand but I believe that's one . . .

MR. D. ORCHARD: Thank you, Mr. Speaker. Since I have the Order-in-Council in front of me, I can confirm for the Minister that in fact, Mr. Anatole Shafransky is the new member and Vice-Chairman of the Licence Suspension Appeal Board.

My final supplementary to the Minister. Is Anatoly Shafransky a brother to the former NDP MLA, one Harry Shafransky, who is now a Special Assistant for the Minister of Highways and Transportation?

HON. S. USKIW: Mr. Speaker, yes, I can confirm that there is a relationship.

MR. D. ORCHARD: Well now that the Minister has confirmed the relationship and we assume that they are brothers and now that the Minister of Transportation has suitably eliminated the threat of impoverishment of the Shafransky family, what other things can he do for the residents of Northern Manitoba who are now some 5,000 of them laid off? Will he find similar appointments for all 5,000 of them?

HON. S. USKIW: Well, Mr. Speaker, I think the Member for Pembina would appreciate the fact that it is not proper to reflect on persons that have been appointed to the Public Service in whatever capacity, unless there is a basis for such reflection.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, I direct a further question to the Minister of Highways and I ask this very seriously because as a former Minister of Highways responsible for that particular Board, I'm well aware of the kind of pressures that sometimes are exerted on the Minister's office for special consideration, etc., for persons who have been deprived quite rightfully of their driving privileges.

Does the Minister not see a possible conflict of interest, inasmuch as the brother of the Vice-Chairman of this Board is now working as a Special Assistant to the Minister's office, that after all is expected to look after some of these calls; some of these burdens that are placed on the Minister's office, some of the little political things that an Executive Assistant or a Special Assistant is asked to do from time to time for a Minister?

HON. S. USKIW: Well, Mr. Speaker, I don't accept the theory that there's any conflict of interest whatever.

MR. H. ENNS: Mr. Speaker, when this Board, the Board that was just removed from office, took over, there was a backlog of between 1,200 to 1,400 cases that took three to four months to get their appeals heard, which necessitated the 45-day extensions which just wasn't appropriate. Can the Minister give me any assurance that this new Board that he has just appointed with the Vice-Chairman residing in Leaf Rapids, a long way from the half million cars that are running about in this province, will maintain that record of service to the public in dealing promptly and keeping up-to-date the appeals that are brought for-

ward to the Licence Pension Appeal Board?

HON. S. USKIW: Well, Mr. Speaker, I would like to indicate to the Member for Lakeside that I believe that it's proper to review the time frame within which an appeal is processed and it's been my view that the system has been dragging rather badly over the years. In fact, I had a discussion with the new Chairman of that Board only today asking them to look at the question of how that process can be speeded up so that we don't have undue delays with respect to the applications for appeal. We want to take a look at the whole mode of operation, Mr. Speaker.

MR. H. ENNS: I ask the Minister a simple question. Four years ago, or closer to four-and-a-half years ago, when this Board was appointed, there was a backlog of in excess of 1,200 cases. Mr. Speaker, is it not a case that the Board is totally caught up right now? Mr. Speaker, I'm asking the Minister of Transportation whether or not he . . .

MR. SPEAKER: Order please. I'm having some difficulty in hearing the honourable member posing his question.

The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, I simply want to ask the Minister if it's not a case that the Board, the Licence Pension Appeal Board, is caught up; there's no backlog today, that the cases are all being dealt with expeditiously as called for under the current setup which was not the case four years ago when some upwards to 1,200 were backlogged?

HON. S. USKIW: Well, Mr. Speaker, I'm not certain as of today just what the status is of all of the applications. I do know that not too long ago, constituents had complained to me about the time delays and the fact that they were unable to get a response in a reasonable time frame in order to deal with their applications.

MR. SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Mr. Speaker, I have a question for the Minister of Community Services. Could he advise how long Judge Kimelman's Committee will be sitting to hear representations with respect to the adoption of Native children?

MR. SPEAKER: The Honourable Minister of Community Services.

HON. L. EVANS: Mr. Speaker, I believe I've indicated before that there's no specific time limit given to that Commission.

MR. G. MERCIER: Mr. Speaker, has the Minister not indicated to Judge Kimelman that he would like a report as soon as possible?

HON. L. EVANS: Yes, Mr. Speaker. Judge Kimelman is quite aware of the situation, very concerned about the implications of his Committee's work and the pos-

sible implications and recommendations of his particular Committee, so he's very much aware of the urgency of the situation.

MR. G. MERCIER: Mr. Speaker, can the Minister confirm that the Committee has announced public hearings in Winnipeg in September and will there be public hearings subsequent to that?

HON. L. EVANS: I understand, Mr. Speaker, that the Committee has been asked to hold hearings in various parts of Manitoba. This has caused a greater amount of time spent in hearing delegations and briefs from all over Manitoba, including Winnipeg; Winnipeg has to be fitted into it, of course. But certainly they've been requested to go to various parts of rural Manitoba and Northern Manitoba over and above and beyond, I believe, what had originally been anticipated but I think it's the desire of Judge Kimelman and his associates to be as available as possible to the community of Manitoba.

MR. G. MERCIER: Mr. Speaker, can the Minister indicate how many children have not been able to be placed for adoption as a result of the moratorium he has placed?

HON. L. EVANS: Mr. Speaker, I can't give the honourable member that specific up-to-date number. I might add though, that there's a serious difference of view between people in the Children's Aid Society and persons involved in such organizations as the Dakota Ojibway Child and Family Service and other Native organizations concerned about the placement of Indian and Native children. It is their view that homes can be found and will be found and that they will actively co-operate with the various Children's Aid Societies.

MR. G. MERCIER: Mr. Speaker, can the Minister confirm that as of today there is not one Native home on the registry?

HON. L. EVANS: Mr. Speaker, I can't confirm that, but I refuse to believe that there are no Native homes available within Manitoba to help resolve the problem of child placement.

MR. G. MERCIER: Mr. Speaker, two and a half weeks ago, the Children's Aid Society officials from the city indicated that there were no Native homes on the registry and they indicated at that time that there were at least 60 children whose adoptions had been held up. The Minister doesn't seem to have any information about the number of children whose adoptions have been held up. Will he immediately investigate this situation in view of the fact that he has no idea how long Judge Kimelman's recommendations will take to come before him? In view of the fact there are virtually no Native homes on the registry and I have suggested in the past that if they are prepared to take them in, fine, but he is holding up the adoptions, as of two-and-a-half weeks ago, of at least 60 children. Will he act in the best interests of the children? Forget about the two sides; there is only one side.

HON. L. EVANS: Mr. Speaker, I would invite my honourable friend from St. Norbert to discuss this matter with some other people in this Manitoba community of ours, particularly the various Native and Indian organizations, who have a difference of view. I don't accept this particular statement and numbers of the honourable member. I can tell him that the matter is not simply resolved. The general question of placement of Native and Indian children in various places in Manitoba or outside of Manitoba, that ultimately cannot and will not be resolved simply by the recommendation of one committee. That has a bearing on it, but the general problem of finding adequate homes within Manitoba is an ongoing problem and I can advise the honourable member that we're actively working on this within the department and with the various Children's Aid Societies and others who are concerned about this general problem of child placement.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, my question is for the Acting Premier. On the 10th of June, the Minister of Energy and Mines for Canada made an announcement concerning the expansion of the natural gas distribution system to new market areas and they said in that release, that announcements for expansion projects selected to receive funding in Saskatchewan, Quebec and Manitoba are expected over the next few weeks. I wonder if the Deputy Premier could advise us what are the gas expansion projects that are expected to be announced in Manitoba?

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. M. SMITH: Mr. Speaker, there are projects that are under active consideration but it would be premature at this point to name any specific agreements or projects.

MR. B. RANSOM: Mr. Speaker, a supplementary to the Minister. The Minister is confirming then, that announcements are expected within the next few weeks concerning distribution of gas in Manitoba?

HON. M. SMITH: Mr. Speaker, that's putting too specific a time limit on what are undergoing discussions.

MR. B. RANSOM: Mr. Speaker, a question to the Minister of Highways and Transportation. On the 6th of April, during the discussion of the Minister's Estimates, I asked him a question concerning lights on Highway 5 at Cartwright and I asked the Minister if he would look into this and get back to me. The Minister, at that time, said that, "We've taken a note of that, Mr. Chairman. Whatever questions are unanswered here, we will get back to the members later on when we have derived the information." In view of the fact that this is now almost three months later, Mr. Speaker, and I have not received an answer from the Minister, I wonder if he can advise the House if he's having difficulty getting this information or if he simply disregarded his commitment to answer the question.

MR. SPEAKER: The Honourable Member of Government Services.

HON. S. USKIW: Mr. Speaker, I apologize to the Member for Turtle Mountain if he has not received the answer to that question. The instruction that went out to the staff at the time of the Estimate review process was that all the questions that were taken as notice should be replied to in writing and I just assumed that had taken place, Mr. Speaker, and I will check that out.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Mr. Speaker, I have a question for the Minister of Highways and Transportation. I think in his announcement he said he planned to meet with the Federal Minister of Transport to discuss the Crow rate. When does that meeting take place and where, Mr. Speaker?

MR. SPEAKER: The Honourable Member of Government Services.

HON. S. USKIW: Mr. Speaker, as I understand it, the date of the 15th has been suggested by Mr. Pepin, a date that he will be visiting in Winnipeg, presumably talking to a number of interested groups and I believe we have agreed to that tentative arrangement.

MR. J. DOWNEY: Mr. Speaker, did he, as the Provincial Minister of Highways and Transportation request the meeting or was he invited to the meeting by the Federal Minister?

HON. S. USKIW: Mr. Speaker, the Minister of Transport for Canada asked whether or not we would be willing to meet with him in Winnipeg on that date and we concurred that it would be a very productive meeting, hopefully.

MR. J. DOWNEY: Mr. Speaker, I have a question for the Minister of Economic Development. In view of her answer yesterday dealing with the difficulties that the MANCO Cheese Plants were having in Rossburn and Pilot Mound, could she reconfirm her statement that she said that the dairy industry or the MANCO Plants would not be having near as much difficulty if the dairy industry was under stricter regulation? Does she plan to recommend stricter regulation for the dairy industry?

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. M. SMITH: Mr. Speaker, I think what I said on the milk area, is that a planned production and distribution package can alleviate some of the problems that do crop up in the short run. I didn't say there was any plan to move the dairy industry into a tighter plan I think the will and readiness of a producers' group to see that as a solution to their problem would certainly be something that I would be interested in seeing develop. But, Mr. Speaker, I pointed out to the members opposite that it's been no secret that we have recommended better planning, longer-term planning, to even out some of the ups and downs of

the market system and that the inconsistency that I keep hearing from the members opposite, where they are extremely quick, Mr. Speaker, to call for all sorts of government action, grants, immediate action to assist when there is a difficulty, but when things are on the up and up the message is for government to keep off.

I merely pointed out, Mr. Speaker, that if the the members opposite, on behalf of the industry, wanted to have help when times were very difficult, that the corollary of that would well be that they undertake some planned production when times are good.

MR. J. DOWNEY: Mr. Speaker, in view of the answer, again, by the Minister I wonder if she would be recommending to the Minister of Agriculture that he meet with the dairy industry to see what further form of regulation could be put in place, Mr. Speaker, because I would ask the Minister if her thoughts were carried through to the fullest then, in fact, she would be proposing to have a total government plan laid specifically on the dairy industry rather than the Dairy Producer Board which is now elected in a democratic way, that she would replace that with a government appointed board as was the old milk control system which was under their government prior to the change of government in 1977.

HON. M. SMITH: Mr. Speaker, we seem to be having the same difficulty of confusing categories. The members opposite somehow equate better planning and co-operative activity with regulation. Now, Mr. Speaker, there's a world of difference between a carefully planned operation and a tightly regulated one. I also would like to point out to the members opposite that there are many problems which can be remedied by good management practices and careful planning by a firm on its own or by a farmer or by an individual business person, by a co-operative group. Not all problems would be solved by a better planning mechanism, Mr. Speaker, some are quite available to the individual or the group entrepreneurs. I do chide the members opposite for attempting to put words into my mouth which I never said, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, my question is to the Attorney-General in his capacity as House Leader. There are a number of written questions that have appeared on the Order Paper which have remained unanswered. I would ask the Government House Leader if he can give us assurance that those questions will be answered and that the answers will be distributed, certainly to the members that placed the questions on the Order Paper.

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Yes, I can give that assurance and I will, as soon as the House has prorogued and there's some time, I will take personal responsibility to ensure that the mechanism which we have in place for organizing the answers where interdepartmental, or obtaining the answers, is accelerated and that the answers

are prepared and circulated; they will be.

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker, my question is to the Minister responsible for the Manitoba Telephone System. Is the Manitoba Telephone System entering into negotiations to purchase the Bestland Building or any other major structure in Winnipeg?

MR. SPEAKER: The Honourable Minister of Community Services.

HON. L. EVANS: Mr. Speaker, I'd like to get more detail on that and take the question as notice.

MR. D. ORCHARD: That would be fine if the Minister could reply by letter. The other day I mentioned to the Minister the prospect in view of some recent hirings by the Manitoba Telephone System, the possibility that he might consider recalling the Public Utilities and Natural Resources committee to ascertain answers from MTS as to whether the hiring of Mr. Coyne would represent a new move into Project Ida in the City of Winnipeg at substantial cost to the system and, of course, to the users of the system. Has he given further consideration to that request?

HON. L. EVANS: No, Mr. Speaker, because I was advised that the hiring of this individual was based on, as I explained last week or so, the need to fill a particular vacancy that existed and that particular individual apparently had the qualifications and filled the need that the Manitoba Telephone System apparently had.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, my question is to the Honourable Minister of Community Services. I would ask him whether he intends to dust off the government decision that was made two or three weeks ago and make the announcement on the expansion of the St. Amant Centre while the Legislature is still in Session?

HON. L. EVANS: Mr. Speaker, in good tradition, when government's ready to make a policy announcement, it will make a policy announcement.

MR. L. SHERMAN: Well, Mr. Speaker, in view of the fact that the policy announcement was made two or three weeks ago and the Minister, in response to questions in the House, indicated to me that the next-to-last step was the public announcement and all that remained was the public announcement, what I'm asking him is will he make the announcement while the Legislature is in Session or is he going to wait till the Legislature is prorogued before he makes the announcement?

MR. SPEAKER: The Honourable Member for Turtle Mountain.

HON. L. EVANS: Mr. Speaker, when I'm in a position to make an announcement we'll make

an announcement.

MR. B. RANSOM: Mr. Speaker, my question is for the Acting Minister of Natural Resources. Some time ago - about the time of the change of government - there was a project being planned for the reintroduction of wood bison into the North Interlake area in cooperation with one or two Indian Bands in the area, the Indian Bands being especially interested in seeing this project go ahead. I understand that it may have been terminated and I'm wondering if the Acting Minister of Natural Resources can provide any information to us since that decision may have been made while he was still Minister of Resources.

HON. L. EVANS: Mr. Speaker, I'm really not up on the decision. I'm not in a position to give any information to the honourable member which I would if I was, but I'll take the matter as notice for the Minister of Natural Resources. Hopefully, he can provide the information in writing if the House is not in Session.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, my question is to the Minister of Economic Development and Tourism, and all honourable members received something in the mail from the race track. We've seen ads in the paper from Assiniboia Downs regarding the economic value of the Downs to the Province of Manitoba. I wonder if the Minister could inform the House what negotiations, or have there been negotiations taking place with Assiniboia Downs, in order to solve the problem which apparently exists according to the Assiniboia Downs management?

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. M. SMITH: Yes, Mr. Speaker, I appreciate the opportunity to inform the members opposite that the negotiations that have been going on with all interested parties in the race track have been almost non-stop for weeks now.

The basic problem outlined is not exactly as appears in the ads, in that the undercapitalization of the track is producing extreme high costs of operating the track not directly related to the daily operation.

The government has made its position clear to the interested parties, that we are willing to look at the take-out percentage. In fact, there's been a new factor in the situation, because early in June, the Federal Government passed a new regulation in terms of the take out permissible to tracks throughout the country and that will alter the situation somewhat. But, Mr. Speaker, we have been reluctant to conclude any negotiations until we have a complete set of information about the current operation of the track. Mr. Speaker, the records we have are incomplete, I regret to say to date. Therefore, it has made the final conclusion of our negotiations most difficult.

I'd also like to inform the members opposite and the community at large that the Horseracing Commission does not have authority to operate the track; it has authority to ensure that the track is well operated,

which is very different. The track is operated by a private entrepreneur and that person has debentures with other major debenture holders who also have some responsibility in the current situation. They also have an opportunity to move with the track to improve the situation if they so choose.

I assure the members opposite that we have put an interdepartmental group to work on the situation, so that we can analyze the data we do have available and compare the situation with other tracks so that when we come to a final determination, we will have a wise position to present, Mr. Speaker.

MR. F. JOHNSTON: Mr. Speaker, I'm very pleased that the Minister has finally realized that the Commissioner has a specific job to do, which is being Commissioner of Racing to protect the people of Manitoba and not being a Little Caesar trying to run the track.

The Minister made the statements and the Premier made the statements that some tracks in Canada were owned by the government. I know of no track in Canada that is owned by the government. The Minister did not rule out the possibility of the government being involved or taking over the track. Is the possibility of the government taking over the track still there?

HON. M. SMITH: Mr. Speaker, in all the public statements I have made, I've said that government operation of the track is the last priority; that there are several tracks in Canada that are not operated privately; they are operated by non-profit corporations. Our first preference would be a refinancing of the existing situation, Mr. Speaker. Next priority would be another owner, and the one after that would be a non-profit group.

I do take exception, Mr. Speaker, to the suggestion that the Commissioner was not attending to the duties that he was expected to. I would place the record of time and energy spent on the duties of the Commission to match that of any other person so charged, Mr. Speaker. As a matter of fact, the time and energy put in by the total Commission has been far above the call of duty. I would hate to have any suggestions stand in this House that this situation has been other than that.

We have not only been pleased with the careful work and the time put in by the Commission, but we have, in fact, received presentations from the horsemen at the track and from the breeders saying that they have been most pleased, Mr. Speaker, with the relationship they have developed with the Commission.

MR. F. JOHNSTON: Well, Mr. Speaker, I have usually appreciated the Minister of Economic Development and Tourism's answers because in this House for the last four months, they've been very straightforward. Apparently, she's been catching a disease from other members over there and not answering the questions.

I would ask the Minister, very straightforwardly, has the government not ruled out the fact that they would become involved financially or take over the track if they feel it's necessary?

HON. M. SMITH: Well, Mr. Speaker, I'm surprised that the member opposite doesn't appreciate the complexity of the problem that was bequeathed to us at the track. Now, Mr. Speaker, complicated problems do

not always admit a simple or immediate answer. Mr. Speaker, there is great reluctance on the part of the government to consider operating a track, and to consider a take-over at this point in time, would be a most expensive and imprudent action.

Mr. Speaker, the reason that we have held it out as a final resort, if that should become necessary, is that we do value the horseracing industry and its contribution to the province. Mr. Speaker, we want that message to be out there in these particularly difficult times. Mr. Speaker, we do value the input to the industry, not only of all the people who take part, but we value it as a very important part of our tourist industry here in Manitoba.

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker, in view of the fact that it will possibly be tonight or later tomorrow when the House adjourns, I have a question for the Honourable Acting Premier. Can she tell us if it is the intention of the government to call the next Session of the Legislature for October, November or December of 1982?

HON. M. SMITH: I have nothing to report on that at this time, Mr. Speaker.

HON. S. LYON: Well, Mr. Speaker, in view of the fact that Douglas Fisher, a former New Democratic Member of Parliament and well-respected columnist in Canada, has reported as follows, "Since the November Manitoba election, the bottom has fallen out of Howard Pawley's public support. My party sources believe only two of the seven MPs, the North Winnipeg veterans, Orlikow and Knowles, have a chance of reelection," can the acting Premier tell us whether the government will try to get its act together a little better than they have in the last four-and-a-half months?

HON. M. SMITH: Mr. Speaker, I think that's a facetious question that doesn't deserve an answer.

MR. SPEAKER: Order please. The time for Oral Questions having expired.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

SECOND READING - GOVERNMENT BILLS

BILL 65 - THE CITY OF WINNIPEG ACT

HON. R. PENNER presented Bill No. 65, An Act to amend the City of Winnipeg Act, for Second Reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

HON. R. PENNER: Mr. Speaker, as I indicated a week to 10 days ago, perhaps two weeks ago, this bill would only be introduced if it was accompanied by the joint request of the City of Winnipeg and the Winnipeg

Police Association.

As members of the House know, part of the agreement that was arrived at between the Winnipeg Police Association as the bargaining agent for purposes of collective bargaining between itself and the City of Winnipeg, and the City of Winnipeg, was in addition to the normal terms and the monetary terms, an agreement to forego the right to strike voluntarily part of their understanding and to resort to binding arbitration. Concurrently with introducing this bill, I would beg leave to table two copies of a letter received today bearing the signature of the Mayor of the City and the Secretary of the Winnipeg Police Association, giving express effect to that agreement and I would draw attention of the House to just three points, and these points or requests are reflected in the bill.

One is that, basically, the legislation be patterned on The Fire Department Arbitration Act. As I think members know, Mr. Speaker, firemen in the City of Winnipeg, their collective bargaining relationship is governed by a special Act which, although it follows and incorporates, by reference, provisions of The Labour Relations Act, has a special provision dealing with arbitration. So, that is done.

Secondly, there was a specific request that, in terms of the setting up of arbitration boards, that the provisions of The Public Schools Act, particularly Sections 123 to 131 be adopted insofar as applicable to this legislation and, Sir, that has been done. Particularly it was the desire of both parties that in the event they could not agree, the nominees that is, could not agree as to the chairperson of an arbitration board that chairperson be chosen by the Chief Justice of the Province of Manitoba, whereas had they followed The Labour Relations Act in that respect, it would be the Minister of Labour or it may have been the Minister of Urban Affairs. But, in any event, it will not be a Minister of the Crown, it will be the Chief Justice of the Province of Manitoba. That has been incorporated in the bill upon request and, accordingly, I commend this bill to the House.

MR. SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Mr. Speaker, firstly, with all due respect to the Attorney-General, when he has the nerve to stand up in this House and say that he is only going to introduce a bill imposing binding arbitration on the parties when they jointly request; and at the same time, Mr. Speaker, we have Bill 40 on the Order Paper for discussion later on this evening, which imposes First Contracts, Mr. Speaker, not where the parties request or agree but as the imposition by the government under a government-appointed board of a contract contrary, Mr. Speaker, to the principle of free collective bargaining. Mr. Speaker, I note also and it's interesting, Mr. Speaker, that in 1971 when the previous NDP government imposed or brought in and allowed the police the right to strike, they brought a bill in by the then Minister of Labour some five days before the Session ended.

Today, we are discussing a bill of this importance on what could well be the last day of the Session. I do wish that we could have had an opportunity to have had a draft of a bill for some few days for our consider-

ation and review. However, we are in this position, Mr. Speaker, and as the Leader of the Opposition indicated, this is not a bill we wish to oppose. We would do everything we can to expedite its passage at this Session of the Legislature. But I must note, Mr. Speaker, that in 1971 the police did not ask for the right to strike; the public certainly don't want them to have the right to strike, and now we have a bill before us which does away with the right to strike and imposes a binding arbitration formula.

I note, Mr. Speaker, that the agreement between the City of Winnipeg Police and the City of Winnipeg is a two-year contract. I would like, Mr. Speaker, to have some assurances from the Attorney-General that at the end of that two-year contract, if there is no early agreement between the City of Winnipeg Police Force and the City of Winnipeg, and there appears to be an impasse, will he then, or his government, introduce a bill at that time to give back to the police the right to strike. I would like to have some assurance from him, Mr. Speaker, that this government will not again give back to the Police Department the right to strike, something again which they don't wish to have, and the public certainly don't wish them to have.

I note, Mr. Speaker, in reviewing Hansard from July 22, 1971, the then Member for Birtle-Russell, the present Member for Virden, at the end of his remarks on the bill at that time said, "As I have said before, the strike may very well have outlived its usefulness, and I think we have to start looking for other means of providing the answers to the question of contractual arrangements. I would sincerely hope that the Minister would direct every effort that he can in that direction." Mr. Speaker, words of wisdom, and it's too bad the Minister didn't accept his advice at that time.

There is one further point I want to make, Mr. Speaker, to the Attorney-General and I appreciate that the letter and the request from the City of Winnipeg and the Police Association states that we've had a quick opportunity to review the proposed legislation based on The Fire Department's Arbitration Act. Then they go on to request a couple of changes, and I notice that the penalties, Mr. Speaker, follow the penalty provisions of The Fire Department's Arbitration Act, which I believe was passed about 1954. And so as a result, the penalty provisions in this Act provide for a penalty for striking against the bargaining agent of \$250 per day, Mr. Speaker, and to the members of the bargaining agent a fine not exceeding \$300.00.

Mr. Speaker, I would suggest to the Attorney-General that in today's currency that is not a very great penalty. I'm sure we can rely, Mr. Speaker, on the good faith of the City of Winnipeg Police Association, but there may very well be an opportunity for the Minister to review the penalty provisions under this Act and under The Fire Department Arbitration Act, Mr. Speaker, because although they may have been appropriate in 1954, I don't think they're particularly appropriate in 1982.

Mr. Speaker, we're prepared to accommodate the Attorney-General in passing this bill and moving it along this evening.

MR. SPEAKER: The Honourable Member for Virden.

MR. H. GRAHAM: Thank you, Mr. Speaker. Mr.

Speaker, the Honourable Member for St. Norbert made reference to a speech I made in this House some 11 years ago, when legislation which was the exact opposite of what we have today was brought in, and at that time I had suggested that there was probably a better means of solving labour disputes, rather than the use of the strike. My feelings in that particular field have not changed, probably have become a little stronger, as I have seen many thousands of man-days of work lost, which could be productive and increase the productivity of this nation, which in my estimation, Mr. Speaker, was valuable time that could have been productive that was not used. But, Mr. Speaker, I'm not going to carry on at any length in that field.

I want to come back to the point that the former Attorney-General made dealing with penalties. I would again suggest to the Honourable Attorney-General that if we follow the legislation put forward in the Firemen's Act and even that which is used in other legislation then let's bring it up to present day standards. The Firemen's Act is some 28 years old, or that particular section has not been amended for some 28 years. If we get into today's economic values you find that the time that either party in a dispute would pay for good legal advice would be the penalty that's there today as the equivalent of two hours legal advice in the arbitration method.

Now it may very well be that the parties would say, well let's save some money. Let's save some money; we can be in default and be assessed penalties rather than sit at the arbitration table; we can accept the penalties and make money doing so. I suggest to you, Mr. Speaker, that the fees of a good labour lawyer would probably run somewhere between \$100 and \$150 an hour or more and the maximum penalties that are assessed in this Act are \$250 a day on one party and \$300 a day on another.

So I suggest that in the true metric tradition that maybe we have the decimal point in the wrong place and I would suggest that possibly \$2,500 a day and \$3,000 a day would probably be a more appropriate penalty in today's standards, but, Mr. Speaker, I put that forward purely as a suggestion to the Honourable Attorney-General. It's one that he can accept or reject and I will abide by whatever decision he makes. It's purely a suggestion that we get into today's standards with the penalties, because we are dealing with today's standards with wages.

So I thank you, Mr. Speaker, for this opportunity.

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker, as the Member for St. Norbert has indicated, it is not our intention to impede the passage of this bill, but rather to give leave to permit it to pass through its various stages, even though it is brought in at an inappropriate time and even though it does seem possible that the government, working in concert with the two parties concerned, might well have had such a bill prepared and distributed some time ago as a draft bill in anticipation of what happened this morning; namely, the agreement by the Police Association and the City to recommend this legislation to the House.

No one in this House, I'm sure, including the one

who sponsors the bill would like outside groups to fall into the habit of feeling that they could ask this Legislature in the dying hours or days of its Session to deal with legislation of this serious import in a quick way, without giving it the due consideration that it should give. And while, as I say, we are prepared, Mr. Speaker, to pass the bill through its various stages and give it due consideration at each stage, we do not recommend this as a procedure that the Attorney-General would necessarily want to follow in succeeding sessions, nor indeed a precedent that should be followed by the City of Winnipeg with respect to its request to this Legislature for legislation.

On a second point, Mr. Speaker, without in any way being disputatious about it, one has to observe historically that this is a classical case of a socialist chicken coming home to roost. Here was a case back in the '70s where, according to my recollection of the events, the Police Athletic Association did not request the right to strike. A former Minister of Labour under the Schreyer Government saw fit in an exuberant mood to show his fealty to the Federation of Labour and to the Labour Movement generally, that he would extend this great egalitarian weaponry to the police even though he acknowledged at the time that police services were essential services and so on. To their credit the police have not used this section, have not withdrawn their services, although this year we did see the example of their working to rule and utilizing sick leave in a way that was not in accordance with the service to the public interest.

Now we find that a settlement has been made of some 16.8 percent plus the recommendation for this year, plus cost of living and 1.5 I believe it is, next year, along with the additional recommendation as contained in the letters tabled by the Attorney-General that the right to strike previously conferred by an exuberant NDP Government be now withdrawn, now that in the cold light of dawn it can be seen, as was said at the time, that the public interest would not be served by this kind of legislation. Both parties to this agreeing, the public interest once again comes into focus, and is now going to be served by this Legislature after a disservice was done to the public interest a number of years before by a New Democratic Party Government.

A third observation that needs to be made on this occasion, Mr. Speaker, is that compulsory arbitration is not necessarily the most desirable approach for the settlement of disputes in the best sense of collective bargaining between employer and employee. There are a number of dangers implicit in this kind of legislated settlement, not all of which need to be detailed tonight, but I would hope to call attention to some of the more obvious.

Number one, Mr. Speaker, there's a tendency in the prosecution of arbitration hearings for arbitrators, who are appointed usually with one representative from labour, one representative from management and a third, a chairman who is selected by the two, to serve the interests of the parties involved.

I suggest, Sir, that with respect to essential services such as are provided by police; such as are provided by medical practitioners; such as are provided by certain key people in the health educational field; such as are provided by firemen, teachers and others that we

can think of quickly, that the arbitration provision which attends only to the interests of the two parties involved leaves out and leaves vacant in terms of attention the public interest which is the greatest interest of all. My concern in legislation of this sort which confers and makes compulsory arbitration upon the two parties is who is going to be sitting at that table representing the public interest.

Now quickly I know the Attorney-General and others may say, well, the City of Winnipeg through its elected representatives will be looking after the public interest and one would hope and expect that is the case, but I am forced to say, Mr. Speaker, that there are thousands of taxpayers in the City of Winnipeg today who are asking the question, who was sitting at that bargaining table representing their interest, when they see a settlement made of 16.8 percent with respect to wages for the police force in the City of Winnipeg, at the same time when workers for International Nickel at Thompson are compulsorily being required to take at least a 16 percent reduction in an agreement that they negotiated with the International Nickel Company after a 2-1/2 to 3 month strike. By force of economic circumstances those workers in Thompson, indeed some 5,000 workers right across Northern Manitoba today may I repeat myself, Mr. Speaker, workers whose salaries in the private sector go to make up the wages that are paid to publicly supported servants throughout this province, federally, provincially and in the case of those communities in the north where the mines are located the local or municipal services, and to some extent through the grants that are made to the City of Winnipeg out of the Provincial Treasury. Indeed it can be said that taxpayers in all parts of Manitoba are helping to subsidize some of the public charges that are made against the City of Winnipeg.

So I say, Sir, there are some, not only the City of Winnipeg but indeed throughout Manitoba, who are asking the question whether or not the public interest was properly looked after by those negotiating on behalf of the City and those negotiating on behalf of the Police Association when this rather generous settlement was arrived at some two or three weeks ago.

Mr. Speaker, it is not the purpose of this Legislature at this time to intrude upon collective bargaining agreements that are arrived at by the municipal level of government, and I make it clear that I'm not substituting my judgement for the judgement of those who were at the negotiating table. I merely record for the record that there are thousands of Manitobans who wonder whether or not this kind of settlement was not too generous. Given the fact that as recently as last evening the Minister of Finance speaking on behalf of the Government of Canada - which seems in the last ten years to have come to its senses all of a sudden - has decreed that within the Federal Public Service there shall be no pay raises beyond 6 percent in this '82-83 year, and none beyond 5 percent in the succeeding year. Yet at the municipal level we are being asked to give some blessing to a 16.8 percent settlement for the police force in the City of Winnipeg.

Mr. Speaker, I believe that comparisons sometimes are invidious so I will not on the fourth point, make anything other than the bald statement that it is somewhat ironic that this government on the one

hand finds itself negotiating with the medical profession in Manitoba, which has asked for the selfsame provision that is contained in this legislation; namely, compulsory arbitration and refuses - I think with some justification, Mr. Speaker - refuses to confer compulsory arbitration upon the medical profession. We're not arguing, in fact the Health critic, the Member for Fort Garry, the former Minister of Health, has indicated to his counterpart the Minister of Health that he understands, as we do in our party, the dangers of conferring compulsory arbitration provisions upon an essential service, be it medical doctors, be it police forces or whatever.

So we have the very ironic situation occurring in this Legislature in 1982 when on the one hand the government, with certainly full understanding by us, is saying to the medical profession, no, we will not confer compulsory arbitration upon you because that would be surrendering our decision making process, our protection that we can confer on the public interest. We will not give that to the medical profession.

On the other hand, in the dying moment of this Session we are asked to confer by legislation upon the City of Winnipeg and the Police Association those selfsame powers of compulsory arbitration, knowing as we do in the case of the medical profession the dangers that are inherent in conferring that kind of compulsory arbitration provision upon an essential service. I know that the Minister of Health will understand when I draw this comparison and point out the irony.

I am not in any way criticizing the position that he has taken with respect to the medical doctors, but how do we justify by way of contrast the position that we are taking with respect to the medical doctors with the position that we are legislating tonight with respect to the Winnipeg Police Athletic Association?

Well, Mr. Speaker, another aspect of this, in conclusion, that deserves some mention is that we have in this case the two parties to the collective bargaining process; namely, the City and the Police Association coming to this Legislature with a letter signed by the Mayor and by the President of the Police Association saying, we ask the Legislature to do this. The Legislature will confer this legislative authority in response to that request upon the two organizations. Ordinarily one would have to say, if these were not essential services, that this could be done through the regular Speed-up provision, with leave, and as I expect the Attorney-General will ask tonight. It is entirely possible, however, that there are people outside of the two groups concerned who would wish to make representations on a bill of this sort.

Mr. Speaker, the bill, in the ordinary course of events - or I'm expecting the Attorney-General to tell us on an occasion like this - this bill, I presume, will go to Committee of the Whole, and I merely record for the sake of the record that because of this procedure that we are following, with leave from the Opposition, we are breaching one of the fundamental rules of this Legislature; namely, the nonpublic bills of this nature. We do permit public representation to be made and while we will permit these matters to pass through, by leave, tonight, because of the peculiar nature of this legislation, I would not want it to go unrecorded that we are on this side, at least, are unaware of the fact

that other public representations could well be made on this bill which would be helpful to members of this House in making up their minds.

Having said those things, Mr. Speaker, I reiterate what the Member for St. Norbert said, that we are prepared to accommodate the government with respect to this bill after having pointed out some of the disadvantages to it, some of the ironies that we see in this bill. We do hope that once this legislation is passed that the public interest will be better served than it has been in the past 10 years or so when this kind of legislation permitting essential services, such as police, to strike was in fact enforced upon the police without their having asked for it.

We are now cleaning up that record and I hope that the members opposite will realize that their enthusiasm to sometimes serve the labour movement in ways which the labour movement does not always want to be served, are not always in the public interest.

MR. SPEAKER: The Honourable Attorney-General will be closing debate.

HON. R. PENNER: Well, Mr. Speaker, I'm in a quandary. The only reason this bill was introduced at this time was because it was at the joint request of the City of Winnipeg and the Winnipeg Police Association. It was not the desire of the government to introduce legislation which would in any way indicate that this government has reversed its historic policy with respect to binding arbitration. It was my hope in introducing it, that the debate would be nonpartisan, that has been shattered. I'm told that it's being acceded to in order to accommodate the Attorney-General, in order to accommodate the government - and I tabled the document introduced to accommodate the City of Winnipeg and the Winnipeg Police Association - I'm told that there is not enough time; I'm told that they want assurances which I cannot give; I'm told that it would breach a fundamental principle of the House.

We will not proceed with the legislation. I will report to the City of Winnipeg and the Winnipeg Police Association that their hope has been shattered on the narrow political opportunism of the Opposition.

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Well, just for the public record, I want it known that the Progressive Conservative Party and the Opposition voted in support of this bill on Second Reading.

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Chairman, this is rather unusual that after debate was closed another speaker was allowed to speak. —(Interjection)— It's not on a point of order, there's no point of order at all. There is a mechanism here, if there's going to be a standing vote, you ask for it. I don't think it's fair to have a speech, and I'd like to speak on this motion now. I . . .

MR. SPEAKER: I believe the Minister of Health knows that he will have the opportunity to speak on this

matter before it reaches another stage.

The Honourable Government House Leader.

MR. L. DESJARDINS: I'd like to put something on the record.

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, would you please call the Adjourned Debate on the proposed motion of the Minister of Municipal Affairs on Page 9.

ADJOURNED DEBATE ON THE PROPOSED MOTION OF THE HONOURABLE MINISTER OF MUNICIPAL AFFAIRS

MR. SPEAKER: On the proposed resolution of the Honourable Minister of Municipal Affairs standing in the name of the Honourable Member for St. Norbert. The Honourable Member for St. Norbert.

MR. G. MERCIER: Mr. Speaker, I hope the Attorney-General is as sensitive about this resolution as he was about the last motion before the House.

Mr. Speaker, just very briefly, a number of members on our side have spoken to this resolution in the past, and I would like to simply sum up very briefly our position. We, Mr. Speaker, are going to vote against this resolution unless the Minister in concluding debate indicates that he is prepared to bring forward some sort of position paper on behalf of his government that could be distributed so that the public could have some idea of the position of this government if legislative committee hearings are to be held, Mr. Speaker.

As has been indicated a number of times during debate on this resolution, the Weir Assessment Review Committee met for some two-and-a-half years on what is - and I concur with this with respect to the Minister's comments - a complex matter, Mr. Speaker, but it's a matter that is growing more and more urgent every day. We've had a bill which indefinitely freezes assessment throughout this province and now we have a bill, Mr. Speaker, which the Minister says he wants to public hearings on, and so far he has not indicated that he's prepared to take any position whatsoever on the report. This committee would report at the next Session of the Legislature, Mr. Speaker. Then, no doubt, without any urging on from this side, I suspect that this Minister and this government will not do anything to attempt to resolve this very important taxation subject in the Province of Manitoba.

So, unless the Minister is prepared to stand today in concluding debate on this bill, and indicate that he is prepared to bring some sort of position paper forward prior to the public hearings, then we will have no alternative, Mr. Speaker, but to vote against this bill.

MR. SPEAKER: The Honourable Minister of Municipal Affairs will be closing debate.

HON. A. ADAM: Mr. Speaker, I believe no one else wants to speak from the opposite side and I suppose my colleague, the Minister of Health, says that the

Member for Lakeside will get up and put something on the record after debate has closed. I want to say that obviously there's been some backtracking by members opposite. Mr. Speaker, the Member for Swan River, who is the official critic for Municipal Affairs, indicated in his comments that on Page 3366, June 17th and I quote, "I do not see anything wrong with the Minister's suggestion that an all-party legislative committee be established, but that this should be done and that this committee should be ready to do their work as soon as the current Session is finished."

Mr. Speaker, since then we have seen a change of attitude. I believe that what has happened, Mr. Speaker, that the Member for Swan River was called to order in his own caucus, as a new position taken there. I believe that we are proceeding in a most efficient way. I have met with both associations, the Urban Association and the UMM, attending seven meetings with the UMM. There was one resolution passed at those meetings that suggested we proceed immediately - well, they didn't say immediately but they passed a resolution that we should proceed with the implementation of the recommendation.

On the other hand, Mr. Speaker, we have received a number of letters indicating that they would like us to proceed with caution, and that they want to meet with us before we make any decision. So I'm saying to honourable members opposite that people who are concerned out there still have some concerns about some of the sections of this recommendation, and that is why we are proceeding the way we are.

First of all, Mr. Speaker, we received the recommendations on April 19, 1982, nearly four full months into the year. Had I wished to proceed with any of the options and particularly Option 2, as recommended in the report, it would have meant that I would have to have had legislation before this House. And time has not allowed me to examine the recommendations, Mr. Speaker, so that I could have brought forth legislation that would have been well thought out and that is, legislation that would have been in the best interests of all local governments in Manitoba.

As I have indicated on a number of occasions staff are studying the recommendations as to their impact on the various sectors of the Manitoba economy, be they commercial, industry, small business, residential or farm, and I'm sure that you would not want me, Mr. Speaker, to put forth legislation which may seriously impact on any of these sectors, particularly at these difficult and fragile economic times.

We will be having legislative hearings this fall with the public and legislative officials, following which I hope that all of us, together with the public, will have a more thorough understanding of the committee's recommendation. Having said that and not knowing the impact of the individual recommendations, I cannot agree to a definite date for removing the provisions of Bill 100. To do so would be to prejudge and preset the public input; also I cannot tell with precision how long it would take the assessors to put in place any new assessment system. This depends upon the public input and the committee's recommendations of the alternatives.

To update the assessment records of more than 600,000 parcels of property is no small undertaking, Mr. Speaker, and the legislative amendments that I

have put forth in Bill 33 gives the Lieutenant-Governor-in-Council the flexibility to respond to the matter in the most expedient and efficient manner. I realize that extending the freeze for any prolonged period of time is not good, but to proceed in haste because of a deadline runs contrary to the spirit of prudence and democracy, Mr. Speaker. I have received nothing but positive response to the suggestions I have made throughout the UMM meetings and with the Urban Association, and we intend to proceed with the process just as expeditiously as possible.

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, would you please call the Adjourned Debates on Second Readings on Bills 44, 48, 49 and 59 in that order please, as they appear on Page 5 of the Order Paper?

ADJOURNED DEBATE ON SECOND READING

BILL NO. 44 THE LOAN ACT, NO. 2, 1982

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance, Bill No. 44, standing in the name of the Honourable Member for Turtle Mountain.

The Honourable Government House Leader.

HON. R. PENNER: I might like to point out, Mr. Speaker, because it might not appear to be obvious, that the Acting Minister of Finance is the Minister for Northern Affairs.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. A. RANSOM: Mr. Speaker, we don't have a great deal to deal with in principle on this bill. We will have some questions which we'll want to place to the Minister when we get into the committee stage when we can deal with the detail of the bill.

Just by way of very quick summary, though, Mr. Speaker, this bill does include some of the Capital that's required to deal with the Manitoba Hydro-Electric Board, provide Capital for Manitoba Hydro. It provides Capital, among other things, to provide money for the Beef Stabilization Fund and, Mr. Speaker, we know what a disastrous job the Minister of Agriculture and the government have been doing in fulfilling their commitment to provide a Beef Stabilization Program to help the beef industry which was promised immediate aid by that government last fall.

We also know, Sir, that the government had promised immediate development of Manitoba Hydro in the election campaigns last year. We now have seen that promise go from immediate development to immediate orderly development to the dropping of immediately to orderly development. Now, Mr. Speaker, after the last announcement of a week or 10 days ago, that the Western Power Grid was essentially down the

tube for the foreseeable future, it is evident that there will be no hydro development taking place in this province for years to come to a very great extent because of the mismanagement of the government opposite.

When we get to committee, Mr. Speaker, I'm going to be asking the Acting Minister of Finance just how the government is going to make up the revenues which they anticipated they were going to get from Manitoba Hydro in order to fulfill the promise made by their First Minister that no Manitobans would lose their homes or their farms due to high interest rates.

QUESTION put, MOTION carried.

BILL NO. 48 THE APPROPRIATION ACT, 1982

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance, Bill No. 48, standing in the name of the Honourable Member for Arthur.

The Honourable Member for Arthur.

MR. J. DOWNEY: Mr. Speaker, I have a few comments I want to make in general as this is the overall funding for the Province of Manitoba and the authority to make expenditures on behalf of the government and the people of the Province of Manitoba.

I guess, Mr. Speaker, I would like to, first of all, start from the premise that we, as a province and to a larger extent as a nation, are facing probably one of the worst economic times that my current generation of people who are in the province today and in our country have faced. I think, Mr. Speaker, it would be fair to say that the overall confidence of Manitobans and Canadians, regardless of what their walk of life and regardless of what their particular business is, is one that we all have to show an honest and sincere concern for. I guess that, Mr. Speaker, because of the country that we've lived in and the type of social programs that we have become so heavily reliant upon to help us through, whether it be a severe climatic condition or whether it be an act of God or some state of the kind of community disaster that we sometimes face, Mr. Speaker, that one tends to look at the government as a Canadian as probably the saviour.

I think what has happened, Mr. Speaker, to be fair to my constituents and to the people I represent and to try and bring the point home, is that the particular element of saviour or the government that we've looked for or the government programs that we have traditionally looked toward giving us some relief have to a large extent given us a false feeling of security or a cost to us as a general society that have given me some reason to be concerned, because it appears as if the saviour is now one of the major causes of the kind of economic conditions we have.

When we look at the kind of magnitude of the deficit that the Province of Manitoba has now to carry with the cost of the borrowed money that we have, I'm sure that there have been projections made of some \$400-million deficit and probably could go to \$500 million because of the lack of shortfall; when we hear last night the Federal Minister of Finance, Mr. Speaker, who tells the people of Canada that we now have a \$19.6-billion deficit for the people of Canada to carry,

that to me, is of alarming proportion. What I heard, Mr. Speaker, come from the Federal Minister of Finance, and what I'm hearing come from the particular government we have in Manitoba, it would appear as if they're trying to kill an elephant with a flyswatter. That we, Mr. Speaker, as a nation, as a collective group of people, are carrying a debt load that is sinking everyone into the longer term economic quagmire that we have to be all very conscious about.

To be more specific, Mr. Speaker, I want to make my comments more specifically related to rural Manitoba, and I would try to make some positive comments, Mr. Speaker, because I think it's time for governments to receive advice. I think it's time for elected politicians to try and collectively make recommendations that will be useful to the general society and to try and give the people of Canada, give the people of Manitoba some confidence. Unfortunately, Mr. Speaker, we have not seen that kind of direction and that kind of confidence come from the present government in Manitoba. It's unfortunate, Mr. Speaker, it's very unfortunate because when people become insecure, when they don't know what kind of decisions to make because of the alternative outcome or what the down-the-road problems are, it is very unfortunate.

I, Mr. Speaker, tonight, want to just touch briefly on some of the things that I think could have been done to further enhance the people in the rural community. Of course, Mr. Speaker, the Minister of Agriculture, whose major responsibility is to see that policies in programs are in place to better the farm community. I would have to say, Mr. Speaker, without reservation, has failed and has failed miserably to give the farm community that kind of confidence. Mr. Speaker, I'm trying to be fair to the Minister of Agriculture. — (Interjection)— Well, I am. The Attorney-General and some of the members opposite may laugh at that because I truly am a committed agricultural person. I love Manitoba farmers, Mr. Speaker, and I love the industry as a basic part of this country. Mr. Speaker, it's unfortunate they've had to go through the kind of traumatic experience that they've had to go through in the last six months. I mean this, Mr. Speaker, because we have seen the farm community be told, No. 1, that they're going to get a beef program that would give them support when times are tough.

Mr. Speaker, the government says to me, when I was Minister what did I do? Well, Mr. Speaker, I have to admit that in the final term of our office, we didn't have a lot of money to put into the market for cattle, but at least we were working in an honest and sincere approach to do that. But two years before - and I'll go back and say it again - it didn't take our First Minister, the now Leader of the Opposition and my colleagues, who truly represent rural Manitoba, to put \$40-some million on the table for the beef industry, and all the farmers, not just the beef industry, Mr. Speaker, for all the farmers to take when there was a severe drought in this province. We have a severe economic drought in the province right now, Mr. Speaker, and what have we seen happen? We have not seen the kind of economic positive direction come from the Minister.

The Premier, Mr. Speaker, I believe lacks total touch with the farm community. I believe that there are far too few members on the governments side today who have truly taken a sincere, a serious look, at the farm

community, and small business, because that's pretty much an integral part of the overall backbone of this province.

Mr. Speaker, we look at the Interest Rate Relief Program and we had numbers given to us yesterday where there are some 157 or 167 farmers who are now eligible - for what, Mr. Speaker? They're eligible to receive a \$3,000 grant and a \$3,000 loan if, Mr. Speaker, they're in danger of losing their business. Mr. Speaker, that's not a program that's going to save very many people. I think it's been in place long enough now and it's an admission by the Minister that it truly isn't going to help the people who are in need of help.

Mr. Speaker, I'm not going to dwell on it. Our Leader did an excellent job of putting the position of our Party forward on The Land Ownership Bill. The feeling of our party, I think, pretty much reflects the majority feeling of the people of the Province of Manitoba. The farm community do have that kind of emotional feeling toward the ownership of land; they want to see it preserved for the farm community, and family farms continue to develop and expand. There's no question about that, Mr. Speaker. Each member has the opportunity to see that when he goes into his own constituency.

Mr. Speaker, the dairy issue is one which I believe the Minister has to take hold of. He refers to me as suggesting that he, in fact, shouldn't; that I'm recommending he put a heavy hand of government on the dairy producers and get involved. Mr. Speaker, I think in this particular case yes, he does have to get involved as a Minister. I believe that there are times when a Minister has to take hold of a particular industry - not to be unfair - but to see that the issue is resolved and that we don't have the serious problems develop that we've seen in the dairy industry in the last few months.

Mr. Speaker, when the Minister tries to say that he doesn't want to apply the heavy hand of government in the dairy industry, I ask him the question and will refer to the fact that he is not allowing the dairy industry - and by the way it is the request of the dairy industry, the elected people on that board to move to a two-pool pricing system, something that the dairy industry, the elected producers recommended to me. I put it to review, Mr. Speaker, to see if the dairy industry and the consumers couldn't benefit better, but I have not heard, of course, where that review is. But that's the heavy hand of government, Mr. Speaker, they are told as a dairy industry that they can't go to the two pool system.

Well, Mr. Speaker, and I'm not going to particularly raise these issues in a severe way because I hope that some of the suggestions we've made would have been taken to heart by the Ministers of the Crown and that they'd have tried to get an honest feel and direction for the farm community.

Mr. Speaker, we talk and hear about the Crow Rate debate. Again we have heard the feelings of the government tonight that they are going to, I would say, readdress their position on the Crow Rate. I don't take a hard-line position on that, Mr. Speaker. Well, Mr. Speaker, I think that they are reading the feeling of the farm community. The question and the problem, Mr. Speaker, that I have is that in a time when people, a

time when the farm community and small business are having such an extremely difficult time with the economy that's what has to be dealt with, Mr. Speaker.

Mr. Speaker, for the information of the Minister, I would have hoped that he'd have done this several weeks and months ago, but unfortunately he didn't. He doesn't have a true feeling for how tough the economic conditions are throughout rural Manitoba. Mr. Speaker, in that regard, my colleagues, members representing rural Manitoba, agreed to have just a preliminary, brief review done to try and get a picture, a snapshot, of how tough the farm community situation is with the high interest rates, lower returns and small business. We didn't have that much time but we tried to take a picture of it, Mr. Speaker.

I have some interesting figures, Mr. Speaker, and for the members of the media and the press I plan to further elaborate, probably at a press conference tomorrow morning - I haven't made my decision for sure - to try and not lose confidence, to try and paint it as accurately as possible, so that there is a true understanding throughout society of just where the farm community stands. I'll give you some interesting statistics and this was a partial review of a certain number of auctioneers throughout the province and there was some 22 auction services contacted and they have a pretty good feeling for the pulse of the farm community.

Mr. Speaker, these are just a sample; you know that it could be questioned; I don't say that it can't be. But in 1981, out of those surveyed, there were some 207 farmers retired - those are 1981 figures. Those who decided to leave farming for financial reasons, it was estimated - and these are estimates - at some 83 who decided to go for financial reasons. Here's the startling change, Mr. Speaker. For the first six months of 1982, we have 108 people who have retired, become of the retirement age. But the alarming number, Mr. Speaker, is that there are some 117 have decided to quit for financial reasons. That's for a six-month period, Mr. Speaker. Small business, Mr. Speaker, is actually facing more difficult economic times, of course, directly because of the difficulties with the farm community.

It's very alarming, Mr. Speaker, that we have this kind of thing happening. Further discussions that we've had, Mr. Speaker, with people who do a lot of farm accounting, and they're pretty accurate, there's an estimate today from some of the accounting firms that there are some 5 percent of the farmers in very serious financial situation, and 5 percent of 30,000 are some 1,500 farmers that are today in very serious trouble, some 1,500 today. If the conditions, the economy keeps falling and tumbling as it is, by fall, Mr. Speaker, that number will go to some 10 percent.

Mr. Speaker, I would have hoped the Minister of Agriculture and the Minister of Economic Development and the government - and I'm saying this sincerely - would have tried to get a handle on this before they move with their program to support the farm and the small business community. The report that we're getting, the comments that are coming in from the accounting firms in a general way is that in small business today, there are some 10 percent in very serious trouble and that will increase by 10 percent by this fall. Those, Mr. Speaker, are not figures to try and

undermine small business or the farm community but, in fact, bring to the attention in a quantitative way the kind of economic concerns that we have as a caucus, and I'm sure the Minister and his government have as well.

The other point that should be made, Mr. Speaker, however, is this: that the farm community is still the most sound long-term investment that the lending institutes feel that they can service; that the farm people are still the most sound and safest area. That gives me, Mr. Speaker, as a member representing rural Manitoba, a feeling of longer-term confidence in the fact that we can make things happen and that we do have that strength.

Mr. Speaker, I would hope with those comments that the government in their deliberations in looking at alternatives and changes to their programs, that they would try and get a true feeling for rural Manitoba, because they have demonstrated in a pretty broad way their lack and their feeling of what is happening in rural Manitoba. As I have indicated, Mr. Speaker, I will probably be making more information available to the media and the press in the morning when I have a little more opportunity to put the figures together.

Mr. Speaker, I've had an opportunity to participate and I feel we have a tremendous country; we have a tremendous province. Let's get on and give the people confidence. It's going to take a lot of restraint on the government spending to bring back the confidence that the people of this country need.

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker. I want to speak rather briefly to this bill. The topic that I want to deal with on this bill is the Minister of Agriculture's rather strange handling of the Interest Rate Relief Program.

I want to draw to the Minister of Agriculture's attention that on Thursday, June 3, 1982, which is almost four weeks ago, we passed the line in the Estimates which approved funding for the Interest Rate Relief Program. At that time, approval was given on the basis that the Minister would provide members of the Opposition and the committee with information requested that night. We passed that Estimate assuming the Minister, in good faith, would provide that kind of information to us.

I asked the Minister as a follow-up question on June 16th, some two weeks after we passed the Estimates, why we hadn't received that information yet and the Minister gave a number of excuses. I asked again just this morning, almost four weeks since the Minister promised to give us the information, and he said today that we would not have that information in all probability before the Session has come up.

Well, you know, the Minister had some problem and he indicated he was checking, asking legal advice as to whether he could divulge the individuals' names and the amount of assistance which was being provided by the taxpayers of Manitoba, and he had some rather fuzzy answers and reasons as to why he thought it might be improper, although he didn't say he wouldn't provide the information. For instance, he said that it might jeopardize these individuals' future ability to obtain credit through regular credit sources.

Well, that is an incredible reason for the Minister of Agriculture to use and one that clearly demonstrates his lack of understanding of how you approach financial institutions. There isn't one of the successful applicants could approach a bank, a credit union, or any financial institution and not divulge to them that they were getting assistance under this program. That's a total and unbelievable position to take. He also said in the next breath that these names would show up in Public Accounts at any rate, so he's not able to protect the confidentiality that he appears concerned about because they're going to be in Public Accounts.

That's one aspect of the information we requested, but more importantly, Mr. Speaker, I requested a series of information and data on the successful applicants in the Farm Interest Rate Relief Program. I wanted to know, for instance, what the minimum and maximum debt loads the successful applicants were carrying and I wanted to know that so I could compare to that debt load the amount of assistance they were receiving, because the Minister almost answered a question I had of a theoretical applicant who had \$33,000 of debt, was paying 18 percent interest, which just so happens to total \$6,000 of interest per year. I asked the Minister at that time, some four weeks ago, whether that person would qualify to have 100 percent of his interest written off by the government and he said, possibly, but maybe not; but yes, but maybe no. That's an answer I wanted to get so we could adequately critique this Minister's program, but we're not going to get it from him.

I wanted also to know what the minimum sales level was that farmers would qualify for to be successful in this program. Well, we haven't got that. I wanted to know what level of off-farm income would disqualify a farmer from applying and successfully being approved for assistance under this program. He said, yes, it would be \$10,000 for a bus driver, but maybe not if it was \$18,000 for a nighttime shift foundry worker in Winkler. We wanted to know what the criteria were because we have constituents asking us if there's any need to apply. I can't answer those questions because the Minister in four weeks has refused to answer those basic questions about his program.

The Minister could not tell us four weeks ago, and he has still not told us how he intends to secure the loan portion of the Interest Rate Relief assistance; whether they take a first mortgage on the person's land, whether they take a chattel mortgage on his cattle and his machinery, whether they take a first mortgage on his house. We don't know how the government intends to secure that loan and this Minister has refused to provide that basic information to myself and members of this Assembly and for that matter, the Minister of Economic Development could not provide that kind of information either.

So, we don't know how this program is proceeding, we don't know how successful it is; we don't know how much money is being flowed to whom; we don't know whether the Minister is willing to react to some of the real problems that we have identified in the last three to four weeks in a survey that we undertook by commissioning a person to survey the accounts of the auctioneers and the business people in rural Manitoba to find out really how much the situation has

changed in the last six months. This program that the Minister of Agriculture has announced was reacting to circumstances some six months ago and circumstances have changed dramatically. We would like to be able to offer to this Minister some suggestions as to how he can modify his program to make it fit the current circumstances in the agricultural community, but this Minister has chosen not to provide myself and others with information requested, very legitimate information requested.

Well, I also posed a question to the Minister of Agriculture in his stewardship of this program as to whether a homeowner, a family man who is a homeowner, could be discriminated against under the Homeowner Interest Rate Relief Program. I developed a scenario of a man who had a wife and a family of three children and he and his neighbour lived side by side in identical homes. The neighbour was a single person. They both earned the same amount of money but the neighbour, who is single and doesn't have a family, took a trip to Hawaii and put less down payment on his house so his mortgage was bigger and he triggered the 30 percent threshold to qualify for interest rate assistance and the family man did not, because he chose to wisely save his money and have a larger down payment and a smaller mortgage. This government couldn't answer whether that circumstance was fair, unfair, or indeed possible, but it certainly is possible because their criteria are based on gross family income. So that a person earning \$20,000 and supporting a family of five only qualifies on the basis of his gross income, and gross income of \$20,000 to a person with a family, a wife and three children, is a lot less disposable income than the single person and much more in need of assistance, which is totally not the way the program was designed to move and to assist Manitobans.

So my question to the Minister, since he has refused to answer the questions we posed to him some month ago, is what is the Minister trying to hide in this Interest Rate Relief Program? What has he got that he does not want to tell Manitobans and Members of this Assembly? Is he hiding the fact that possibly all of his constituents who apply qualify and are accepted, and my constituents in southern Manitoba who happen to maybe have voted Conservative don't apply. Is that what he's trying to hide? We just do not know what this Minister is doing with this program, how he's administering it, and we believe seriously that he has something to hide in the fact that in one month he has not been able to provide information on - how many? We're not talking thousands of applications; we are talking 102 approved applications.

This Minister sits here today and told me that I would not have information on 102 approvals that I requested and I can accept that if he wants a legal opinion on giving us the name, even though it will appear in public records some 12 months from now. I can accept that, but the information on the size of the debt, the size of the assistance, the size of the farm sales and the size of the off-farm income is information that Minister should have provided to us if he didn't have something to hide, Mr. Speaker. I respectfully submit to you that this Minister is hiding something in his Interest Rate Relief Program.

QUESTION put, MOTION carried.

**BILL 49 - THE SUPPLEMENTARY
APPROPRIATION ACT, 1982**

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance, Bill No. 49, the Second Reading standing in the name of the Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, our difficulty with Bill No. 49 and the requested Supplementary Supply Appropriation remains the difficulty that has been described in the Chamber earlier in the Session and remains unresolved. It's certainly not our intention, Sir, to frustrate the requirements of the departments of government that are represented here in this Supplementary Supply Bill, having examined the individual appropriations at some considerable length and satisfied ourselves that most Ministers in most cases with respect to most of the appropriations can justify the request, even though we believe this government is into a mad world of overspending that has got to be addressed very seriously and contained very seriously in the immediate future; otherwise, all Manitobans are going to be in fiscal and financial crisis. Notwithstanding that, the departments represented in this package of supplementary requests for the most part, Sir, have through their respective Ministers at least provided cursory justification for the request and for the approval that up to this point has been forthcoming from the Opposition and that will certainly be forthcoming in a formal way as we address the bill in totality.

There is one major exception, Sir, and that, as I have mentioned in the past, is the request for \$910,400 for Work Activity Projects by the Minister of Community Services and Corrections. That is Appropriation No. 5 in the breakdown sheet that was utilized at Committee Stage when we were looking at Supplementary Supply in Committee of Supply. That, Sir, is the item that troubles us, has troubled me and my colleagues, continues to trouble us and is sufficient really, Mr. Speaker, to prevent passage of this bill. If it weren't for the fact that there is urgent public business at hand that requires attention through the other appropriation items contained in the bill, I would have no hesitation in recommending to my colleagues that we refused passage of this bill, prevented it, frustrated it as long as we could, as intently as we could, because of our dissatisfaction and my dissatisfaction over the manner in which the Minister of Community Services has handled his stewardship of the Employment Services Division of his department and in particular the Work Activities Program Branch of that department.

It's not my intention to go back into the whole patronage incident which deservedly attracted considerable discussion and debate in this Chamber, deservedly attracted considerable attention from the media and from the public and which deservedly and justifiably brought down considerable public criticism on the Minister's head. We have covered that ground and I'm not going to go back over it, but I think it represents one of the dark incidents and one of the dark days of this particular Legislative Session and certainly a signally dark day in the history of this new

government, the Howard Pawley Government. Whether or not it represents a signally dark day in the history of the Minister of Community Services political career, I suppose only he could comment, but I'm sure he's not terribly proud of it or happy with it.

The fact is, Mr. Speaker, that we never received any sufficient apologia or sufficient justification by the Minister for what he was doing in terms of the summary displacement that took place of the long-time civil servant, Mr. Douglas Wark, at Brandon or in terms of the manner with which the Minister dealt with his senior departmental officials in the Employment Services Division vis-a-vis the whole thrust of the Work Activity Project Program, his intentions for it, his intentions for the individual projects and his intentions for individual personnel. We didn't get answers that justified the direction in which the Minister says he is moving.

I must conclude that he is moving somewhat arbitrarily, if not totally altogether arbitrarily, and certainly the track record that he's established with respect to this branch of his department up to this point in time does not fill me with confidence and does not fill my colleagues with confidence when we're asked to put another \$910,000 into his hands, virtually a million dollars. Admittedly, that's 50-cent dollars and half of it will be supplied by Ottawa, but it's a half-million dollars from the taxpayers of Manitoba, plus their share of the half-million that will come from Ottawa because in the end it's all the same taxpayer.

I'm not happy in one wit, not happy at all, Mr. Speaker, to have to acquiesce in the decision to provide the Minister of Community Services with that additional funding, but there are other aspects of the Supplementary Supply Bill that relate to other aspects of government business which are important, which are crucial and which have been at least reasonably justified. So, as I've said, Sir, we will not be impeding passage of the bill. That item, however, sticks in our throat as we pass it.

QUESTION put, MOTION carried.

**BILL NO. 59 - THE SUPPLEMENTARY
APPROPRIATION ACT NO. 2, 1982**

MR. DEPUTY SPEAKER, J. Storie: On the proposed motion of the Honourable Minister of Finance, Bill No. 59, stands in the name of the Member for Tuxedo.

The Honourable Member for Tuxedo.

MR. G. FILMON: Thank you, Mr. Speaker. In moving this bill on to committee, I wanted to just comment briefly on some of the aspects that this particular bill brings to mind with respect to some of the things that the government has done during this Session. In particular, this bill principally seeks to grant approval for the additional \$9 million in funds that's required for the General Salary Increase for the contract settlement that has been made in the province this year.

I want to say that it's interesting and I think indicative of the ineptitude with which the Minister of Finance and many of his colleagues have handled their responsibilities in the course of the Session. At least three different times during the course of question periods in this House after the settlement was

made, various members on this side asked questions of the Minister of Finance about the amount of money that would be required in addition to that 10 million that had been provided for the GSI in the preliminary Estimates. The Minister assured us on at least three different occasions that it would be no more than \$6 million to \$7 million; then of course, he comes forth with a bill requiring \$9 million.

Well, the fact of the matter is one may not consider that to be a large discrepancy, but he ought to have known if he were in touch with his department, if he were in touch with what was going on in the overall numbers. We were just taking the percentage increase over the salary levels as we knew them and we were able to come to a closer conclusion than he was. Having all the facts and figures at his disposal and the entire weight of the department's staff ready to help him, he still couldn't come up with an answer that was any closer than that.

I think that's been an indication all along. The whole thrust of the economic and financial fiscal policies of the government has been confused, to be kind, Mr. Deputy Speaker. To talk, as they do, in terms of wanting to assist the province in its financial position, of wanting to bring in helpful measures and then to bring in a Budget, for instance, that has expenditures this year that will exceed last year by at least 18 per cent. given the figures we now have at our disposal and likely will rise even higher because of a few unknowns that are yet to be determined, so it could be as high as a 20 per cent increase in one year over what they said was an election year Budget; I think is inexcusable, irresponsible and goes directly against all of the measures that are being taken by other responsible Provincial Governments and now even a Federal Government that has suddenly realized that the economy of the country is going in the wrong direction. It's slipping away badly; we're in the throes of indeed a very severe recession. The confidence of outside investors in our economy is demonstrated by the devaluation of the dollar down to the 77 cent level, so on and so forth.

Yet this government puts on its ideological blinders and ignores all of the good advice available to it by financial and economic experts throughout this province, indeed the country, and comes forth with a Budget that will see us spending 20 per cent more this year than we did last year. I just can't understand it and the worst part of it is, Mr. Speaker, that it goes a long way to hurting the very people that this government said, when it was running for election, they wanted to help the little guy, the person on fixed incomes such as the senior citizen on pension is going to be hurt worst in an inflationary economy, because what inflation does is reduce the buying power of the limited funds that they have available to them. They will indeed be in great difficulty as a result of this government's measures.

We've seen their lack of concern in terms of having property taxes in the City of Winnipeg on an average home assessed at \$7,000 go up by \$180 this year, larger than it went up in the total of four years of our administration. We've seen it in so many other ways. The increase in fees and other things that they said would never happen under their administration are all happening right within the first seven months. Mr.

Deputy Speaker, we obviously are disappointed, indeed upset at the kind of lack of direction that this government is taking and, in fact, the confused manner in which they are approaching the financial responsibility for this province.

We, Mr. Speaker, believe that they are harming the economy of our province in untold ways, many of which are already obvious, more of which will be obvious in the not too distant future. The fact that we have to go to the borrowing markets for \$900 million this year is unheard of, is going to place us in a very serious position in future in terms of controlling our economy, Mr. Speaker, but we don't appear to be having any effect whatsoever. Our comments fall on deaf ears. They don't seem to be the least bit concerned about the \$335 million deficit that they're bringing in, which likely will rise as \$400 million given their track record at spending control.

I think the worst part of it, as I say, is that they are going contrary to all of the best advice available from financial experts throughout the country and indeed are going to be absolutely opposed to the federal initiatives that were recommended last evening, that were brought in, because they have their ideological blinkers on, the blinders that say we are doing this, we are going to spend our way out of all of our problems and who cares about the future.

I for one, Mr. Speaker, am very very disappointed and will just leave my comments in that as this bill passes along to committee.

Thank you, very much.

QUESTION put, MOTION carried.

MR. DEPUTY SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Deputy Speaker, would you please call the Report Stage on Bill No. 51?

REPORT STAGE

BILL 51 - THE CHILD WELFARE ACT

MR. DEPUTY SPEAKER: Bill No. 51, An Act to amend The Child Welfare Act, the amendment stands in the name of Mr. Sherman.

The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, I move, seconded by the Honourable Member for Gladstone

THAT Section 4 of Bill 51, An Act to amend The Child Welfare Act be amended by inserting at the beginning of Subsection 7(1) Child Welfare Committee, the following words: "Where there is no Children's Aid Society, or where the area is an Indian Reserve."

MOTION presented.

MR. DEPUTY SPEAKER: Are you ready for the question? The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, the amendments to Clause 1(c) and Section 7 of the existing legislation, The Child Welfare Act, Chapter C80 of the Continuing

Consolidation of the Statutes of Manitoba are totally unnecessary, Sir, for the achievement of the Minister's expressed ends. Bill 51 calls for repeal of Clause 1(c) of the Act and repeal of Section 7 of the Act and their replacement in each case, Sir, by new provisions, new language. These amendments are contained respectively in Section 1 and Section 4 of the bill in front of us - Bill 51 - and these are the elements in Bill 51, Sir, that are very very questionable, elements that we find very, very worrisome, elements which concern us greatly; hence our amendment, which is now in front of the House. The amendment in front of the House, Sir, is designed to remove the concern to which I have referred. It is designed to make the bill palatable; that is, Bill 51, and it is designed to make the Minister of Community Services accountable.

The Minister said, in introducing the bill at second reading, Mr. Speaker, and also during Committee Stage of the bill's examination, that the amendments to The Child Welfare Act represented in Sections 1 and 4 of Bill 51 are necessary in order to confer the right to apprehend children on designated Child Welfare Committees, such as, the Dakota-Ojibway Child and Family Services Agency, the Churchill Health Centre and those Indian Bands and Tribal Councils that come under the aegis of the new Tripartite Agreement.

That Tripartite Agreement, Sir, in effect establishes the framework for an Indian child welfare system and it's certainly a welcome step forward and one on which our government worked very intensively and one to which the Minister of Community Services in our government in 1980-81, the former Honourable Member for St. James, the Honourable Mr. Minaker, played a signal and very integral part; but, Mr. Speaker, it's a specious argument for the Minister of Community Services of the Day today to say that he has to have these amendments in Sections 1 and 4 in order to confer that authority to apprehend children on those designated Child Welfare Committees.

Honest examination of Clause 1(c) and Section 7 of the existing Act, Mr. Speaker, and those are the parts that are being repealed and replaced, reveals them quite clearly to permit designated Child Welfare Committees, whether it's Dakota-Ojibway, whether it's the Churchill Health Centre or whatever, to apprehend children.

Section 7 of the existing Act makes it very clear that the director, subject to the approval of the Minister, may appoint such committees and may grant to them such powers and impose such duties for the welfare and protection of children as he deems proper. Well, those powers, which are unlimited under Section 7 of the existing Act, would obviously include the power to apprehend children if the director felt that was desirable in a specific instance. All that the Minister has to do to accommodate Bands and Tribal Councils and I recognize that he's now got that consideration because of the Tripartite Agreement, but all he has to do to accommodate those components of society is to add eight words to Section 7 of the Act as it is currently written. Those words would be: "or where the area is an Indian reserve." If you look at Section 7 of the current Act, Mr. Speaker, and you add those words in the initial sentence, "or where there is an Indian reserve," that would accommodate the Minister's

concerns where the Indian Bands and Tribal Councils under the new Tripartite Agreement are concerned. The way the section is currently written, with its reference to Children's Aid Societies, it accommodates those designated Child Welfare Committees that he's talking about, such as, Dakota-Ojibway and the Churchill Health Centre, and there is absolutely no need whatsoever for him to bring in the kind of amendments that are contained in Bill 51.

What he has done, Sir, is he has rewritten that section. He has rewritten Section 7 of the Act and written the Children's Aid Society right out of it. He doesn't need to do this to achieve his stated objective, his admitted objective, because his stated or admitted objective is as I've already defined it to the House to accommodate Child Welfare Committees like Dakota-Ojibway and the Churchill Health Centre.

So one has to ask, Mr. Speaker, why would the Minister write the Children's Aid Society out of section 7 of this Act? And I remind you, Sir, that Section 7 of the Act right now reads as follows: "Where there is no Children's Aid Society, the Director may do such and such." If you look at the new Act - the amendment in front of us, the new Section 7 which is section 4 of the Bill in front of us - there is no mention of the Children's Aid Society. It doesn't start out by saying where there is no Children's Aid Society. It simply says "The Lieutenant-Governor-in-Council may establish a child welfare committee, etc., etc., etc. So that what the Minister has done is rewrite the section and he's written the Children's Aid Society right out of it.

One has to ask, as I said, Sir, why would the Minister do that? Why would he write the Children's Aid Society out of Section 7 of the Act? Could it be that he has a hidden objective? Could it be that he has an unadmitted objective? Could it be that he wants to set up certain child welfare committees among certain groups of people and put them into competition with the Children's Aid Society of Winnipeg in Winnipeg? One has to ask that question, Mr. Speaker.

We haven't had an acceptable answer from the Minister up to this point in time. We certainly didn't have an acceptable answer from him in committee because he repeated his justification and that was Indian Bands and Tribal Councils couldn't apprehend children or fulfill the obligations or the entitlements that would devolve to them under the new Tripartite Agreement without this kind of change in the Act; but what I'm saying to you, Mr. Speaker, is they could do all of that with the simple addition to the existing Section 7 of those eight words I mentioned, which provide for the circumstances of an area as being an Indian reserve. Insofar as the other objections, the ones he raised about Dakota-Ojibway and Churchill Health Centre, they're already accommodated by Section 7 as it currently exists, which make mention of the existence of a Children's Aid Society.

So the amendment in front of the House, Mr. Speaker, would meet all the Minister's objections. They would meet his stated objectives, the ones that he offered to the House and the committee for the amendments in the first place and they would preserve the integrity of the Children's Aid Society while recognizing the movement forward in this whole field with the framework development now of an Indian

Child Welfare System.

So if the Minister's objective is not to write the Children's Aid Society out of the status and the stature that it currently enjoys and write it out of this section of the legislation, then let him say so by accepting this proposed amendment that the Progressive Conservative Party puts forward at this point in time for consideration by the House. If he will do that, Mr. Speaker, he will be giving the Children's Aid Society a much needed vote of confidence; a society which has done a tremendous job for decades in this city and in this province, in the child welfare field; a society which deserves a recognition and an acknowledgement and a formal public vote of confidence by the Minister of Community Services. He can give them that vote of confidence by accepting this amendment.

MR. SPEAKER, Hon. J. Walding: The Honourable Minister of Community Services.

HON. L. EVANS: Well, Mr. Speaker, very briefly, we are rehashing again the debate that occurred last night in committee on this particular item. It's just a total repetition of the argument and I will say again, as I said last night, that the amendment proposed by the Member for Fort Garry has no meaning whatsoever, absolutely no meaning whatsoever. If he's somehow wishing to protect the position of the Children's Aid Society of Winnipeg or Eastern or Central or Western - this does nothing for that. This does nothing to protect the existence of the Children's Aid Society in any part of the province.

The point is, Mr. Speaker, that the Act, the main Act, The Child Welfare Act of Manitoba, gives the ultimate responsibility for child care, for child welfare to the Government of Manitoba. The Government of Manitoba, through the Department of Community Services and Corrections has that ultimate power, authority and responsibility. So, to put this amendment into Section 7 does nothing to somehow or other protect the position of the Children's Aid Society which the member seems to wish to do.

I've stated before publicly and I can state again, for what value there is in restating it, that while there have been many criticisms of the Children's Aid Society, particularly of Winnipeg, that have been made by various groups, we appreciate that they play a very vital role. We've had much communication with them in the past several months and I'm confident that together the department and the various Children's Aid Societies will meet the challenge that's being posed by various groups in our society today.

There's much criticism being made of Children's Aid Societies. Some of it is unfounded, some of it's unjustified, but there is some cause for concern and there is some foundation in some parts. Without going into detail, I can say it's quite obvious from reading newspapers accounts, in particular, there's a degree of suspicion; a degree of uncertainty, a degree of fear, a legitimate degree of fear in the minds of some people. Now this may be unfounded, but nevertheless it exists. So I have stated publicly in the past, Mr. Speaker, as I say tonight, that we appreciate the role that has been played by the Children's Aid Societies. They play a vital role and we are doing whatever we can in the department to back them up through the

Directorate of Child Welfare.

We, as I stated last evening, have a total responsibility under the Act. We have a total financial responsibility; 99.9999 percent of the budget of the Children's Aid Societies in Manitoba are financed by the people of Manitoba. The taxpayers of Manitoba fund the Children's Aid Societies. They're virtual extensions of the department; that's really what they've become over the years. We have a direct and ongoing relationship with the staffing of the societies. If they wish to add to staff or make any major changes, they have to get authorization and permission of the department.

I would point out, Mr. Speaker, that Section 4 of The Child Welfare Act states very clearly that the Lieutenant-Governor-in-Council; namely, the Cabinet may by order dissolve a Society - they're referring to the Children's Aid Society in which case - the Society is dissolved on such a date as may be specified in the Order.

Then it goes on to talk about disposal of assets and liabilities. It's quite clear in the legislation that this government inherited, that this Minister inherited, that the power and authority of the government is supreme over the Children's Aid Society. So the member is not protecting anybody; he's not protecting any organization by putting that clause in. You can put the clause in; it does nothing; it does absolutely nothing because the Cabinet can turn around on any day of the week virtually and dissolve a Children's Aid Society.

So I'm not suggesting that is going to happen. I'm saying that is the legal fact of the matter. So, virtually, this particular amendment, this particular clause that's been added has no meaning and really is useless and is unnecessary. So I submit on good legal advice, I understand, Mr. Speaker, that the wording we have is efficient and that the wording we now have in Section 7 is most appropriate for the task at hand.

So having stated that, Mr. Speaker, I think it's quite obvious that this clause, this amendment is really adding words to the legislation without any real meaning, with achieving nothing whatsoever. So I submit, Mr. Speaker, that the House should vote down the amendment as proposed by the Member for Fort Garry.

QUESTION put, MOTION defeated.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: On division, Mr. Speaker?

MR. SPEAKER: On division.

The question before the House now is shall the report of the committee on Bill No. 51 be concurred in?

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, would you please call the Adjourned Debates on Third Reading of Bills 2, 19, 26, 40, all the way through on Page 2 as in the order in which they appear, concluding the third read-

ings amended Bills and all the way through to Page 3 inclusive, and Page 4?

MR. SPEAKER: The Honourable Member for Turtle Mountain on a point of order.

MR. B. RANSOM: Yes, Mr. Speaker, earlier the Government House Leader indicated that some time over the course of the evening, they would be making a decision with respect to Bill 30. I wonder if the Government House Leader might advise the House of that decision now.

HON. R. PENNER: It is still during the course of the evening.

MR. B. RANSOM: Mr. Speaker, would the Government House Leader be kind enough to advise the House when he will be able to tell us what their intention is with respect to Bill 30?

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Yes, I will advise the members opposite sometime before a quarter-after-eleven.

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker . . .

MR. SPEAKER: Order please.

HON. S. LYON: . . . on the point of order raised by the House Leader, I would merely like to advise the members of the government that it's not a question of game playing that's involved. We're now about to go into Third Reading of Bills. If there's no prospect of completing Third Reading of Bills in a reasonable time, then we might just as well adjourn and continue with regular business of the House tomorrow. If, on the other hand, there is some reasonable prospect of accommodating the Third Reading of Bills in Committee and cleaning up the Business of the House tonight, then we're prepared to be flexible and to look at that too. But if games are going to be played about statements that are being made to this side of the House about whether bills are being called or not, then, Mr. Speaker, the honourable members opposite can expect that the members on this side will not be as accommodating as we have been.

MR. SPEAKER: The Honourable Government House Leader to the same point.

HON. R. PENNER: To the same point, it's only appropriate that the Leader of the Opposition should talk about "game playing" because in our view that is precisely what has happened with respect to Bill 30 and if this side requires some time to further consult, then it requires some time to further consult. We would like to be able to advise the members opposite, but we would like to be sure of our own course of action. If the members opposite are as anxious as we are to expedite the business of the House, then I

would ask them if they would agree to a 15-minute recess so that we can caucus and consider and then advise?

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, it's an unusual procedure for the House to follow, but if that is what is required for the government to arrive at a decision with respect to this bill then, as usual, we are prepared to accommodate the government to facilitate the Business of the House.

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, then I think the appropriate motion would be that by consent by leave that Mr. Speaker do now leave the Chair and return to this House at 10:50 p.m.

MR. SPEAKER: By leave of the House - or order please - the House will recess for 15 minutes and reconvene at 10:50 p.m.

RECESS

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Yes, Mr. Speaker, it would be our intention to proceed to deal as originally announced with the Adjourned Debates in Third Reading to see how far we get with them and subsequently to call Bill 30. I will explain our position on Bill 30 when we deal with the hoist motion of the Member for La Verendrye.

ADJOURNED DEBATES ON THIRD READING

BILL NO. 2 - THE RESIDENTIAL RENT REGULATION ACT

MR. SPEAKER: On the proposed motion of the Honourable Attorney-General, Third Reading of Bill No. 2, standing in the name of the Honourable Member for Tuxedo.

MR. G. FILMON: Thank you, Mr. Speaker, can you tell me how many time-outs we have left in this half?

Mr. Speaker, I propose to deal expediently with final comments on Bill 2, having had an opportunity to speak on the bill at quite some length in Second Reading, during the Committee Stage, and having dealt with it, as all of our members have with great concern and great interest.

I would just like to put on the record the fact that we, Sir, on this side are obviously not opposed to rent controls. We did indeed have a system of rent control in this province; one that was acknowledged to be an effective system; one that sought to and assured that people would not be faced with unreasonable rent increases or unfair rent increases in this province; one that had considerably less bureaucratic red tape and structure and considerably less cost to the taxpayer, Mr. Speaker. We believe that obviously the govern-

ment has brought in their form of rent control because they believe that the public, and we believe that the public wants a fair and reasonable system of rent control, but we submit, Mr. Speaker, that this is not a fair and reasonable system, and indeed it is bad legislation in a variety of ways which I shall speak about.

Mr. Speaker, I do, however, have to acknowledge and indicate that we are pleased with a number of the concessions that have been made at the Committee Stage, a number of the amendments, a number of the changes that were brought, that although there are still many problems that will indeed affect the rental accommodation market in this province as a result of this bill, certainly the changes that have been made have all been for the better and have all been to bring more harmony and perhaps a little more order to the system of rent control that the government has brought forward.

Indeed, the amendment that will allow for the Rent Regulation Review officers and director to deal with frivolous complaints under the guideline that is annually set by the government will assist to ensure that the system does not become so totally clogged that it does not serve its purpose and indeed does not serve anybody's best interests. We believe, Mr. Speaker, that the extension of the exemption on new construction and newly renovated construction to five years from the originally proposal of four is an improvement, not as much as we would have liked to have seen, but an improvement.

We believe that there is a possibility, having taken out the \$1,000 per month rental rate as an exemption level, that the government may bring in a more reasonable level; that we'll see the exemption level in some way reflect an ability to pay, reflect an attitude towards concern for affordable housing and not just concern for total restrictive control of the market.

We believe, Mr. Speaker, that the partial freeing up of voluntarily vacated suites is indeed an improvement and one that will see some ability of responsiveness to market conditions be able to be translated into the opportunity for both landlord and tenant to benefit from the process. But, Mr. Speaker, there are of course so many aspects of the legislation that need to be commented on because of the fact that they do, indeed single out and discriminate against one sector of society, deal in a very inequitable way with some of the factions who are involved in the provision of residential rental accommodation in this province and I have to say that, as in any other bills, the government is not dealing in the kind of manner in which they say they stand for on so many issues. I speak particularly about the many speeches we have heard this government and its members bring forward about fairness and equity in the treatment of all Manitobans and certainly we have had an example of what their idea of fairness and equity is. We have had, in fact, the example of what former members of a New Democratic Government, former Cabinet members of the Schreyer Government thought about this government's idea of fairness, equity and democratic justice in dealing with people of this province.

At Committee Stage we have had two former Cabinet Ministers from Schreyer Governments step forward not only with respect to this bill, but with respect to others and state in very very strong and unequivocal

terms what they thought of the idea of social justice, fairness and equity that this government has as compared to what other New Democratic Governments had. The Member for Ellice challenges me to say who appeared. I'll have to state the name of Joe Borowski since he may not have been at committee when Mr. Borowski appeared. Mr. Green has made his comments in other public forums about rent controls. He unfortunately was making presentations at committees about other bills at the time that this was before the Statutory Regulations and Orders Committee and so he didn't put his comments on the record here, but they certainly are on the record in public forums with respect to this bill.

So, Mr. Speaker, there certainly are problems, there certainly are difficulties that will obtain as a result of this particular legislation. There's no question that this bill will set up a Public Utility of rental accommodation in this province at the expense of other people, not the government's expense. Unlike the other Public Utilities that are dealt with in this province by the Public Utilities Board, this is not one in which there is a monopolistic or oligopolistic situation because there are many, many hundreds if not thousands of investors and property owners who deal in the market. This setting up of a Public Utility at the expense of others is motivated by the basis of all political motives - not logic, not reason, not equity, not social justice - but merely, Mr. Speaker, votes. The mere fact that there are a hundred tenants to every landlord means that in many instances the bill, although it seeks to bring some order into the rental market, will in many ways bring some chaos in future.

Then, Mr. Speaker, the dealing with one sector of society in one fashion, versus the fashion in which they have dealt with other sectors of society in their legislation, I think, would indicate that it is indeed an inequitable piece of legislation for certain sectors of society. Homeowners, who are facing the same economic pressures that will result in larger than desirable increases in the rental market, are yet asked to pay to assist in a process which purports to provide in future low rents in this province. We know that you cannot protect these people against the pressures that are out there in the market just as this government has said that they cannot protect all of the homeowners in this province and in fact they have set certain guidelines.

The Minister of Agriculture very proudly stated in committee that he was much happier with their Mortgage Interest Rate Relief Program because it did not deal with everybody; it only dealt with people who were below certain levels of income; it only helped the needy. Their legislation provides for assistance only to those up to \$28,000 a year in income. Yet here we have a system of rent controls that is set up to protect people who are in fact going to be earning \$35,000, \$40,000, \$45,000 a year, those people up to \$1,000 a month rent and so on that we've spoken of. Those people will, in fact, also be the beneficiaries of this legislation. Where is the ability to pay? Where is the system of social justice that says people above a certain point of income do not need the help of the state in protecting them against unfair and unreasonable rent increases, just as they have said to the homeowners in this province, those of you above

\$28,000 do not need our help. How do they differentiate?

Well, Mr. Speaker, I don't know. I'd like to have some explanation but I haven't had that explanation and I don't expect I'll get it from this government because as I said before, they're confused; they're not very straightforward in the manner in which they deal with the public. They're not very open and equitable in many of the aspects of legislation that they bring forward.

One other aspect I'd like to touch upon because one of the architects of this legislation - in fact, probably the principal architect of this legislation - has been very proud of so many aspects of it, has defended it to the hilt on so many occasions - is the Member for Ellice.

The Member for Ellice spoke so strongly, so forcefully, so impassionately against retroactivity in some of the legislation that we brought in during our term of office as a government. He hammered away at the principle of retroactivity as being abhorrent, as being just unacceptable in the democratic political system. I recall many speeches, but I'll just refer to one from Hansard of Monday, the 16th of February, 1981. The speaker, Mr. Speaker, is the then Honourable Member for Wellington, now the Member for Ellice and he said: "And time and time again, Mr. Chairperson, in the course of debates on various bills we have dealt with the subject of retroactive legislation and its effect and impact on people's lives, and virtually all times when that has happened, Mr. Chairperson, members have generally agreed that sort of legislation is inappropriate because it works a hardship on the citizenry as a whole. Simply put, Mr. Chairperson, if a person is not made aware and informed of the law, then how can retroactively they lose certain rights as a result of a breach of a law they were unaware of."

Now, Mr. Speaker, this person as an architect of a bill has, in effect, allowed for a two-year retroactive period for the allowance of consideration of increases that have occurred when somebody appeals an increase on it. More so than that, the entire bill is retroactive to the 1st of January. I have less problem with that because at least they let people know about that in the last week of December, when they said we are bringing forth a bill and it shall provide for a 9-percent increase and so on. I have less problems with that because they at least telegraph that, but at the same time I say to you that certain aspects of this bill are retroactive for two years to try and redress what they thought were inequitable situations in the past two years.

That is in addition to the retroactivity in their First Contract legislation. It goes back more than a year to, again, try and redress pre-existing situations that The Farmlands Ownership Act had a retroactivity provision of five years. Thank heavens, it was pulled.

However, notwithstanding all that, I don't intend to go on at any particular length, Mr. Speaker. This government promised low rents. The increases will be higher than the expectations you have created, I assure you.

In addition to that, in addition to not being able to carry out the promises that you have implied to the people out there in the residential rental market, you have killed the incentive for investment; for develop-

ment; for construction; for job creation in this province in the housing industry. The only alternative to what you have provided for here, is massive public investment. Fifty million dollars has already been announced, but that's a drop in the bucket, Mr. Speaker, because I don't think that's going to create too much public housing or too much rental housing in the market today. The fact of the matter is, Mr. Speaker, 20 of the 23 people who appeared at committee told this government that they have killed the incentive for any investment in residential rental accommodation in this province in the future. That's the part of it that bothers me; it's not the control part of it. I believe that the taxpayer and the renter will suffer as a result of this legislation in the long run.

Mr. Speaker, besides that, it's unfair to so many little people in the province and I know that the Minister, the Premier, the Member for Flin Flon and others in the government have received some very, very sad correspondence from a small investor in Flin Flon who bought some rental property with the thought that this would be his nest egg for retirement. This was a working man; this was a person who worked all his life and saved a little bit and then bought, four or five years ago, some rental accommodation; put in some sweat equity and tried to build up a nest egg for the future and he's been pleading with this government not to introduce this form of rent controls because it will destroy his hope of a reasonable retirement. He has tenants in his suites who will be able to hold him to 9-percent increase or whatever he can get away with, whatever he can plead before a board, while they laugh at him because they put their money in Canada Savings Bonds at 19.5 percent. That's the kind of equity that we see in this kind of legislation.

Mr. Speaker, in the long run, the fact of the matter is - we acknowledge it - rent controls were a promise of this government; rent controls, in effect, were accepted as something that the public wanted. Obviously, part of the rationale behind this government's being in office, was that they have to fulfill that promise. We do not want to be dog in the manger; we do not want to be dogmatic. Indeed, Mr. Speaker, because we believed, as we showed and demonstrated by our own legislation, that we acknowledge the need for controls in the market, we are not going to oppose this legislation. Indeed, we are going to support it, so that the renters of Manitoba can at least give it a chance; can at least give it an opportunity and see whether or not what they thought they were going to get is what they, indeed, will get from this government.

Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: I was wondering if the Member for Tuxedo would yield to a question, Mr. Speaker?

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. B. BANMAN: Mr. Speaker, I beg to move, seconded by the Member for Emerson, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: On the proposed motion of the Honourable Attorney-General, Bill No. 19, An Act to amend The Landlord and Tenant Act standing in the name of the Honourable Member for Tuxedo. (Stand)

MR. SPEAKER: The Honourable the Attorney-General.

HON. R. PENNER: I move, seconded by the Minister of Municipal Affairs, that this House do now adjourn.

MOTION presented.

BUSINESS OF THE HOUSE

HON. R. PENNER: Meetings of the House in accordance with the Speed-up Resolution for 10:00 o'clock tomorrow morning and 2:00 o'clock tomorrow afternoon and 8:00 o'clock tomorrow evening.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: The adjournment motion, Mr. Speaker, Yeas and Nays.

MR. SPEAKER: Call in the members.

Order please. The question before the House is the motion by the Honourable the Attorney-General and seconded by the Honourable Minister of Municipal Affairs, that the House do now adjourn.

A STANDING VOTE was taken, the result being as follows:

YEAS

Messrs. Adam, Anstett, Ashton, Bucklaschuk, Carroll, Corrin, Cowan, Desjardins, Mrs. Dodick, Mr. Doern, Ms Dolin, Messrs Evans, Eyer, Fox, Harapiak, Harper, Mrs. Hemphill, Messrs. Lecuyer, Mackling, Malinowski, Penner, Ms Phillips, Messrs. Plohman, Santos, Scott, Mrs. Smith, Messrs Storie, Uruski, Uskiw.

NAYS

Messrs. Banman, Graham, Mrs. Hammond, Messrs. Ransom, Steen.

MR. ACTING CLERK, G. Mackintosh: Yeas. 29; Nays 5.

QUESTION put, MOTION carried and the House adjourned and stands adjourned until 10:00 a.m. tomorrow (Wednesday).