

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 29 April, 1987.

Time — 1:30 p.m.

**OPENING PRAYER by Madam Speaker.**

**MADAM SPEAKER, Hon. M. Phillips:** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MADAM SPEAKER:** The Honourable Minister of Education.

**HON. J. STORIE:** Madam Speaker, I'm pleased to table the Supplementary Information for the 1987-88 Estimates debate.

**MADAM SPEAKER:** The Honourable Minister of Co-op Development.

**HON. J. COWAN:** Yes, Madam Speaker, I'd like to table Return to Order No. 7, on the motion of the Member for Emerson, dated June 9, 1986.

**MADAM SPEAKER:** Notices of Motion . . . Introduction of Bills . . .

### INTRODUCTION OF GUESTS

**MADAM SPEAKER:** Before I move into Oral Questions, may I direct the attention of honourable members first to the gallery, where we have 60 students from Grade 9 from the Mennonite Brethren Collegiate, under the direction of Mr. Bill Enns. The school is located in the constituency of the Honourable Member for Elmwood.

We have 26 students from Grade 9 from the Pierre Radisson School. The students are under the direction of Mrs. Alice Pelletier, and the school is located in the constituency of the Honourable Minister of Environment, Workplace Safety and Health.

On behalf of all the members, we welcome you to the Legislature this afternoon.

May I also direct the attention of honourable members to the loge to my left, where we have visiting with us Mr. James H. Bilton, who was a member of this Legislative Assembly for 15 years, and a former Speaker of this Assembly.

On behalf of all the members, we welcome you back to Manitoba, Mr. Bilton.

### ORAL QUESTIONS

#### Gunn, N.D.- contractor re Limestone Training Program

**MADAM SPEAKER:** The Honourable Member for Minnedosa.

**MR. D. BLAKE:** Thank you, Madam Speaker. My question is directed to the Minister responsible for the Limestone training project.

I wonder if he could confirm to the House whether N.D. Gunn Ltd. or Mr. N.D. Gunn has a contract with the Limestone Training Program.

**MADAM SPEAKER:** The Honourable Minister of Energy and Mines.

**HON. W. PARASIUK:** N.D. Gunn has not, to my knowledge, been a contractor. I think that the Limestone training agency rented one or two pieces of equipment from him. I can indicate that N.D. Gunn tendered for a project to install water and sewer services in the Sundance Community Centre. They were the lowest tenderer by some \$197,000, and they were awarded the job and they completed the job satisfactorily. They also had a subcontract with ATCO Limited, and that was negotiated between themselves and ATCO. My understanding was that the work that they did under that subcontract was completed satisfactorily.

**MR. D. BLAKE:** A supplementary question, I wonder if the Minister might provide us with some more details on the contract that he has with the Limestone Training Program, the number of pieces of equipment and the rental that's being paid on this particular equipment.

**HON. W. PARASIUK:** Yes, Madam Speaker, I'll take that as notice and get the information as soon as possible.

#### Gunn, N.D.- loan from Communities Economic Development Fund

**MADAM SPEAKER:** The Honourable Member for Arthur.

**MR. J. DOWNEY:** Madam Speaker, I have a question for the Acting Premier, in view of the fact that the Premier is not in question period.

Madam Speaker, I would like to ask the . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please.

The honourable member knows he's not to refer to the presence or absence of any member.

**MR. J. DOWNEY:** I apologize, Madam Speaker.

To the Acting First Minister of the province, Madam Speaker, when did the Premier and Cabinet approve the loan to Mr. N.D. Gunn through the Communities Economic Development Fund, and what Cabinet document was used for that approval?

**MADAM SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** I'll take the specifics as notice, Madam Speaker, but I think the preliminary comment could be that any approvals were done in the normal fashion for CEDF approvals.

**MR. J. DOWNEY:** Madam Speaker, in view of the fact that Mr. Gunn, first of all, did not qualify under the act because of the residence or the place of his business, not being in a remote or isolated community, being in Winnipeg at 41 Higgins Avenue; in view of the fact that same individual was being sued for non-payment by three other companies and, as well, by the Manitoba Labour Board in 1985 for non-payment of wages, why would the government proceed to approve the loan for \$350,000 in April of 1986, or when the Communities Economic Development flowed the loan in April of 1986? Why would they approve such a loan?

**HON. M. SMITH:** Madam Speaker, I think that's a question more appropriately dealt with in committee.

### **Textbook material - complaints about**

**MADAM SPEAKER:** The Honourable Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. My question is to the Minister of Education.

I know that the Minister has received complaints regarding the inappropriateness of textbook material, and the complaints have attacked both the reading level and the content of this material. To date, the Minister has failed to act.

Would the Minister explain to this House why a science text used in Grade 9 and Grade 10, and primarily used in Grade 10, titled "Packaging Passengers" has a reading level on four reading tests of Grades 6, 5, 7 and 7.5.

**MADAM SPEAKER:** The Honourable Minister of Education.

**HON. J. STORIE:** Thank you, Madam Speaker.

I think the Member for River Heights is aware that the process that is in place for the development of curriculum and curriculum materials in the province is a very extensive process. It is reviewed by a committee of members which includes teachers, members of the Faculty of Education, science specialists, parents, a tremendous array of people with a lot of talent. The information that the member refers to is only part of an extensive set of materials that are available for teachers to use and, of course, the reading levels in various materials produced by various sources is different.

Madam Speaker, I understand that the average newspaper contains a reading level, or is prepared at a reading level of approximately Grade 6. That doesn't mean that the information that it passes on isn't both appropriate and accurate, or hopefully, Madam Speaker. So, the reading level really is not the issue, certainly not necessarily the issue. The question is: Is the information good? Is it appropriate for the grade level? Is the information that the students need in terms of the whole scope and sequence of the science curriculum? Those are the question that needs to be asked.

### **Textbook material - computer program to assess readability level**

**MRS. S. CARSTAIRS:** A supplementary question to the same Minister.

Could the Minister explain why, when a computer program is available at the Department of Education to measure readability, it is not used in this process of choosing textbooks, thereby leading to a poor learning environment and wasted money?

**HON. J. STORIE:** I think the member has demonstrated some intellectual gymnastics in that question, Madam Speaker, jumping as she did from her preamble to her conclusion. Madam Speaker, the Member for River Heights should know that individual teachers, schools and school divisions make the choices with respect to the textbooks that are used, the supplemental material that they choose, from a wide variety of approved material.

So, Madam Speaker, the fact that the department has the capability of assessing the readability of textbooks is not a determinant of the final selection of materials in our school system.

**MRS. S. CARSTAIRS:** A final supplementary to the same Minister.

Will the Minister assure the House that all textbook material approved by the Department of Education will in the future be evaluated for reading levels, and that this information be passed on to teachers so that they can make a well-evaluated choice on the textbooks for their school children, so that \$6.5 million now spent on textbooks will not be used ineffectively?

**HON. J. STORIE:** I can accept the recommendation, the suggestion made by the Member for River Heights. I think it has some merit. I think I should indicate that assessing the readability level of any set of materials is not an exact science. Readability, of course, has as its set of norms, preconditions which may or may not hold for a given school. While I think that there is some merit in the suggestion that materials, where possible, be provided with a readability level for the information of teachers, I would certainly want to review how expensive and how effective that might be.

### **Communities Economic Development Fund - policy re loans to Winnipeg companies**

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Madam Speaker.

My question is to the Minister responsible for CEDF. It has to do with a \$350,000 loan made by CEDF to N.D. Gunn, that loan which will not likely be recovered by the Province of Manitoba, to a contractor who operated and who obviously was in financial difficulty, and the loan having been made under some questionable circumstances.

My question to the Minister is: When did the policy of CEDF change toward awarding loans to Winnipeg

residences and Winnipeg companies, given that on Thursday, May 3, 1984 the general manager, Mr. Hugh Jones, of CEDF said, in response to a question about that very topic: "We certainly never have made loans in Winnipeg, I couldn't foresee the day when we would"? And given that Mr. Gunn was and is a resident of Winnipeg and operates here, why was that loan made and when did the policy change to allow him to be given that loan?

**MADAM SPEAKER:** The Honourable Minister of Northern Affairs.

**HON. E. HARPER:** Madam Speaker, the person in question was a resident of Norway House, and he's got a business address in Norway House. I might indicate also that, in terms of the process, how the applicant received a process, approach was made to CEDF in early August 1985 and Gunn had been awarded a contract at Sundance. The applicant had thought the necessary working capital and financing would have been made available through the credit union. On an urgent basis, the proposal was analyzed in the normal way, CEDF staff and a board submission was prepared. On August 13, 1985, the board of directors met and, because of the contract revenue, recommended the Minister a loan guarantee of \$150,000, and a loan of \$102,000 was recommended to the Minister. The purpose was to acquire equipment and to finance a contract.

The proposal was then submitted to Cabinet on August 28, 1985, and approved. A formal letter of offer was issued and normal security taken. In early 1986, the applicant reapproached the fund for increased working capital to accommodate the needs of a further contract at Limestone to generate a net of \$25,000 per month. On April 23, 1986, the board of directors approved a revised financing package consisting of a guarantee of \$200,000 and a loan of \$150,000.00. The board of directors, when they met in Winnipeg on May 7 . . .

**MADAM SPEAKER:** Order please, order please.

Is the Honourable Minister making a ministerial statement? May I remind Honourable Ministers that answers to questions should be as brief as possible.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** I wonder if the Minister can indicate what is the current total exposure of the province through its Crown agencies for Mr. Gunn and the money that has been put into that company?

**HON. E. HARPER:** Yes, I was getting to the response to that area.

CEDF responded to this company's application which was ratified by the board on May 7, 1986, and this restructured assistance was approved in Cabinet on April 30, 1986. Based on the clear evidence of sufficient revenue, and having received all normal information the funds seeks - it should be noted that while there has been no formal bankruptcy action taken, the fund has taken all steps to it under its security documentation - and the end result of the whole exercise is expected to conclude with virtual total recovery of the investment of taxpayers' money in this company.

It might also be noted that, when the restructuring took place, the fund was reassured by appointment of the shadow manager through the assistance of the Federal Business Development Bank.

### **Gunn, N.D.- length of residency at Norway House**

**MR. G. FILMON:** I wonder if the Minister can indicate how long Mr. Gunn had been a resident of Norway House when he made this application.

**HON. E. HARPER:** Mr. Gunn was born there, and also he has a business address there and, based on the information that was provided to CEDF, the board of directors recommended that this loan be approved.

**MR. G. FILMON:** Madam Speaker, can the Minister indicate whether Mr. Gunn had actually been in residence in Winnipeg for at least the past decade?

**HON. E. HARPER:** I don't know whether I could answer that because it is a personal thing, and also at the same time I would have to check as to whether Mr. Gunn has resided in Winnipeg here off and on.

### **McKenzie Seeds - potential loss**

**MR. G. FILMON:** Madam Speaker, my question is to the Minister responsible for McKenzie Seeds.

The statement that was tabled yesterday with respect to McKenzie Seeds does not reflect the cost of interest on the money that was borrowed for the \$12 million refinancing of McKenzie done in 1983, 1984 and 1985. How much would the loss have been if the province had not taken this \$12-million debt off McKenzie Seeds' balance sheet?

**MADAM SPEAKER:** The Honourable Minister responsible for McKenzie Seeds.

**HON. W. PARASIUKE:** Thank you, Madam Speaker.

I can take that specific question as notice, but the company in the last year paid some hundreds of thousands of dollars to the Manitoba Development Corporation, in addition to the profits it shows. It's true that there was a conversion of some debt to capital in terms of preferred shares several years ago but of course, if we hadn't been operating the company this year, we wouldn't have gotten those hundreds of thousands of dollars back; we wouldn't have had the \$300,000 profit. We would have had hundreds of Brandon residents unemployed; we would not have had the kind of tax income -(Interjection)- Well, the Member for Morris mentions sugar. Then he would well know that we know wherein our government books show the interest on the money we paid to the sugar farmers in 1985, nor does the Opposition ever demand that we show that on our books, so be fair.

### **McKenzie Seeds - cost to province to operate**

**MR. G. FILMON:** Madam Speaker, when the Minister doesn't know the information, he decides to shout, so that's his normal tactic in this House.

Madam Speaker, given that information that has been provided to me by the President of McKenzie Seeds indicates that the borrowing cost on that \$12 million would be \$1.26 million this year alone, will the Minister now acknowledge that, given the profit of \$303,000, in fact it has cost the province over \$900,000 to have McKenzie Seeds operating this past year?

**MADAM SPEAKER:** The Honourable Minister of Industry, Trade and Technology.

**HON. V. SCHROEDER:** No, Madam Speaker, it does not mean that at all. What it does mean is that, had we shut the place down in 1985, when we converted it we would have lost that money. If the Leader of the Opposition understood financial statements, he would understand that the depreciated value, the book value of this operation, is less than \$3 million. Had we shut it down then, we would have lost that \$12 million. It would have been gone forever, plus we would not have received the \$300,000 we received this year, plus we would not have received the several hundred thousand dollars the MDC received back, plus we would not have received the income taxes paid by the hundreds of employees, plus we would not have had that operation in Brandon. It is simply not true at all that we lost \$900,000 because we're in operation this year. In fact, because we're in operation this year, we gained over half a million dollars directly, and far more than that again in taxes. I would challenge the Leader of the Opposition to prove anything otherwise.

**MR. G. FILMON:** Madam Speaker, no one is suggesting that McKenzie Seeds ought to be shut down. We're suggesting that the Minister ought to be truthful.

**MADAM SPEAKER:** Order please.

Question period is a time for asking questions, not delivering information.

### **McKenzie Seeds - interest on dividend payments**

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Madam Speaker, I wonder if the Minister could indicate whether or not McKenzie Seeds paid anything to the province, either in interest or dividends on the \$12 million of preferred shares that it holds in the company this past year.

**HON. V. SCHROEDER:** Madam Speaker, I'm sure that the Leader of the Opposition can either read the statement or hire someone who could read it for him. However, the Leader of the Opposition stated very clearly in his second-last question that it cost \$900,000 to the province to operate McKenzie Seeds last year. That is absolutely incorrect.

Had we not been operating it, had we sold it in 1985, was it still running, we still would have lost that \$900,000 if he wanted to add that on and on and on, forever and ever, Madam Speaker. It is simply not true that we lost \$900,000 in running McKenzie Seeds, and he can use those numbers, whether it is in the private

sector or in the public sector. Anyone who is an accountant knows full well the balderdash that the Leader of the Opposition is attempting to foist on the people of Manitoba, and that I think is why even the Member for Brandon West is quiet on this issue today.

### **McKenzie Seeds - reason for refinancing**

**MR. G. FILMON:** I'm glad that the Minister has acknowledged that McKenzie didn't pay any interest or dividends on those preferred shares this past year.

My further question to the Minister is: Would he tell us whether one of the reasons for the McKenzie refinancing was merely to improve the appearance of McKenzie's balance sheet, and to promote the image of a healthy corporation rising from the ashes of financial distress?

**HON. V. SCHROEDER:** Madam Speaker, people in Manitoba, outside of the Conservative Party in this Chamber, understand full well that when losses have been maintained over a period of two decades, including Tory years when we acquired this operation back in the Sixties and the Lyon Government in the Seventies and others, when you add on those deficits year after year after year, and then attempt to charge them back to the operations now and say that if we don't pay back on all of that, on the basis of this year's operations, that somehow we're doing something wrong, they understand that's nonsense. They understand that we shouldn't show the \$3 million of payments we made to the sugar beet farmers in 1985, and try to collect the interest, or on hogs, or on dairy, or on the many stabilization programs we run. That doesn't make any economic sense for Manitoba, and that's why they're on that side.

**MR. G. FILMON:** Madam Speaker, will the Minister indicate whether or not one of the reasons for the refinancing was merely to improve the appearance of McKenzie's balance sheet? Is that why it was done by this government?

**MADAM SPEAKER:** Order please.

That question is repetitious.

The Honourable Member for Rhineland.

**MR. A. BROWN:** Thank you, Madam Speaker. My question is to the Minister of Community Services.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please.

Does the Honourable Member for Brandon West have anything to put on the record?

**MR. J. McCRAE:** Thank you for the opportunity, Madam Speaker. It is true that the Chair does not take the responsibility for the fact that Ministers opposite don't answer questions.

**MADAM SPEAKER:** And I do hope that was no reflection on the Chair.

**MR. J. McCRAE:** . . . (inaudible) . . . Madam Speaker, but it certainly was a reflection on the answers given to us by members opposite.

### **Sogi, John - whereabouts of**

**MADAM SPEAKER:** The Honourable Member for Rhineland.

**MR. A. BROWN:** My question is to the Minister of Community Services.

Can the Minister say where the retardate - and I believe his name was John Sogi, who was with Mitch Gowler when he met his death - is at the present time?

**MADAM SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** Madam Speaker, he's living in the residence that's operated by DASCH.

### **Mentally handicapped - criteria for placement in group homes**

**MR. A. BROWN:** My question is to the same Minister.

Can the Minister say who does the selection for placement of retardates into group homes and what criteria is used, and what information about the placements is shared with group homes and the community that the retardates are placed in?

**HON. M. SMITH:** Madam Speaker, the process of identifying people for placement in homes will vary, depending on whether they're moving from an institution or from a family home. In the case of movement from the institution, the Provincial Steering Committee would be one group that would have access to the information and would originally have approved the criteria. The regional implementation teams who have representation of staff from the mental retardation and vocational rehabilitation program side of the Community Services Department, and the volunteer group representatives on that committee, along with family members if they are still involved with the individual, would be so involved.

Again, the criteria for placement is whether the needs of the individual can be appropriately met in the community, and they have what they call a 24-hour planning process that meets all the basic requirements of the individual for care, for supervision, for day programming, for recreation and so on.

### **Mentally handicapped - number placed in community**

**MR. A. BROWN:** My question is to the same Minister.

How many more severely retarded and potentially dangerous retardates have been placed in the community, and have the communities been made aware of the potentially dangerous situation?

**HON. M. SMITH:** Madam Speaker, the assumptions that are being made that for retardates to live in the community is dangerous to the community and to

themselves is so misleading and so unfair to the individuals and their families. At the same time, Madam Speaker, none of us can deny that there are always some risks with any living arrangement, whether it's in the family home, whether it's in an institution, or whether it's in a community. There are some small number of retarded persons who can, on occasion, pose some threat to other people, but to generalize and deny all retarded persons the right to live in a more supportive and nurturing environment in the community, based on the assumptions expressed by the member opposite, I think is just a great disservice to the disabled and to their families.

### **Mentally handicapped - prevention of risk**

**MADAM SPEAKER:** The Honourable Member for Rhineland with a final supplementary.

**MR. A. BROWN:** Madam Speaker, my question is to the same Minister.

Does she mean to tell me that she has done absolutely nothing to prevent another occurrence such as what we have just seen? Has she done absolutely nothing to prevent another Mitch Gowler episode from occurring?

**HON. M. SMITH:** Madam Speaker, the only 100 percent safe place for a human being is to be in the grave. I don't even know if there is a place during life where you could be 100 percent secure, even in a prison, in an institution, in a hospital bed, in a community home, in the family home. There are always some risks. What we can do as families and as communities and as government, people responsible for care of the retarded, is to do everything we can to minimize risks and to optimize their opportunity for a decent life.

Madam Speaker, if the member opposite has specific recommendations or questions that he would like to raise or make with me, I would appreciate it, because I think the goal of all of us working in this very difficult field is to get as much support and opportunity for the retarded people as we possibly can. But to generalize from one really tragic unfortunate incident to the total system for care of the retarded, Madam Speaker, is a travesty of what debate in this House is supposed to be all about.

### **Farms - federal farm credit foreclosure - Man. Gov't position**

**MADAM SPEAKER:** The Honourable Member for Lac du Bonnet.

**MR. C. BAKER:** Thank you, Madam Speaker. My question is to the Minister of Agriculture.

Recently the Federal Minister of Agriculture has announced that they are lifting the farm credit foreclosure. It seems to me, Madam Speaker, this couldn't come at a more inopportune time. I was wondering if the Minister of Agriculture could state his position on this untimely act.

**MADAM SPEAKER:** Could the honourable member please rephrase his question so it's definitely within

the jurisdiction of the Honourable Minister, not his personal opinion?

**MR. C. BAKER:** What is the Manitoba Government's position on this untimely act, Madam Speaker?

**MADAM SPEAKER:** The Honourable Minister of Agriculture.

**HON. B. URUSKI:** Thank you, Madam Speaker.

I wish to indicate that the Province of Manitoba has had an implicit foreclosure on its own lending through MACC, and in fact has had a policy that has developed into a long-term lease option for its clients.

We are, in the case of the recently announced FCC for lifting of the moratorium, Madam Speaker, very concerned that lifting, in fact, will place into jeopardy hundreds of farm families who could be offered lease-back provisions, even though they have been indicated it's a possibility, because we believe that the review process certainly is unnecessary for those farmers on whose farms a moratorium has been put into place.

What is required, Madam Speaker, is a long-term lease-back policy to maintain as many farmers as we can, because it appears the signal that's coming out of Ottawa is that we'll use the review process to basically get people off the land and not keep them on the land, Madam Speaker.

#### Farms - number of foreclosures

**MR. C. BAKER:** A supplementary question, Madam Speaker.

Firstly, I'd like to repeat the question that was asked by the Member for Arthur. How many foreclosures have we had on Manitoba farms, in Manitoba Agricultural Credit Corporation?

**HON. B. URUSKI:** Madam Speaker, in the last six years since I have been Minister, there have been less than 10 foreclosures in the corporation. I believe it's something like half a dozen, but it's less than 10 in six years.

#### Farms - request for federal support program

**MR. C. BAKER:** A final supplementary, Madam Speaker.

Can the Minister tell us if he is taking any action to ask the Federal Government to put in place a farm support program so that farmers can have at least some idea that they are going to receive fair income for the crop that they're putting in right now?

**HON. B. URUSKI:** Madam Speaker, I want to indicate that I'm very pleased that there is and has been an all-night debate in the House of Commons dealing with the crisis in agriculture, sponsored by the Hon. Stan Hovdebo from the Province of Saskatchewan, raising these concerns in the House of Commons.

Madam Speaker, I have asked my staff to, at this time, send a telex to the Honourable Minister John Wise, indicating that there should be a national farm

strategy putting into place three components, using the debt review process to mediate arguments between farmers and creditors, and establishing a fund for the federal board to be used to facilitate these arrangements, a fund similar to that in place in Manitoba.

And as well, Madam Speaker, an announcement of a policy of leasebacks to FCC farmers signing quitclaims to enable the farmer to continue farming; and thirdly, a supplementary national operating loan guarantee program to ensure the availability of operating funds. This strategy, Madam Speaker, can be put into place, along with the moratorium being continued. As well, Madam Speaker, we have asked that . . .

**MADAM SPEAKER:** Order please.

Is the Honourable Minister making a ministerial statement?

**HON. B. URUSKI:** No, Madam Speaker, all I'm doing . . .

**MADAM SPEAKER:** May I remind Honourable Ministers that answers to questions should be brief.

**HON. B. URUSKI:** Yes, Madam Speaker. We are making one more point in the telex that we're sending, and I would be pleased to table it for my honourable friends. That is an early announcement to the farm incomes of grain farmers be announced because of the decline of 50 percent in their incomes forecast for next year.

#### School busing - policy change re contract buses

**MADAM SPEAKER:** The Honourable Member for Ste. Rose.

**MR. G. CUMMINGS:** Thank you, Madam Speaker.

I have several neighbours who will be surprised to learn that after they gave up their titles to MACC that they didn't need to have done so.

My question is to the Minister of Education, Madam Speaker. Does the Minister intend on enforcing the recent policy changes made within his department that are made regarding the contract buses, and particularly contract buses that are below a certain designated size?

**MADAM SPEAKER:** The Honourable Minister of Education.

**HON. J. STORIE:** Madam Speaker, I'm going to take that question as notice. Unless perhaps the member can offer some additional detail, I will have to take it as notice.

**MR. G. CUMMINGS:** Well, Madam Speaker, it appears that departmental policy this summer will be that small contract buses will not be allowed to be used for the transportation of students.

Does the Minister intend to enforce the regulation that buses must be of a certain size, even though they will be travelling on roads that cannot handle turnaround

space, and handle the unbecoming situation that is developing in some of the LGD's on the roads? Is it his intention to enforce a regulation to put larger vehicles in an area where they're really not needed?

**HON. J. STORIE:** Madam Speaker, I'd like to thank the member for that clarification.

The fact is that there remains something like 20 buses, I believe, Madam Speaker, which do not conform to the regulations that have been put in place to ensure student safety as we transport our students the many hundreds of thousands of miles across the province. Madam Speaker, some exceptions have been made, and some changes have been recommended, to ensure that all buses conform to the appropriate safety standards. I recognize that there are some circumstances where that is going to create some problems and I have asked staff to review those circumstances and see whether, in fact, exemptions or exceptions should be made, but I want to indicate to the member that the prime concern is the safety of our students as we are transporting them.

We, in Manitoba, Madam Speaker, have an enviable record, and I would not want the Member for Ste. Rose to be put in the position of jeopardizing a student in his area because of some concern over a few dollars cost, a few dollars of modification, that might be necessary to meet the standards.

### School busing - safety regulations

**MR. G. CUMMINGS:** A new question to the Minister.

It is precisely because of the safety concerns that I rise to question the implementation of this policy because, Madam Speaker, I want to know if he intends to allow the transportation of children on vehicles that (a) are not licensed by the department because, where parents are given money to transport in lieu of transportation, they will not be transporting those students on licensed and inspected vehicles; and (b) does he intend to allow the transportation of students by drivers who have not passed specifications for school bus operation, which is now required by regular school buses?

**HON. J. STORIE:** Madam Speaker, I think the Member for Ste. Rose raises some interesting questions. Clearly, the school divisions are responsible, along with the department, for ensuring that there are safe operation of vehicles transporting students. To the extent that parents, others, have transported students, the standards obviously have not been imposed. The standards have been imposed on those vehicles and drivers who operate for the division and on behalf of the division. Whether we would want to get into requiring specialized equipment, additional expense for individuals who transport their own students, their own children, is something that may be worth considering.

### Credit Union Stabilization Fund - tabling of credit union amounts

**MADAM SPEAKER:** The Honourable Member for La Verendrye.

**MR. H. PANKRATZ:** Thank you, Madam Speaker.

We hear constantly from the government side that banks are ripping off the public, so my question is to the Minister of Co-operative Development.

The Province of Manitoba and the people of Manitoba have subsidized the credit union and the caisse populaire, through the Stabilization Fund, to the amount of \$17 million in five years. My question would be: Would the Minister tell this House how many credit unions and caisses populaires have received financial assistance from the \$17 million over the past five years?

**MADAM SPEAKER:** The Honourable Minister of Co-operative Development.

**HON. J. COWAN:** Yes, just so I don't misinterpret the preamble to the question, I hope the Member for La Verendrye is not grouping the credit unions and caisses populaires into the same group with the banks when he talks about the ripping off of the general public. I'm certain he's not, but I want to make it very clear that they are two different types of institutions, and the credit unions and the caisses populaires in this province play a very vital and important role in the economic development of Manitoba. I don't think there's been anyone who suggested that they were ripping off the public or doing a disservice to their province. Exactly the opposite is, in fact, the case and true.

In respect to the specific question about the provision of assistance, that is done through the 1982 loan agreement. I would be pleased to provide the detailed information to the member, either in a subsequent question period on my feet or in writing, as it will be fairly lengthy. Also, I know we'll have, during the Estimates, an opportunity to discuss that in detail as well. But if he wanted that information previous to the Estimates being conducted, I'd be more than happy to provide that information, which can be made public to him in writing or, if he requires, on my feet in question period.

### Credit Unions - number seeking assistance and amounts

**MR. H. PANKRATZ:** Madam Speaker, to the same Minister.

It's the banks that are paying 14.5 percent, the debenture of the loan, which the Credit Union Stabilization Fund is realizing the interest, which amounts to \$17 million. So my question is: How many credit unions and caisses populaires were in financial trouble in 1982?

**HON. J. COWAN:** There were a significant number of credit unions and caisses populaires, and let us be very clear about what we're talking about when we talk about credit unions and caisses populaires. We're talking about 330,000 Manitobans, who are members of those organizations and have invested billions of Manitobans savings and dollars in their province through those organizations. Any financing . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please.

**HON. J. COWAN:** I hear the Member for the Royal Bank getting quite agitated about the credit unions and caisses populaires.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order, order please.

As the honourable member well knows, we only refer to honourable members by their constituencies.

The Honourable Minister.

**HON. J. COWAN:** Madam Speaker, I apologize to the honourable member if I referred to him by his constituents, rather than his constituency.

**MADAM SPEAKER:** Would the Honourable Minister please withdraw any inference that he's just made with regard to the honourable member.

The Honourable Minister of Co-op Development.

**HON. J. COWAN:** Yes. If the honourable member is offended by my comment on his relationship with the Royal Bank, I withdraw it entirely; I withdraw any inferences, any imputations, or anything that would make him the least bit sensitive about that relationship, categorically and unequivocally.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please.

The Honourable Member for Minnedosa.

**MR. D. BLAKE:** Yes, on a point of order.

I am not disturbed about any reference he makes to me about my connection with the Royal Bank whatsoever. I was merely referring in my remarks across the floor. We hear from members so often from opposite sides about the Federal Government bailed out the banks; they didn't bail out the banks that went broke, they bailed out the . . .

**MADAM SPEAKER:** Order, order please.

The honourable member does not have a point of order.

The Honourable Minister of Co-op Development.

**HON. J. COWAN:** That's exactly the point I was trying to make. When we provide assistance to the credit unions and the caisses populaires, it goes back to the people, the membership of the province. When the Federal Government provides assistance to the banks, it is the shareholders of those banks who receive that assistance.

There were a number of credit unions and caisses populaires, Madam Speaker, that required assistance. I can get the detail for the member and provide it to him at a later date.

**MADAM SPEAKER:** Order, order please.

The Honourable Member for La Verendrye with a final supplementary.

**MR. H. PANKRATZ:** Thank you, Madam Speaker.

Yes, my final supplementary, it has cost the Province of Manitoba \$17 million in five years, and I believe it has bailed out 10 credit unions, Madam Speaker. I wish that the Minister of Co-operative Development would table that information, which credit unions and the amounts each credit union has received.

**HON. J. COWAN:** Madam Speaker, firstly, let the record be clear, there were problems in 1982. We had to provide assistance to the credit union system generally, which was then provided to specific credit unions that needed assistance. As a result of that assistance, we have one of the healthiest and strongest credit union and caisse populaire systems in the entire country in Manitoba today. We're proud of that assistance, and we're proud of the success they've been able to make as a result of us being able to help them and help 330,000 Manitobans and their families in 1982.

The specific information which he requires, Madam Speaker, can be provided to him with the caveat that it is public information generally, and there are some restrictions which have been discussed before and agreed to before between the Opposition and myself in Estimates. We can provide the detail to him, but let there be no misinterpretation of the situation today. We have a stronger and healthier credit union-caisse populaire system because of that assistance.

**MADAM SPEAKER:** The time for Oral Questions has expired.

## ORDERS OF THE DAY

**MADAM SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** Yes, Madam Speaker, I've discussed briefly with the Opposition House Leader a request that we'd ask for leave for the Premier to make a statement regarding his trip tomorrow, based on the questions that were asked by the Leader of the Opposition.

I would ask then that we revert to Ministerial Statements so that the Premier can make his comments, and the Leader of the Opposition can make his response.

**MADAM SPEAKER:** Is it the will of the House to revert to Ministerial Statements? (Agreed)

## MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MADAM SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Madam Speaker, I have a statement on tomorrow's First Ministers' meeting on the Constitution.

The Prime Minister has requested a meeting with the Provincial Premiers to assess progress over the last several months in informal discussions among Ministers and officials.

Those discussions have largely been of an exploratory nature aimed at identifying and clarifying options which could lead to an agreement to bring Quebec back into full partnership within the Canadian Confederation.

Two weeks ago, the Prime Minister made a major statement about the background and purpose of tomorrow's meeting. These are some of the Prime Minister's words:

"With the Constitution Act, 1982, we now have a supreme law of the land, a social contract, that binds Quebec without the consent of its National Assembly.

"It is unacceptable that the wounds of the recent past not be healed. Quebec, whose distinct society enriches the very nature of Canada, must rejoin the constitutional family.

"To do so will require us to find a balance between the principle of the equality of all the provinces, and the need to protect and enhance the distinctiveness Quebec brings to Canada."

"I have now come to the conclusion that preliminary discussions on whether to begin formal negotiations on Quebec's proposals have gone as far as possible without further consideration by First Ministers.

"So I've invited the Premiers to a meeting at Meech Lake on April 30 to take stock and to consider the next steps.

"We must find out whether or not there is sufficient political will to bring Quebec in to justify the undertaking of formal negotiations, or whether it would be better to close the books and wait for a more favourable moment."

In an effort to move the process along, the Federal Government recently put forward some general proposals and principles to serve as a focus for our discussion tomorrow. While we have serious reservations about certain of those proposals in their present form, I want to commend the Prime Minister and his colleagues for their efforts to build a consensus.

I believe the step-by-step approach which has been taken by the Government of Canada, by the Government of Quebec, and by all the other Provincial Governments up to now, have been the correct approach.

A divisive constitutional debate based on hardened positions is not what Canada needs at a time when regional tensions are already growing, and when regional disparities are getting wider.

If, at tomorrow's meeting, an agreement appears to be within reach, then by all means we should move forward.

But, if the political will is clearly not there, the discussions should be adjourned. We should get on with the urgent national priorities that can and must be dealt with: agriculture, western economic diversification, tax reform, day care, and many other priorities.

Because the federal proposals had been put forward in general terms and in confidence - and because some of them may be modified by the time of tomorrow's meeting - it would not be appropriate for me to comment on them in detail at this moment. It would be somewhat premature, as well, since to my knowledge none of the proposals has been yet put into formal draft.

I will, however, outline Manitoba's basic position going into the conference and to advise the House of our overall thinking on the conditions that Quebec has set.

First and most important, our primary responsibility is to protect and advance the interests of the citizens of this province.

Fully consistent with that responsibility is our duty, as Canadians, to do all we can to help strengthen and to unite Canada. Surely every member of this House would be in full agreement with that.

That is why we have participated in the informal discussions which have been held over the past several months, and why we are hopeful that a constitutional accord with the Government of Quebec can be reached.

The key to achieving such an accord, I believe, will be to find terms which, while responding positively to Quebec's legitimate concerns, also reflect in a constructive way other current Canadian realities and the equally legitimate aspirations of provinces and regions outside of Central Canada, including smaller provinces such as our own.

Quebec has indicated that it would like to see, in the Constitution, the recognition of its unique nature. Such recognition should be possible, although there are considerable difficulties, and preparation of a satisfactory legal draft appears likely to require far more consultation than has been possible up to now.

Quebec also seeks somewhat greater authority with respect to immigration policy, to secure and to protect its culture, its language heritage, consistent with protection of minority language rights in other provinces. That, too, should be possible without seriously affecting the Federal Government's overall responsibilities. Changes to ensure that other provinces have greater input into national immigration policy-making could be possible at the same time.

Quebec seeks confirmation of the existing practice, whereby at least three of the nine Supreme Court Judges, are appointed from the Quebec Bar because of their expertise in the Quebec Civil Code. That kind of change should be possible as well and, in fact, could bring with it a more satisfactory system of federal-provincial consultations on all federal judicial appointments to ensure fair representation across Canada.

Quebec also seeks stronger protection, through the constitutional amending provisions, against initiatives which Parliament might undertake to undercut its authority in the future. This is the so-called "veto" condition and it will be one of the major issues that will be dealt with tomorrow. I do not believe agreement is possible on the basis of the current federal proposals, nor do I see much prospect of an agreement that does not recognize, to use the Prime Minister's own words, "The principle of the equality of all the provinces." However, if a method could be found to afford Quebec greater protection for certain vital areas such as language and culture, then progress may be possible here too, but that remains to be seen.

We also have concerns about a related issue, the possibility of a significant extension of the opting-out arrangements. As many others have argued before, an opting-out clause that could be used on a regular basis could balkanize the country still further and regrettably, Madam Speaker, it is the smaller provinces who would be most vulnerable if that should occur.

As others have pointed out, changes to the amending formula require unanimity, the support of the Federal Government and of all provinces.

Quebec is also seeking to limit the Federal Government's ability to introduce new initiatives in areas of provincial jurisdiction.

For our government, this condition raises the most serious immediate concerns to us. The ability of the Federal Government to introduce new measures to achieve greater social and economic progress within Canada, to seek greater equality, I believe, Madam Speaker, is at the very heart of what Canada is all about.

There is no doubt the Federal Government, both past and present, have misused their spending power from

time to time, acting to introduce new programs without adequate consultation or to unilaterally change or withdraw from existing agreements.

But, in spite of those problems, the Federal Government's authority to initiate new programs has given Canada a set of national programs, Medicare and equalization that are superior to those which exists in other nations.

Twenty years ago, if the Canadian economy had placed constraints on the Federal Government's ability to use its spending power, it is highly doubtful we would have a Medicare program in place in Canada today. It is highly doubtful, far from clear, that we would have federal support for post-secondary education, or for provincial social services, or even for a national equalization program. It is also extremely unlikely that we would have seen the passage of the Canadian Health Act a few years ago, federal legislation which helped prevent the spread of extra billing and user fees.

Now today, we are looking forward to new federal proposals for a national day care program. We don't want to see these proposals doomed before they are even released. The same concern would apply to any federal plan to support local infrastructure development as well as a wide range of other initiatives in the future.

For a smaller province such as Manitoba, this is a special concern. We rely heavily on national programs and national standards to ensure that our citizens will share fairly in the benefits of Canadian citizenship.

We would accept, we would support some provisions to ensure that federal program proposals for new initiatives or for withdrawals or cutbacks would require more formal review and debate than what is guaranteed now. But we could not support a constitutional change that would give the largest provinces the ability to dictate the terms of new programs or to prevent the Government of Canada from introducing new measures aimed at assisting other regions where needs and priorities may differ from the needs and priorities of Quebec and Ontario.

A year ago, when the Government of Quebec first set out its thinking on the federal spending power, it appeared to recognize some of the concerns that I have just expressed. In fact, it suggested specifically that the current equalization and regional development provisions in the Constitution should be strengthened, to require the Federal Government to live up to its commitments. In our view, that suggestion offers some promising opportunities for further discussions, and we will be pursuing that issue both tomorrow and in the future.

Madam Speaker, it is also likely that First Ministers will have some discussion tomorrow about other potential constitutional changes, including revisions to the Senate.

As I have said elsewhere, our government continues to believe that the most appropriate reform for the Senate would be to abolish it.

**A MEMBER:** Hear, Hear.

**HON. H. PAWLEY:** However, I have also said that we are prepared to examine other alternatives carefully. We would support what could be termed a Triple A approach.

**A MEMBER:** Is that like Triple E?

**HON. H. PAWLEY:** Not Triple E; Triple A approach. "A" is better than "E."

**A MEMBER:** Be patient.

**HON. L. DESJARDINS:** We'll build that stadium after all.

**HON. H. PAWLEY:** A full review of the options, ranging from abolition to the kinds of accountable, action-oriented alternatives which have been suggested in the past, such as a house of the provinces. A house of the Federation, a Council of First Ministers, or other institutional reform.

I think that those who have thrown their support behind some of the recent "quick fix" solutions should reflect much more carefully about what they are advocating. Would it really be in the interests of Canada - and especially of smaller provinces and regions of Canada - to superimpose a new Senate on top of the House of Commons, with each Chamber having similar powers?

Who then would be responsible for national priorities? Who would be accountable? Would that kind of change lead to a positive action, or would it be just, would it bring yet more weight to the existing status quo, giving a national government a new excuse for inaction? These are the questions which Triple E proponents would address and must address in a convincing manner to demonstrate that their proposal would really help Western Canada. They should, they ought to look at the Australian model, where some major problems have occurred in a similar process in Australia as what is being recommended by the proponents of Triple E in Western Canada.

Earlier, I noted that the Prime Minister has spoken about the importance of political will in determining the outcome of tomorrow's meeting. A month ago, the lack of political will on the part of some First Ministers prevented amendments to secure self-government for the aboriginal peoples of Canada. Tomorrow, Native leaders will not be at the conference table, but it is imperative that their concerns - they were so eloquently voiced at the First Ministers' Conference only last month - remain high on the national agenda.

Madam Speaker, it is clear that there has not been an opportunity for an adequate public debate in Canada on the kinds of constitutional options which are under review.

If, tomorrow, there is consensus to move forward to a formal negotiation stage, there will be ample opportunity for a full debate in Ottawa and in all provinces, as there ought to be.

In Manitoba, of course, our own rules with respect to the constitutional amendments provide for greater public hearings which I believe is unique anywhere in Canada and which, Madam Speaker, is supported on both sides of this Chamber.

Madam Speaker, following tomorrow's conference, I will be pleased to give members a report on the outcome. I hope I can report progress at that time.

But as I said earlier, Madam Speaker, regardless of the outcome, it is essential that Canada get on with

the critical priorities that are confronting this land of ours; the desperate situation that exists in the agricultural economy; the need for action on western diversification; the need to move forward on genuine tax reform in Canada; and the pressing need to establish a National Day Care Program for all Canadians.

Nothing should block those legitimate proposals and programs from being dealt with now.

Thank you, Madam, Speaker.

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Madam Speaker.

A month ago after the Premier returned from the NDP National Convention in Montreal, I expressed concern that he demonstrated neither the courage nor the integrity to stand up and speak on the resolutions that were being proposed by the National NDP Government, with respect to special concessions for Quebec entering the Constitution.

Madam Speaker, I asked this First Minister at least three times in the past month what his position was with respect to Quebec entering the Constitution and the concessions that he was willing to give Quebec in order to induce them to enter the Constitution. Today, Madam Speaker, after listening to the lengthy and rambling dissertation that he has given with respect to his intentions to go to that meeting, I have even more concern that he's not prepared to stand up for Manitobans, and do the very thing that he said he would do during the last election, and that is to protect the interests of Manitobans with respect to all issues that put Manitoba in a national context.

Madam Speaker, here we have the results of a First Minister, who is obviously under heavy influence from his national party, who at the moment from the information he has put forward in this dissertation, appears to be prepared to sacrifice the interests of the West, to sacrifice the legitimate interests of Manitoba, in order to obtain federal seats for the NDP party in Quebec.

Madam Speaker, he talks glowingly about the position that we have in Manitoba whereby we have, by necessity, public hearings on constitutional amendments. I can recall, during the French language issue, when he and his colleague from Fort Rouge fought tooth and nail to avoid those public hearings, fought tooth and nail to avoid the opportunity for the public to be heard, when they were bringing forward the amendments with respect to French.

Now, Madam Speaker, he's suggesting that somehow it's as a result of his government's action that we have a mandatory requirement for public hearings on constitutional reform in Manitoba. Only because they were forced, cowering into a corner by the Opposition, do we have that requirement in Manitoba today.

While we expect statesmanship out of this First Minister when he represents . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. G. FILMON:** . . . Madam Speaker, I believe members on this side showed the courtesy to the Premier to at least listen to him for the 20 minutes

while he spoke on this statement. Madam Speaker, I would ask that I be given the same courtesy by members opposite, the rabble-raising group over there who don't want to listen to a response from our side.

Madam Speaker, while we would expect statesmanship from the First Minister when he represents Manitoba in these constitutional discussions, while we would expect a sincere desire to arrive at a united country and a country that includes all provinces in its Constitution, while we would expect that they would attempt to represent and acknowledge the varied and diverse interests that operate within the framework of Confederation in our free and democratic society, I think we would also expect that he would accept the responsibility to ensure that Manitoba's interests are fully protected by his presence at the table in Meech Lake.

Madam Speaker, we would expect as well that this First Minister would ensure that we are not asked to pay too high a price in order to incorporate Quebec into the Confederation of Canada. We would expect to ensure, Madam Speaker, that we would have a strong statement by this First Minister saying that, not talking around and around and around the issue, suggesting that there are many things that ought to be considered and not suggesting that he is prepared to ensure that the amending formula exists today and is not changed, so that any province, neither Quebec nor Ontario nor anyone else, has a veto over future constitutional changes in Canada.

Madam Speaker, we did not hear that from this First Minister. He heard him say that he has concerns. We didn't hear him tell us that he is going to go and protect those interests and make sure that veto does not occur.

Madam Speaker, we would like to ensure that this First Minister goes to Meech Lake representing Manitoba, prepared to bargain in a reasonable manner on everything, not carrying with him his doctrinaire views on the Senate, saying that first and foremost it must be abolished, regardless of whether it's against the interests of Western Canada to abolish the Senate and not work towards a reformed Senate that includes equal representation from the provinces and not work towards that. Madam Speaker, instead he says abolish the Senate, give up any hope of the West having some greater voice in the affairs of this country, but he says that, out of his doctrinaire views that are established in him as a result of his companionship with Ed Broadbent in the federal New Democratic Party who set the agenda for him, he ought not to be agreeing with any particular politician. He ought to be representing the best interests of Manitoba.

Madam Speaker, I'm somewhat amused at this First Minister who talks about his concern about regional tensions that are growing. This is the individual who has spent most of the last year or more flaming up regional tensions across the country.- (Interjection)- Exactly, exactly, Madam Speaker, speaking about things such as equalization and going across the country and talking about how equalization is a regional concern that allows him to bash Ottawa about, going on the CF-18 issue and then turning around and saying that we should not inflame regional tensions. This is the First Minister who talks out of both sides of his mouth on every issue.

Madam Speaker, the fact of the matter is that we recognize that there are regional concerns and we say

to the people of Manitoba that we're going to have to address those regional concerns and that the Triple E Senate is a way in which we can acknowledge those regional concerns and see that Manitoba, along with other western provinces, gets equal representation and gets a greater share of the power in this country in order to address them. But he doesn't want that equalization of power; he doesn't want that greater representation from the West; he wants to be able to abolish the Senate and continue to simply bash Ottawa. That's all he wants, Madam Speaker, when he gets the opportunity.

Well, Madam Speaker, we believe that this First Minister has spoken all around the topic and out of both sides of his mouth. We believe that this First Minister is going to Ottawa, Madam Speaker, with only Ed Broadbent's agenda in mind, not the people of Manitoba's agenda in mind.

And, Madam Speaker, he talks about the fact that Triple E is a quick fix and he's not interested in a quick fix. Well, we've seen that over the past number of years that he's been in government. He neither fixes anything, and he's not quick about addressing any of the problems and concerns that affect Manitobans today.

So, Madam Speaker, we're not so impressed with the position that's been put forward by this Minister. In fact, we're not sure what the position that is being put forward by this First Minister. Madam Speaker, we believe that this First Minister ought to go to Ottawa and to Meech Lake as a statesman.

We hope that he'll change his mind and open his mind to the views of Triple E Senate, and we hope that he'll go there saying that he will not give a veto to Quebec or Ontario or any other province, and he will not allow for an amendment to the Constitution that will give away his right to block those future constitutional amendments.

**MADAM SPEAKER:** The Honourable Government House Leader.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. J. COWAN:** Madam Speaker, it is hard to redeem the composure of the House after the Leader of the Opposition's response, but perhaps we should attempt.

Can you please call . . .

**MR. J. McCRAE:** I'd be speechless if I were you too, Jay.

**HON. J. COWAN:** The Member for Brandon West suggests that he'd be speechless if he were me too. We're all speechless after the comments by the Leader of the Opposition, Madam Speaker. If ever there was something . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please.

The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Madam Speaker, on a point of order, if the House Leader is making a ministerial statement, he has to have leave, and we haven't given

leave for a ministerial statement. If he is making one, then we want to make one too.

**MADAM SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** I wouldn't want to have to go through another one of their responses, so would you please call, Madam Speaker, on Second Reading - (Interjection)- I'll explain it to you later.

Would you please call, Madam Speaker, on Second Reading, Bills No. 20, 21 and 22, as numbered on page 3 of the Order Paper; and following that, will you please call the Patent Drug Act motion standing in the name of the Honourable Member for Emerson.

## SECOND READING

### BILL NO. 20 - THE CRIME PREVENTION FOUNDATION ACT

**HON. R. PENNER** presented Bill No. 20, The Crime Prevention Foundation Act; Loi sur la Fondation de prévention du crime, for Second Reading.

**MOTION presented.**

**MADAM SPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** Madam Speaker, I'm proud to introduce the Crime Prevention Foundation Bill to the Legislative Assembly of Manitoba this afternoon.

Through this bill, Madam Speaker, it is hoped that community crime prevention will become recognized as one of the most important ways in which Manitobans can improve the quality of their lives.

This bill is an important way for the members of the Legislative Assembly to salute the valuable and selfless efforts of many Manitobans to make their communities a safer and better place to live.

Madam Speaker, make no mistake about it that with certain crimes, the crimes that affect most people, the property crimes, the break and enters, there are great difficulties with respect to policing and bringing people to justice who ought to be brought to justice. Everything in that regard should be done but clearly, more and more, the answer has to be crime prevention and the responsibility of government is to do everything possible to enhance crime prevention.

Crime prevention, Madam Speaker, is an issue that is often overlooked in the stampede to publicize sensational crime stories. There is no one to report about the crime that was not committed, or the innocent person who was not victimized simply because of a Neighbourhood Watch or a Block Parent sign on a door, because of a household item marked with identification numbers, because of concerned neighbours participating in range patrols, because someone installed a dead-bolt lock or automatically timed lights, or because their neighbour checked the house when they were away, shovelled the walk or picked up the mail and the paper. These are not reported. What's reported - and one can understand why, because news these days is entertainment - are the failures rather than the successes.

These examples are the kind of simple but important steps that everyone can take to prevent crime. The people who promote these activities are to be congratulated.

What we are saying is that more has to be done than those occurrences once a year. November is Crime Prevention Month and then we have Crime Prevention Day when the Solicitor-General comes down - and that's good - and presents certain awards, that's fine; a thousand people attend a community breakfast and that's good. Then these organizations are left to go on throughout the rest of the year essentially on their own initiative and on their own hook. I don't, in saying that, by any means want to denigrate from the very fine work that organizations such as the RCMP, the Winnipeg Police Department, through its participation in Neighbourhood Watch, play. They do that, but more is clearly needed.

Government can help community-based crime prevention programs become better known, better established, function better.

The Crime Prevention Foundation bill proposes that a foundation be created to promote crime prevention activities. The foundation should be self-directing, to reflect the community-based nature of crime prevention and to encourage private and corporate contributions to this important cause. The foundation should not attempt to replace in any way community programs but to assist them to become more successful, and that's the key. This can be accomplished by assisting with support services. Someone says this is more bureaucracy. In fact, pains have been taken in creating the foundation in this way that it's not the government itself seeking to deliver crime prevention programs and to replace the tremendous involvement, and Manitoba has the best record of any province in that way with bureaucracies and with government-directed programs. It's to lend support to crime prevention programs.

So the foundation should not attempt to replace community programs but to assist them to become more successful. This can be accomplished by assisting with support services, collecting and sharing information about crime prevention, promoting research into crime prevention, coordinating activities of current crime prevention programs of the different crime prevention groups, bringing different groups and programs together with one voice, and by giving grants to groups, programs and research as the foundation considers appropriate. So that's the key, not for the government itself to attempt to expend money on the front lines of crime prevention - it does that in a whole number of institutional ways already - but to provide some funding support for new initiatives for support programs.

Although crime prevention is a question of awareness and help within communities and between neighbours, the government has a role to play. It does provide, as I say, some institutional programs that deal with crime, crime detection enforcement, it provides some degree of deterrence. However, crime has many causes and effects and occurs in countless different ways and places and one approach is not enough. It must be a broad community approach.

We have been actively pursuing a program of improvement in the way we respond as a government to crime and persons affected by crime, but we must find a better mix between the conventional institutional response and the community-based responses.

A recent experience, for example, has shown that in some areas with first offenders in property crimes, mediation, alternative measures for young people, restitution orders, community work orders, fine options, are effective alternatives to some of the more traditional institutional responses. And we, as a province, have also, Madam Speaker, been a leader with respect to promoting victim services, and members will recall the Justice for Victims of Crime legislation.

The Crime Prevention Foundation Bill is part of a continuing commitment to improve the security and well-being of Manitobans, to improve the quality of life of Manitobans. It represents a continuation of efforts which must be made by all levels of government. It recognizes the contributions that private citizens have made and encourages them to continue their work with the support of government.

The bill, Madam Speaker, creates a Crime Prevention Foundation to be administered by a board, at least eight of whom - the significant majority of whom shall be from the Crime Prevention Organizations already in existence, Big Brother, Operation Watch, Range Patrols, all of these from every part of the province - and I had occasion to meet with and discuss this initiative with people in The Pas yesterday, and they're very enthusiastic about it and about their own participation in a direct way with the foundation. So that's a central feature of the bill.

The foundation will be responsible for establishing a Crime Prevention Centre that will be the head office of the foundation, a meeting place for Crime Prevention organizations and a central location for resource material. It is hoped that they will be able to find a central location with high public visibility.

But here too, let me note, we are very anxious that as little money as possible be spent on a place. I think that we need a place. It can be very small and very simply established. We want most of the money that will be available - we'll speak about that in detail during my Estimates - to be allocated to assist the groups out there in the field.

This bill, Madam Speaker, creates as I say a foundation, not a government agency. The foundation itself will own and control its own property, set its own priorities and make its own decisions on providing grants from its funds. In other words, once through the Estimates process and the Supply bill a decision has been made on funding - and the normal course, October 1st is the time that we're setting for the operation of the foundation to begin - it will have money that will hold in trust and its own arrangements, subject only to the supervision of the Provincial Auditor, and it will not have to clear grants through the normal Treasury Board-Cabinet process. We're satisfied that the overview of the Provincial Auditor is sufficient. We want to emphasize again and again that we want this to be as much arm's length as possible.

This bill is the first of its kind in Canada; it fulfills a promise that we'd made during the last provincial election, will be discussed with my colleagues, other Attorneys-General, the Minister of Justice at the end of May. We think that we will have gotten the ball rolling in this area as we did with The Justice for Victims of Crime bill.

I consider this bill to be an important addition to the effective administration of law and justice in Manitoba.

Society can use all the help it can to reduce crime, and crime prevention groups can use all the help they can get. The mutual benefits of legislation that promotes community crime prevention are enormous, Madam Speaker, and I commend this bill to members of the Legislature.

**MADAM SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** I move, seconded by the Member for Arthur, that debate be adjourned.

**MOTION presented and carried.**

### **BILL NO. 21 - THE FAMILY LAW AMENDMENT ACT**

**HON. R. PENNER** presented Bill No. 21, The Family Law Amendment Act; Loi modifiant le droit de la famille, for Second Reading.

**MOTION presented.**

**MADAM SPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** I hope to be equally brief in introducing this bill.

My department has recently released a policy paper with respect to major changes in Family Law legislation, which will be dealt with at the next Session of the Legislature.

**A MEMBER:** Are you going to give us a copy of that?

**HON. R. PENNER:** Yes, sure. In fact, it was announced in the Throne Speech that a White Paper will be tabled by the government in the House prior to the end of the Session. But there is a discussion paper that's out now, but we'll let you have the discussion paper. The discussion paper will lead to a White Paper.

The amendments contained in this Family Law Amendment Bill, which is being introduced today are relatively minor in nature, and are therefore being dealt with at this Session, and not waiting on, nor are they dependant on the major initiative.

Very briefly, Madam Speaker, the amendments deal with the following:

First of all, relatively standard protection for officers of the Court of Queen's Bench from liability. It is proposed to amend The Queen's Bench Act, to protect officers of the Court of Queen's Bench from a liability from any act done by them in the execution of their duty, unless the act was done maliciously and without reasonable and probable cause. This is when they fulfill their quasi-judicial functions, as they do as hearing officers in a number of cases. This provision is consistent with The Provincial Court Act, which gives provincial judges, magistrates and justices of the peace protection from liability.

Penalty provisions - the penalty provisions found in The Child Custody Enforcement Act and found in The Family Maintenance Act are to be amended. It's proposed to amend them by increasing the term of

imprisonment from 30 days to 6 months and bringing the fine up to the provisions consistent with The Summary Convictions Act. It's expected that these will add some muscle to our enforcement program. Fortunately, because of the efficiency with which those programs operate - and here again I'm always glad to give credit to my learned friend opposite, the Member for St. Norbert, who took some initiative in the introduction of this program. But times have changed and the level of fines and limits of incarceration of those few, fortunately few, who don't live up to a maintenance order is insufficient to act as a deterrent to make sure they pay the amounts that they should pay. So we want to bring the maximum up. We hope it doesn't have to be used.

Now, here's a big one that I hope will not be misunderstood by anybody, it's jactitation of marriage. Now, I know the Member for Brandon West has been dying to ask for some time, what is jactitation of marriage? Jactitation of marriage was and I quote: "A proceeding taken before" - Madam Speaker, you'll want to know about this, too - "the ecclesiastical courts to enjoin the defendant to desist from continuing to boast or give out that he or she was married to the petitioner, thereby creating a reputation of marriage or giving rise to the petitioner, thereby creating a reputation of marriage or giving rise to the possibility of such a reputation arising." -(Interjection)- That's about it, you know.

But I just quoted the Law Reform Commission, and the Law Reform Commission would not be the Law Reform Commission if they said things too simply.

There are no reported cases in Canada dealing with this action and this amendment to The Equality of Status Act abolishes the right to bring an action for jactitation of marriage and is in accordance - I know again the Member for St. Norbert would be interested to know, with the recommendations of the Law Reform Commission.

A breach of promise to marry - I sometimes think I may have been the last lawyer to take an action for breach of promise of marriage before the Court of Queen's Bench, and it's virtually an action which has withered on the vine. The Law Reform Commission has recommended that the common-law right to bring an action for breach of promise to marry be abolished. These amendments to The Equality of Status Act would implement this recommendation by abolishing the right to bring an action for breach of promise to marry or for any damages resulting.

A new section of The Equality of Status Act provides, however, than an action for deceit may be brought whether it has been a bigamous or a sham marriage, and the plaintiff was led to believe that the marriage was valid. So that base will be covered.

The Equality of Status Act will provide that where a person makes a gift to another in contemplation of or conditional upon their marriage to each other and the marriage fails, or that is fails to take place or is abandoned, the question of whether or not the failure or abandonment was caused by or was the fault of the donor, the person who gave the gift, should not be considered in determining the right of the donor to recover the gift.

In other words, if a gift is given in contemplation of marriage and the marriage doesn't take place, the gift

is to be given back, simple as that. You don't say, well it was your fault; no, it was my fault. Your mother told me that the wedding would be in this hall and now you want it to be in that hall, and I printed all the invitations. You know, you've heard this story time and again. If gifts were given in contemplation of marriage, and the marriage does not take place or was abandoned on a no-fault principle, the gift should be given back, so we don't have these horrendous and ridiculous court actions looking for fault.

There is a consequential amendment, Madam Speaker, to The Manitoba Evidence Act, which deals with a certain section of that act which requires corroboration in an action for breach of promise to marry.

Affidavits and Transcripts - again, a timely amendment to amend The Family Maintenance Act to allow, in certain cases, for the filing of affidavits, depositions or transcripts of evidence taken in any court in proceedings under The Family Maintenance Act, similar to a provision found incidentally, Madam Speaker, in The Reciprocal Enforcement of Maintenance Orders Act. It's necessary, incidentally, to deal with certain problems the court has run into in this case.

Separation agreements - at the present time The Family Maintenance Act of Manitoba only allows for enforcement of orders of support and not support provisions contained in separation agreements. Provinces such as Ontario and Alberta have passed legislation which allows for the enforcement of maintenance provisions contained in agreements as well as orders. The new Federal Family Orders and Agreements Enforcement Assistance Act also provides for the enforcement of orders and agreements.

The amendments to The Family Maintenance Act would allow for the enforcement of support provisions contained in separation agreements, where both parties to the agreement have consented to its filing in writing in a form satisfactory to the designated officer, or the separation agreement contains a provision allowing for enforcement.

I think this is very important because we do want to encourage as many settlements of marital disputes by agreement as possible, and parties shouldn't have to go to court to get an order because that's the only way they can thereafter have it enforced. If they want to have a separation agreement and it's satisfactory in form - that is not ambiguous - it can be filed and thereafter, if the need arise, the maintenance provisions in that separation agreement can be enforced just as if it were a court order. And this is part of our general trend to try and take things away from the formalities and sometimes difficulties of formal court processes.

Some provisions in the bill that will deal with the exchange of information between jurisdictions, when attempts are being made to locate a defaulting spouse, this provision is taken from uniform family legislation and is timely, in light of the fact that there are other maintenance enforcement programs that are developing federally and in the other provinces.

Appeal to a judge, a further amendment to The Family Maintenance Act, simply clarifies the time period during which an appeal from an order of the master should be taken.

And with those few brief remarks, Madam Speaker, I commend this bill to the House.

**MADAM SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Madam Speaker, I move, seconded by the Member for Arthur, that debate be adjourned.

**MOTION presented and carried.**

### **BILL NO. 22 - THE WATER RESOURCES ADMINISTRATION ACT AND THE REAL PROPERTY ACT**

**HON. L. HARAPIAK** presented Bill No. 22, An Act to amend The Water Resources Administration Act and The Real Property Act, for Second Reading.

**MOTION presented.**

**MADAM SPEAKER:** The Honourable Minister of Natural Resources.

**HON. L. HARAPIAK:** Thank you, Madam Speaker.

I will be speaking only briefly to this particular amendment. The amendment I think will be well-received by those who are affected, in that it will make provisions for property owners within a designated flood area, to build under conditions, perhaps which they could not build presently. I want to speak briefly to the purpose of the act and then address briefly the minor amendment that is contained therein.

The Water Resources Administration Act provides for the framework for the management and administration of all matters in regard to the construction and operation for water control works in the province, regardless of whether such works are directly for the purpose of the province, a local authority, or built under the agreement between, say, the province and the Federal Government.

It provides for the designation of any water control work, natural channel or lake as a provincial waterway, which then relieves the local government of the responsibility for the maintenance. But more importantly, in terms of the current proposed amendment, it provides for the designation of an area adjacent to our reservoir as a designated reservoir area, and for the designation of any area of the province subject to flooding from natural causes as a designated flood area to preclude development in high risk flood areas. Regulation of buildings within the designated reservoir and designated flood area is then achieved through this act.

Now under the act, as it stands, we feel that there is need, and it is desirable to have a minor amendment of section 16.1(1) to enhance the flood-proofing provisions of the act. The proposed amendment will provide for any new structures constructed within a designated flood area, unable to meet the normal flood-proofing criteria to be adequately flood-proofed in accordance with a ministerial variance permit, so as to reduce the potential for flood damages.

Under the present act, any person wishing to build in a designated flood area requires a permit from the Minister, and any violations of the permit were only documented and no further actions undertaken. The amendment will give the Minister the power to vary the

flood-proofing criteria in instances where it is virtually impossible to comply with the flood-proofing criteria without imposing undue hardships on the individuals.

Under such circumstances, the Director of Water Resources Branch will be authorized to register a notice in the Land Titles Office against the land in those cases where a variance to the flood-proofing criteria has been authorized, and also where there is non-compliance with the permit.

In those cases where a variance to the flood-proofing criteria has been authorized, or where there has been non-compliance with the permit, future flood assistance could be withheld, and it is important to note that there is presently one designated flood area and it covers the Red River Valley, from Emerson to Winnipeg. This area was designated after the 1979 flood. New regulations will be developed after the amendment to The Water Resources Administration Act has been proclaimed.

The Real Property Act is also being amended to ensure that any orders or notices filed in a Land Titles Office under section 16.2 of the amended Water Resources Administration Act remain as conditions of the title to the land.

So, in closing, Madam Speaker, I think we just want to convey that what we are doing is making provision in that area, the designated flood area, for a variance procedure and it should be pointed out is currently the condition within the City of Winnipeg under the amended City of Winnipeg Act. There is provision for seeking a variance to the permit and that is registered in the Land Titles Office. So I think most members would be pleased, but I think those living in the designated flood areas will be pleased that there will be a provision for a variance order where the conditions of flood-proofing are difficult to meet. It is also important to note that it is in the interest of any subsequent purchasers of those properties that this will now be registered with the titles so any subsequent purchasers will be well aware that their variance order has been given for that particular site, or in fact there may be non-compliance with the permit that was issued so it would protect the interest of subsequent purchasers of that property.

I noticed in making my introductory comments that, when I made reference to the fact that the flood compensation could be withheld if these criteria were not met, it caught the attention of the Member for Emerson.

Madam Speaker, I think it is reasonable that where individuals seek permission to build in a designated flood area and do not comply with a permit or seek variance from a permit, if there is damage from flooding subsequently, I think it is reasonable that the Province of Manitoba and all taxpayers, and indeed those who share in this through the Federal Government, would not be held responsible for that damage.

So with that, Madam Speaker, I conclude my comments on this amendment.

**MADAM SPEAKER:** The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Madam Speaker, I move, seconded by the Member for Gladstone, that the debate be adjourned.

**MOTION presented and carried.**

## ADJOURNED DEBATE ON MOTION THE PATENT ACT

**MADAM SPEAKER:** Debate on the motion of the Honourable First Minister, standing in the name of the Honourable Member for Emerson.

The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Madam Speaker.

Madam Speaker, you are probably aware that the bill has been standing in my name for some time, and it can only have been because I was studying the resolution very extensively.

Madam Speaker, initially I had no intention to even speak to the bill. I found it somewhat surprising when the resolution was brought forward and I found it interesting enough that it seemed to be coming forward with a certain sense of urgency because the government couldn't wait until the Premier himself could introduce the resolution. It was done by the Member for St. James. It was seemingly a bit of a hype there at that particular time, and so the Member for St. James had to bring forward the resolution.

Madam Speaker, since that time there has been a lot of debate taking place on it, and I find it interesting that the Premier himself, in whose name the resolution is, still hasn't spoken to the resolution. Obviously, I suppose what is even more interesting, Madam Speaker, is that should the resolution pass today or tomorrow or Friday, it is possible that the Premier himself, whose name the resolution is in, won't have even spoken to it, and I just find it sort of interesting.

Still, Madam Speaker, in the little discussions and comments that fly back and forth across the House from time to time and just in some of the conversations with the Government House Leader, I have felt that there is a sense of urgency to move with this. And obviously it has something to do with the fact that the Federal Government will be dealing with this issue shortly, and that is why I say I find it sort of strange that the Premier, in whose name it is, has not had a chance to really express his views.

And in going through, I'm looking at the debate that has taken place over a period of time, Madam Speaker, it's interesting to note, you know, we have a difference of opinion obviously on this matter and some of our members have indicated quite strongly how they feel about it. I would suspect that this resolution was brought forward strictly for political purposes.

(Mr. Deputy Speaker, C. Santos, in the Chair.)

I think that from the time that the Federal Leader, Mr. Broadbent, became aware of this - when the Leader of the Federal NDP Party, Mr. Broadbent, came out swinging against this change in The Patent Act, I guess the government side felt this is an issue that we're going to run with. When we look at the whole situation and look at the resolution, Mr. Deputy Speaker, it's in keeping with the government's approach over the years that I have been in this House and realize how they operate, because I look at the various aspects of it and the one that caught my eye - well, a few of the WHEREASes caught my eye - but "WHEREAS increased costs will be borne directly by consumers,

both at the counter and through increased costs to our Pharmacare Program will especially affect the elderly and those who require continuous medication . . . "and then it goes on.

It reminds me, Mr. Deputy Speaker, of the time of the '77 election. It reminds me of the time of the '81 election, when the government in their campaign program went on scare tactics with the elderly, trying to promote the idea that if the Conservatives were elected we would take and cut off health care, we would kick them out of nursing homes. That kind of impression was left at that time and, Mr. Deputy Speaker, I believe that this is probably the same kind of context that we're in right now, because when we consider how - I would like some of the government's side to explain - will this cost affect our elderly, because we have a Pharmacare Program right now, and it used to be \$50, the first \$50 is paid by an individual, and after that you apply and you get a rebate from the government on that. I would like to have somebody explain to me how - you know, incidentally, Mr. Deputy Speaker, that has been raised to \$75 now. Would somebody please explain to me, Mr. Deputy Speaker, how will it cost our senior citizens more money now than it did before, because anything after this \$75 they can get a rebate back on?

So I would only suspect that the government is playing politics with this and that's why the urgency. They want to try and give the impression we've fought against increased drug prices -(Interjection)-

**A MEMBER:** It's the only game they know.

**MR. A. DRIEDGER:** It is this kind of mentality that showed again this afternoon when the First Minister was trying to make a big score with his announcement of what he was going to say to the Federal Government when he got there tomorrow, a lot of wind and rabbit tracks, creating a mirage to some degree, and very little substance in there. We have the same thing in this resolution, or fearmongering to some degree. And like I say, I'm not surprised at that. That has been a common thing especially when we get to an election, vicious, vicious, fearmongering, especially with people who don't understand exactly what is always going on, and very often that affects our elderly, and it's happened so many times.

Mr. Deputy Speaker, I'm sure that you have gone through this resolution extensively and know all the full implications of it. I'm also sure, Mr. Deputy Speaker, that you have read the bill and understand what that whole bill is supposed to be doing; I'm confident of that.

But, Mr. Deputy Speaker, I'm not sure that everybody in this House has an understanding and a full grasp of what that legislation is supposed to be doing, because I've read both sides of this story, the reason why the government is bringing it forward, the intent of it. Then I've heard some speeches from members opposite indicating that this is done because the multinationals have been lobbying the government. How stupid, how stupid, with any government. This government, the Federal Government, would they take and bring forward legislation to accommodate multinationals? No government is that stupid, but we're trying to give that impression, Mr. Deputy Speaker, we're trying to give that impression that is the intent of this legislation.

When we consider statements made in the Premier's resolution, "WHEREAS these generic substitutions resulted in a saving in hospital, pharmacare, prescription costs for Manitobans amounting to over 14 million dollars in 1986," and it goes on through all the various things. "WHEREAS the drug reimbursement paid out by the Provincial Government through its universal pharmacare program has risen from \$4.3 million in 1975 to \$28 million in 1986," and it continues on.

What I find interesting here, "WHEREAS the cost to Manitobans of the delayed entry of new generic substitutions will be over 2 million dollars in the first year after the changes, and could total 44 million dollars by 1995." Based on what information? I would like to know, based on what information.

You see, Mr. Deputy Speaker, what happens is people read this kind of stuff and they get influenced and feel that that is all factual. That is not factual. A lot of this is speculative. A lot of this is again geared to play politics . . .

**MR. J. McCRAE:** Fearmongering again.

**MR. A. DRIEDGER:** Fearmongering again, and the fact that if this resolution passes or doesn't pass, the government, I can see, I can envision by the time we run our next election, which could be soon I hope, that they will again be running around saying, look what the Federal Government did, the Conservatives did. They are jacking up your prices of drugs.

But in my area, the users of drugs, they pay their first \$75 and get the balance of it back under the Pharmacare Program. Where is the big panic button? But nobody has yet been able to indicate properly and convince me that the costs of drugs are going to go up dramatically, but we have had some great speeches on our side, Mr. Deputy Speaker, of members who have gone into this to quite an extent and indicated the benefits that could accrue from this kind of legislation.

For those people, and many of my colleagues illustrated example after example of the benefits of what could happen if we have new drugs, with the major drug companies, the multinationals - call them what you like. It's very much like an employer in a small community. If the individual has some money to invest and wants to start a business and employ people, he doesn't do that for charity, Mr. Deputy Speaker. He does that because he feels he can make more profit with that money than having it sit in a straight bank or something like that. That is why people invest, to make some money, and the impression that we have here that this is all channelled one way to help the multinationals make more money, and that we would indirectly or directly somehow get a benefit boggles my mind. But that is based on the context of the speeches made by members opposite; that is the kind of thing that they were trying to garner.

Mr. Deputy Speaker, the reason I didn't speak for some time on this bill was basically to get a bit of an impression, and what has happened is exactly my conclusion has been that this is again a fearmongering type of situation that they have, in the terms of a long-range plan, to try and get people hysterical without knowing what it is all about.

As I indicated before, Mr. Deputy Speaker, many members here, I don't think really understand totally

what the impact of this is going to be.- (Interjection)- There should be a resolution dealing with that kind of thing possibly instead of something like this, because that - you know, dealing with pornography. We understand much better than we do the drug industry, most of us here, with the exception of yourself of course, Mr. Deputy Speaker. I'm sure you have a good grasp on that - no insult meant, Sir.

Mr. Deputy Speaker, we have gathered all kinds of information, the potential pros and cons, and I would have liked to have an Honourable Premier of the province come forward with that kind of a thing indicating both sides of the story. Then, in fairness, all members could debate a resolution of this nature fairly.

If he was concerned about it at all, he should have put down maybe some positives and some bad sides forward and let us then debate it. Instead, they come forward with a very biased resolution and, like I say, that to me indicates it is meant to scare many of our elderly, because there was - Mr. Deputy Speaker, remember when this came forward, the activity that was being promoted, you know, by all the people saying, it's going to cost more, our senior citizens are going to pay more. The element of fearmongering was already there. Mind you, it sort of stabilized a little bit, I think the fact that we've had some debate on it.

But, Mr. Deputy Speaker, why would the Premier not put down maybe some positives and some negatives. Then we can take that information - and he's got lots of staff to get the information, much more so than possibly most of us have. Then we could have properly debated both sides of the issue, understanding why the government promoted their side of it and why there should be some concern. There should maybe be some concern because nobody - Mr. Deputy Speaker, I certainly am not promoting an increase in the price of drugs for anybody, most certainly not, and I dare say there isn't an individual here who would be promoting the increase of price for drugs for anybody, not even for the members of the Legislature, not even for those on your side.

So that is why I say, this is not a fair resolution. This resolution is strictly to play politics. It is for that reason why the Government House Leader has to sort of try to give a sense of urgency. You know, his colleagues are pushing, let's get this through. We can make good political hay with this. I don't think that is good leadership. I don't think that is a good example for government to come forward with this kind of a resolution. We've been at it pretty steadily on this resolution.

As far as I'm concerned, if one felt strongly, I really don't think it is that important. I don't think that resolution carries that much weight, aside from whatever political gain they feel they can get out of it. If it was a real important issue, Mr. Deputy Speaker, this resolution would not go anywhere because we would debate it and debate it and we've shown the example of what can be done if an Opposition really opposes something. You saw that in the year of the French language debate in this House. If it is bad enough, it will not pass. But I don't think it is that important.

I think we're dealing basically with playing little political games. This arena is made for that. This arena is made for the game of politics, understandably so, but the fact that it affects people outside of this House

who do not understand the games that go on here from time to time is what creates the problem. And that is where the fearmongering aspect comes in because they give the impression, or try to give the impression that this is very, very bad legislation, that it is going to be hard on senior citizens. These are the kind of things that bother me about this kind of a resolution, because of the public perception that is out that is being left. That is, Mr. Deputy Speaker, in my mind, why the government is pushing to try and get this bill through.

I think, Mr. Deputy Speaker, it's an inadequate resolution; it's poorly thought-out. It's based on the First Minister, in my mind, trying to play politics, just like he did earlier this afternoon.

Therefore, Mr. Deputy Speaker, I'd like to amend this resolution; I move that all the words after the first "WHEREAS" clause be deleted and the following substituted therefor:

WHEREAS Bill 'C-22' proposes that the Drug Prices Review Board may revoke the period of exclusivity in cases of non-compliance;

WHEREAS drug prices may be monitored by the Drug Prices Review Board;

WHEREAS there will be a federal cabinet review after 4 years;

WHEREAS should the industry not meet its commitments by 1990, the Federal Government may reduce or revoke the period of exclusivity;

BE IT THEREFORE RESOLVED that the Legislative Assembly of Manitoba urge the Federal Government to monitor carefully the Patent Act to ensure a healthy pharmaceutical industry in Canada and protect drug consumers.

I move, seconded by the Member for Brandon West.

#### **MOTION presented.**

**MR. DEPUTY SPEAKER:** The Honourable Minister of Industry, Trade and Technology.

**HON. V. SCHROEDER:** Thank you, Mr. Deputy Speaker.

I'd like to rise to speak against the pitiful amendment of the Opposition and against what the Federal Government is doing and in support of the Premier's original motion. And I do so speaking beyond, Mr. Deputy Speaker, the members in the Chamber here and rather to the people of my constituency, to the seniors who are concerned about these kinds of issues, to the people who will be affected in my constituency and in my province.

I've heard some of the comments of people on the other side. I'd like to make a few remarks about the real concerns we have. They know, as do my constituents, that just as an example there's currently a tranquilizer which is widely used by them, by Manitobans, by Canadians for which the payment now is \$2.31 per 1,000 tablets. The same drug in the United States under the kind of regime they want us to enter into is now costing \$349.93. The same kind of thing can happen with new drugs, of course not with the existing ones, but with new drugs discovered after this time for them.

Now the Opposition says, but we have Pharmacare. My constituents know that they have to pay, first of all, to get the drugs out of the drugstore. They also

know that the cost of Pharmacare comes out of their pockets as well. There is no free lunch. That money comes from Manitoba taxpayers and there they are. They somehow think that, because there's a provincial program, those people won't pay. They will pay and my constituents can see through that kind of nonsense. They say that we will have somehow the multinational pharmaceutical companies coming to Manitoba.

Mr. Deputy Speaker, it's again back to the future, they're wanting to go back to the 1950's. They want to go back to before we had the progressive law the NDP got the Liberals to pass in the first place. That's what they want to do.

What kind of pharmaceutical companies did we have here in the 1950's? What kind of employment was here under the good old days that the Member for Tuxedo wants to bring back now? Did we have anything? No. Do we have more employment in the pharmaceutical industry in Canada now than before that terrible law was passed? Yes. Do we have a bigger increase in employment on a per capita basis than the U.S. during that period of time? Yes. So where is the argument?

There will not be extra jobs certainly in this province. Canadian drug manufacturers, in fact, are opposing this. Members opposite don't want to talk about that. They want to talk about those people from Switzerland, from Italy, from the United States. They don't want to talk about their own people right here in Canada who are saying something different.

Mr. Deputy Speaker, I believe that we got snookered into this in the first place at a time when we had a brand new Federal Government which didn't realize the ramifications of what it was getting into.

I want to quote from the Toronto Star. It has an interesting caption with a senior, who has an injury to a leg, carrying a crutch, heading towards the pensioner's pharmacy, and there is a multinational drug company - with a leather jacket and a switchblade, and somebody who looks like a fellow with a long chin, with a drug patent bill in his hand, looking ready to mug this poor little old lady as she comes around the corner to the drugstore. The article says, "The government mistakenly sees Bill 22 as a Catch-22. If it does the right thing for Canada by withdrawing the bill, it may think that voters will see this as lack of resolve or as losing face. But Canadians can understand that, as soon as the new government was elected, some novice negotiators were flattened by a lobbying steam-roller. Only later were the facts on Canada's interest made available by the Eastman Commission, and at that point Canadians were Bush-whacked by the U.S. Vice-President. This is powerful pressure." It goes on with a number of other comments about it. They were Bush-whacked by the Vice-President and they appeared to have been Reaganned by the President during the wonderful St. Patrick's Day meeting in Quebec City a few years ago.

The article goes on to point out, "Three things are clear. Canada's existing system respects patents and provides rewards higher than those allowed under the profit control methods and the restrictive drug reimbursement lists used in Europe. Okay, so we're providing a better assistance to the drug companies than is happening in Europe today.

Second, the length of a patent is a matter of expediency, and this particular article says ". . . a

shorter period is preferable." We can live with that. I believe the Eastman Commission suggested something like four or six years, that's something to discuss.

Third, the ideal system for Canada is a combination of shorter period of monopoly prices and higher royalties. That would be fair to the multinationals, to the science community and to consumers. What is needed is an approach which looks after Canada's interests in the two areas at issue, prices and research.

The Eastman Commission has concluded that, on the price front, Canada's law in use since 1969 is optimal. We've got the best price, we've got the best system in place on price, and here we are, we have the Member for Tuxedo and his bunch wanting to change that, just because their friends in Ottawa got hoodwinked by their friends from the south. They were Bush-whacked and Reaganned, when they started out, and they don't have the guts to get out of it.

There are people on that side who think, or try to present this issue on the basis that everybody is for it, just the NDP is against it. What patent, absolute balderdash, and one can go through a number of articles. I've got one here from The Citizen, Dr. Robert Curtain, who is chairman of the Economic Issues Committee of the Consumers' Association of Canada, who also happens to be an economics professor at the University of Waterloo.

He starts off: "It is perplexing that many Conservatives are backing a new drug price review bureaucracy proposed in Bill 22. The NDP favours the current market-based policy. Canadian scientists and consumers are left out entirely while foreign shareholders are guaranteed the right to hundreds of millions of extra profits by the very people charged with standing up for Canada." Where is the member for Tuxedo on that? Where is he? He's standing up, not for Canada; he's standing up for the multinationals.

The article goes on still: "The Canadian Drug Manufacturers' Association, for one, made the very important point that a regime that protects the multinationals by offering strong patent protection is not the norm, even though it is the American way. It is true we are heading toward the American way, although people in the U.S. are beginning to see the benefits of the Canadian way and are suggesting that rather than us Americanizing. They would like to Canadianize their law, so they could have the kinds of savings for their people that our laws brought to us by a previous Federal Government, urged on by the NDP, brought to us."

I go on, "France, Spain, Britain, Holland and Japan intervene strongly in the marketplace, either to promote a domestic drug industry or to control drug prices, or both. The countries missing from this list: Italy, Germany, Switzerland, are the giants in the drug industry. In short, under pressure from the U.S. industry, the government here is going the free-enterprise, hands-off way, when it could well make the case that a more interventionist regime is the norm. Whether we would be able to operate in a Canada-U.S. free trade regime with such intervention as patent laws remains to be seen."

There's the rub, Mr. Deputy Speaker. As our Prime Minister talked to the President, he said to him, I'm sure, we want a free trade deal, even though he'd said to the Canadian people in 1984 that there's no way

we're going to have free trade with the Americans. That's what he said before the election; afterwards, he wanted a deal. The President said to him, we need something on drugs, and he said, well, that's no problem. That's why we're in the mess we're in right now.

The Ottawa Citizen, Monday, July 7, 1986: "Drug Law, Bitter Bill to Swallow," - this is their editorial. "The Federal Government has finally screwed up its courage and published its bill to raise drug prices. If passed, this pernicious measure will hurt the sick and mock the government's claim to free market principles.

"The Mulroney Cabinet dithered for months over this and no wonder the Patent Act amendments have delighted the international brand-name drug firms, and no wonder the Patent Act amendments have delighted the international brand name drug firms and placated an impatient White House, but the bill would raise the price of prescription medicine to eventually add \$100 million to the cost of provincial health insurance plans."

No mention about that from this bunch that talks about fiscal conservatism on one day and talks about more spending on the next, never realizing any contradiction in what they're doing. The particular editorial goes on, it says, "The bill is irreparably bad." It goes further, it says, "The bill is unnecessary"; and finally it says, "By opening the drug business to generic competition, Canada has enjoyed some of the lowest drug prices in the world, prices far lower than in the U.S. Now the Conservatives plan to buckle to a powerful lobby and its Reagan administration friends. They would do better to summon up their nerve once more and give this bill a summer burial." Mr. Deputy Speaker, amen, that is what they should do, give it a burial.

Free Press, March 12, 1987, Joan Cohen mentions that it's unfortunate that it will only take a short period of time to deal with this bill, "For 15 days of hearings by a Commons Committee have confirmed that Canadians have every reason to be concerned about what is going to happen to drug prices under the new legislation. The Mulroney Government has served up a flawed and inadequate bill" - a flawed and inadequate bill. And yet I predict, Mr. Deputy Speaker, that the Member for Tuxedo will rise this afternoon to support that bill; to say, yes, it's in our interest to have the international drug companies raise prices on the backs of Manitobans; yes, it's in the interests of the Americans to raise this; yes, it's in the interests of Brian Mulroney and his free trade deal.

Is it in the interests of the constituents for Tuxedo? I say not, certainly not for Rossmere and Fort Rouge and Kildonan and so on. We know what side we're on. We're on the side of the consumers, on the side of the Eastman Commission, on the side - in fact, Mr. Deputy Speaker, talk about the side, because occasionally there's a suggestion that we're all out alone there, and all these wonderful people in Canada who have been looking at it are supporting Brian Mulroney on this issue.

I've got a list here of Manitobans against patent protection, Manitobans for Howard Pawley's bill. Manitobans against the Member for Tuxedo and his crew's amendment: the Consumers' Association, the Society of Seniors, the University of Winnipeg Administration and Students' Association, Manitoba Organization of Nurses Association, Brandon University Students' Association, University of Winnipeg Faculty

Association, Social Planning Council of Winnipeg, University of Manitoba Administration, Manitoba Teachers' Society, Manitoba Council of Health Care Unions, Manitoba Anti-poverty Organization, United Church of Canada, Winnipeg Presbytery, Manitoba Home and School Association, University of Brandon Administration, Red River Community College, Manitoba Home Economics Association, and on and on and on, University Women's Club, Royal Canadian Legion, people whom one would think those people would listen to a bit.

But it's somehow that Reagan and Bush-whack seem to have gotten the better of them back when the Mulroney Government started out. That seems to have been what required them to move. They're following that star, regardless of how illogical it is.

One can go on with national organizations, many strong national organizations, including the Canadian Union of Public Employees; the Anglican Church; the Co-operative Union of Canada; Canadian Cancer Society; Canadian Teachers' Federation; Ontario Health Coalition; National Federation of Nurses Union; Canadian Labour Congress; Auto Workers; Federation of University Women, and on and on and on. Those people are saying, Mr. Deputy Speaker, the Federal Government is wrong in what it's doing, it should stop, it should get out of what it's doing.

This is an expensive bill that will not work. Everybody's telling them that. The taxpayers of Canada have spent thousands of dollars on commissions studying the issue and finally, Mr. Deputy Speaker, if we were to do this in order to get a free trade deal with the U.S., because I believe that's the bottom line, then this is the dumbest time to do it.

It is putting something on the table the Americans badly want without getting anything back on the negotiating table. It's handing in one of your aces and saying, well, we won't count that in the card game. We'll just put that aside and we'll keep on negotiating for all the other things. That's one of the things we've lost, just like transportation. We're in the middle of giving up transportation without getting anything back in return. What a negotiating stance. Simon Reisman must be pulling his hair out, saying to himself, what is this bunch doing, this bunch of incompetents?

When we mention the Autopac, Simon Reisman was saying, ssh, don't talk about it, as though the Americans don't know it's there. Here we are, we're giving this up without getting anything back and there they are at the same time, at the same table, and my constituents understand that. They're following this issue and they're saying to themselves, this makes no sense, every time you turn around these people are giving something up.

What is it that we've gotten back? Have we gotten some kind of protection against arbitrary actions on the part of the President of the United States, as he did from his ranch one weekend when he did the shakes and shingles shimmy last summer? Are we going to get away from the kind of improper activities in the way the Community of Carlsbad is acting towards Saskatchewan on potash?

They have all these little gimmicks through which they can come at us and we're saying, let's have it through one way, but we're getting nothing on that, no concessions there while we're giving up on food processing, while we're giving up on drugs, while we're

giving up on transportation, a lot of the things we're giving up on without even having anything back. That is very clear, and in the black and white.

So, Mr. Deputy Speaker, I have to say I strongly support the resolution of the Premier, strongly disagree with the Member for Tuxedo and his group's amendment which would require my constituents to increase the cost of their drugs for absolutely no benefits whatsoever to them or to Manitobans or, overall, to Canadians at large.

**MR. DEPUTY SPEAKER:** The Member for Morris.

**MR. C. MANNES:** Thank you very much, Mr. Deputy Speaker.

My comments will be brief, but firstly I must take issue with a few of the statements made by the Member for Rossmere. That is, Mr. Deputy Speaker, I feel badly that the Minister saw fit not to address the amendment as put forward by my colleague, the Member for Emerson.

Mr. Deputy Speaker, embodied within that amendment was the area of protection. Mr. Deputy Speaker, the Federal Government is talking about a brave new step and there are some uncertainties. I think we'll lay that on the record, Mr. Deputy Speaker. We don't know for absolutely sure, we're not absolutely certain that this direction in which the Federal Government is headed indeed, Mr. Deputy Speaker, is going to provide all the things that we say. And the protection and support of that, Mr. Deputy Speaker, was embodied in the amendment as provided by the Member for Emerson. That was the strong protection.

But let me say that my comments on this whole issue, Mr. Deputy Speaker, are going to be based upon some experiences within the farm agricultural chemical industry. Members will say that has nothing to do about it.

Mr. Deputy Speaker, there are some strong analogies in place except within the area of drugs and pharmaceutical supplies. The members opposite can bring in the element of consumer protection, and of course the element, as indeed indicated by my colleague, the Member for Emerson, that allows them to go out and make this a sensational political issue.

Mr. Deputy Speaker, I share some of the concerns, and I'll be quite honest - I share some of the concerns of members opposite, particularly in one area. That is, the development of a Canadian manufacturing industry within the drug area. I know some of the claims that have been made by the Federal Government as to the number of jobs that'll be created. I also know that there would be a fond hope and desire by all of us to see a fully Canadian industry within that area.

Mr. Deputy Speaker, it takes me back some 10 or 12 years ago when I remember the same claims being made in support of a Canadian agricultural chemical industry, when we then put into place import controls which caused, of course, those chemicals that we were importing to increase significantly in price so as to protect the new industry. But, Mr. Deputy Speaker, through that attempt to foster the development of a new industry, I can say some 12 years into it later we really, in my view, haven't come to a point where we've done much to foster a Canadian industry. So I share

some of the sentiments with members opposite when they say, well, are you sure a whole new industry is going to be fostered.

But, Mr. Deputy Speaker, when I come down and try and weigh this whole question as to whether or not the federal initiatives should be supported or not, on balance, the whole issue to me comes down to the area of research. There's no doubt in my mind that, under the last few years and indeed for the next few years to come, Canadian consumers will realize lower drug prices under a generic system. I can't argue with members opposite, Mr. Deputy Speaker, because experience tells me that indeed once you take off the patents, indeed whether it's within the area of human drugs or whether it's within products specific, chemical areas, which I use upon my farm, Mr. Deputy Speaker, I know one thing, once you move into a generic product, the price drops.

I'll give you the best example that I can think of. The Minister wanted to use his, where he said American drug prices were \$300 versus some nominal fee here in Canada. I'll use one, I think, that's a little bit more realistic. Mr. Deputy Speaker, Treflan, something you probably see advertised on TV as a farm chemical, I was paying \$12 an acre under that brand name Treilan. Mr. Deputy Speaker, the patent ran out and a friend of mine and a group of small investors set up a generic company, and they sell that product as trifluralin, and the cost has dropped to \$5 an acre, quite a saving to me as an active producer.

But, Mr. Deputy Speaker, my good friend who's involved in that industry, first of all, wasn't able to just drop price a little bit. No, because other people had access to that registration. They became very competitive and, Mr. Deputy Speaker, it dropped the price down to \$5.00. You would say, why aren't you happy about that? Mr. Deputy Speaker, the reason I'm not terribly happy about it is that my friend who is involved in the generic company isn't putting \$1 towards research to bring forward the next chemical that I can apply to my profitability in an attempt to make a profit within my farm.

So, Mr. Deputy Speaker, that's the question in my view, or that's the point in my view that tips the scales in favour of supporting the federal legislation within this matter. I haven't heard the members opposite, because of course it's so easy to make it appear - because it's a political issue - so easy to make it appear to all individuals . . .

**MR. DEPUTY SPEAKER:** A point of order is being raised by the Member for Lac du Bonnet.

**MR. C. BAKER:** Mr. Deputy Speaker, I appreciate the point the gentleman is making, but being a farmer and appreciating the fact that we can buy cheaper chemicals as he said, I have to ask him if he thought the years that the patent applied, the differential that was made during the year the patent applied . . .

**MR. DEPUTY SPEAKER:** The member is not stating a point of order.

**MR. C. BAKER:** I'm sorry?

**DEPUTY SPEAKER:** That's not a point of order.

**MR. C. BAKER:** No, I'm sorry. I should ask him if he would permit a question. Would you permit a question?

**MR. DEPUTY SPEAKER:** The Member for Morris has the floor.

**MR. C. MANNES:** Mr. Chairman, I'd love to engage in that, but just not right now. I know there are other people who are wanting to speak in a -(Interjection)-No, I'm not trying to fill 40 minutes, to the Member for Inkster. That's something I don't do is stand up and try and fill 40 minutes. I know from time to time he tries to do it, but I don't do it.

Mr. Deputy Speaker, I think I know what the question was that the member was getting to. He was wanting to say, well, haven't we made a strong enough commitment over the number of years in paying overpriced values for the product that indeed we should now receive it cheaper. That's an arguable point and I could debate some considerable time over that. But, Mr. Deputy Speaker, I want to stay on this issue.

The point that I'm trying to convince members opposite that they have totally neglected in this whole debate is the whole area of research, and who is going to do it? Mr. Deputy Speaker, I can tell you that they have given up the registration on Treflan, some product that the member opposite and myself use. They are now in the 10th or 11th year of bringing forward a new variation of that. I don't think it even has a name yet - yes, it does, it's called Edge or something. It's a hot new form of farm chemical, something that the Member for Inkster probably despises in just hearing, but the point being, it's taken 12 years to bring that through the process, and so it should. For the health concern that all of us share with respect to all chemicals of all senses, it should take 12 years.

But, Mr. Deputy Speaker, who is going to pay for it? What the members forget to address is whether there should be profit or not associated with chemicals and drugs. If they believe there should be no profit, then government is going to have to do it.- (Interjection)-Mr. Deputy Speaker, then they're saying that there should be profit. Then they fail to point out what level of profit there should be because, I daresay, Mr. Deputy Speaker, unless - and I will repeat this - unless they can tell us how research will be engendered by the way of pulling forward a product and using it, then I'm sorry I can't follow them in their argument and I cannot support their attacks on the federal legislation.

Mr. Deputy Speaker, I have learned this, that profit engenders research. Cheap prices in themselves do not, because competition reduces prices to a point where, quite frankly, additional research is not done.

Mr. Deputy Speaker, if the members were concerned at all about their constituents - and indeed the Member for Rossmere says that's his greatest concern. If they were concerned at all, they would be saying, well let not the price of drugs go to its lowest level. Let there be some return there, and let it be directed into the development of additional drugs that are going to help save the lives of many, many more Canadians.

I see the tremendous wishes of the members opposite to make this a political issue, Mr. Deputy Speaker, and I stand and I rise at this time only to say that the protection that has been spoken and addressed to and

embodied within the amendment provided by the Member for Emerson, to me, goes some considerable distance in preventing what the Premier has laid before us in his WHEREAS clauses, when he talks about the impact it will have upon the Provincial Treasury.

Mr. Deputy Speaker, to me the whole question, the whole debate comes down to one of the WHEREASes, where it says, and I'll repeat it for the record. It says: "WHEREAS the proposed changes to The Patent Act which delay the introduction of new generic substitutions will result in even higher hospital, Pharmacare and prescription costs, while providing few alternative benefits to Canadians."

Mr. Deputy Speaker, the members opposite have made a value judgment. What they're saying is that the generic-based system that we have now and we all benefit from today because of lower drug prices will indeed, if replaced by a new system, that new system will provide few alternative benefits. If you believe that, Mr. Deputy Speaker, indeed if anybody believes that, then they're going to have to tell us how the system that they support is going to provide a greater new array of drugs that are going to help our citizens.

So, Mr. Deputy Speaker, let me leave it with that, and say for the record that I support the amendment as brought forward by the Member for Emerson. If there has to be some protection built in so that the dire circumstances that the members opposite say will occur if this federal proposal comes into law, indeed should that happen, there are effective measures by which exclusivity can be denied, then I think what has been suggested by my colleague is certainly the best approach. On the whole, support of the federal initiative in this area, I believe, is one that this House should consider.

Thank you.

**MR. DEPUTY SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Mr. Deputy Speaker, I was quite surprised a few moments ago, having listened to the Leader of the Opposition earlier this afternoon indicate his strong support for a Manitoba position, urged upon this government in meetings tomorrow which are to take place in Meech Lake to demonstrate our commitment to the Province of Manitoba, and urged us to set aside partisan influences or inclinations in order to ensure that we represent the people of the Province of Manitoba. I must say to the Leader of the Opposition, I thought those words were appropriate, that we all would concur in this House that our first responsibility must be to the people of the Province of Manitoba. We must be prepared to set aside, from time to time, our own partisan inclinations if those partisan inclinations fly in the face of the interests, from a social and economic perspective, of the people of the Province of Manitoba.

But, Mr. Deputy Speaker, I am simply amazed now to be handed this amendment, moved by a member of the Official Opposition in this Chamber, the Honourable Member for Emerson, which in fact strikes a heavy blow at all that the Leader of the Opposition had to say earlier this afternoon. The Member for Emerson - and the Leader of the Opposition is going

to have to clarify this, but I would charge, with the approval of the Leader of the Opposition; that would be my charge, and I'm prepared to accuse the Leader of the Opposition of concurring with the action of the Member for Emerson; I'm prepared to accuse the Leader of the Opposition, unless he's prepared to disassociate himself from that - moved this amendment in this Chamber that reflects the total shallowness, the complete duplicity of the comments that were made by the Leader of the Opposition earlier in this Chamber.

The Leader of the Opposition has, by way of approving this amendment, demonstrated that he is not prepared to stand up for the people of the Province of Manitoba when it comes to a choice between the Conservatives in Ottawa, the Mulroney Government in Ottawa, and the people of the Province of Manitoba. The Leader of the Opposition, by the back of his hand, said no to the people of the Province of Manitoba and, with a handshake to the Prime Minister of this country said, I am onside with you, Sir. That is what the Leader of the Opposition has demonstrated, not just in this Chamber, but to Manitobans everywhere and Canadians everywhere.

He has demonstrated -(Interjection)- A question has been raised, have I read the amendment. What I have witnessed from reading this amendment is that the Member for Emerson, I assume, under the concurrence of the Leader of the Opposition, has struck out every clause in the resolution that was introduced by this government, and has substituted a weak-kneed proposal that demonstrates no commitment to the people of the Province of Manitoba, but has demonstrated a desire at any cost to snuggle up to his federal cousins in Ottawa, to move closer, to warm up, not to offend, not to embarrass them in any way, but to find some way, to discover some way.

Mr. Deputy Speaker, I suspect honourable members across the way spent hours in caucus agonizing how they were to lift themselves out of this embarrassment, how they were going to find some face-saving method of trying to suggest to Manitobans, although we are not supporting this principled position of the New Democratic Party Government of the Province of Manitoba, we are on the other hand not fully onside with the federal.

What we have is a resolution in this House, amended by the Opposition, opening up a loophole so the Conservatives in Ottawa and the pharmaceutical industry, the multinational pharmaceutical industry that's already enjoying profits of hundreds of millions of dollars can drive right through at the expense of the ill and the aged in the Province of Manitoba. I condemn the Official Opposition for that duplicity.

And, Mr. Deputy Speaker, it doesn't matter, it doesn't matter. And I tell you, the constituents who are out there in Riel will state fully and clearly their message to the Honourable Member for Riel, because he has demonstrated himself in this House by his actions this afternoon to be solidly onside of what I know must have been a long and agonizing discussion within the caucus of the Official Opposition in this Chamber.

What the honourable members have done by way of the amendment is strike out clauses that I thought were apparent to everybody. I thought they were completely apparent to every normal person in the Province of Manitoba, with any fair and balanced

observer of this particular scene. What the members of the Opposition have done is strike out a clause which clearly states that "The Patent Act, as amended in 1969, has provided the vehicle whereby Canadian licencees can produce low-priced generic substitutions of brand name pharmaceuticals to be marketed in Canada." They quarrel with that; they're quarreling with that clause. They're demanding that we strike that clause out by way of a vote in this Chamber. That's what the honourable members are doing.

(Madam Speaker in the Chair.)

What the honourable members have stated in this Chamber is that they disagree with the action that took place in 1969, by which there was action taken federally - and I applaud the particular government of that day. Let's see, I guess it was a Liberal Government of that day, pushed by the New Democratic Party of course in the House of Commons, in order to implement this - by which Canadians were saddled, Madam Speaker, by high drug prices, drug prices that were amongst the highest in the world, no fewer than three studies by the Federal Government: the Restrictive Trade Practices Commission, the Hall Commission, the Harley Commission.

The Honourable Member for Riel seems to be so tightened up by this debate, obviously with his affection for the multinational pharmaceutical industry rather than the aged and the ill in his constituency, that he's unable to contain himself.

**MADAM SPEAKER:** The Honourable Member for Riel, on a point of order.

**MR. G. DUCHARME:** The word was used, "affection." My affection is for the same people. That's why we passed or put through this amendment. That's my affection, the people who are going to be affected by this, the people of Riel.

**MADAM SPEAKER:** A dispute over the facts is not a point of order.

**HON. H. PAWLEY:** Well, Madam Speaker, if the honourable member is denying that he has some affection for the multinational pharmaceutical industry, I wish he would demonstrate it in this Chamber, rather than by support of this kind of amendment moved by the Honourable Member for Emerson.

To remedy this kind of situation back in 1969, to remedy the fact that Canadians were unnecessarily paying high prices for prescription drugs, to remedy this, an amendment was made to section 41(4) of the Patent Act to allow the manufacture and marketing of generic copies of patented drugs to try to ensure that the drug costs spiral was brought under control.

The greatest impact of this amendment, however - and I'm pleased that I was part of that Government of the Day, along with the Honourable Minister of Health and the Minister of Labour and the Minister of Employment. We were all members of that government in 1970 that took bold action in the Province of Manitoba, action that was not very popular with certain interests of the Manitoba community that was more interested in the self-interest aspects of this. It was

that year, Madam Speaker, when a New Democratic Party Government in Manitoba moved to ensure that the best way to reduce drug costs for the people of this province was by introducing and passing legislation right in this Chamber, Madam Speaker, that only allowed generic substitutions for prescribed, brand-name drugs, but also directed that those drugs be dispensed at the lowest price.

Madam Speaker, that is the heritage of the New Democratic Party in this province. It was the heritage of the Schreyer administration in 1970, of which a number of members in this House were able to associate with. And, Madam Speaker, if we appear to be emotional on this issue, it is because this party, this government, has a heritage in respect to this issue that we are proud of.

Since that, Madam Speaker, I can understand the uneasiness of the Honourable Member for Arthur; I can understand his uneasiness. The Honourable Member for Arthur will represent the conservative ideology of his comrades in Ottawa every time rather than the ordinary people of the Province of Manitoba. His only obsession is the party card, narrow partisan interest, never the basic concerns and interests of the people of the Province of Manitoba.

Now last year, in Manitoba, savings amounted to some \$14 million. Dr. Harry Eastman indicates in his report, Madam Speaker, that Canadians saved some \$211 million in 1983 because of the ready access by Canadians to effective low-cost alternatives to brand-name drugs.-(Interjection)-

I want to repeat that for honourable members across the way, because a few of the honourable members were chattering away. The honourable members were chattering away, chattering away. The Honourable Member for Minnedosa, the Honourable Member for Arthur, I want them to be aware that \$14 million was saved on behalf of the aged and the ill in the Province of Manitoba in 1983 because a federal administration in 1969, a New Democratic Party administration in 1970, had the courage to act and do what was right.

The source of the statistics are Dr. Harry Eastman in the Eastman Report, and I wish the Honourable Member for Arthur, who in his place in this Chamber would at least have had the initiative to have read the Eastman Report before he would have supported this amendment by the Honourable Member for Emerson. If he had, he might -(Interjection)- Well, then there's some hope. The Honourable Member for Arthur hasn't spoken. Maybe the Honourable Member for Arthur will demonstrate some sense of independence, and will indicate clearly in this Chamber, I stand alone, to disassociate myself from the irresponsible actions of my provincial colleagues in this Chamber.

I then want to proceed, Madam Speaker, to ask how has this affected the pharmaceutical industry? Is the pharmaceutical industry going broke? Is it getting smaller? Is it employing fewer people? And I await the advice from honourable members across the way, but I think the answer to those questions must be a resounding no, unless there is some evidence contrary to those questions that I just posed.

Then I ask the question, why would the Honourable Member for Emerson have introduced that particular amendment to this Chamber? What is the basis upon which the Honourable Member for Emerson has

introduced such a resolution in this Chamber, unless it was for the most narrow of partisan reasons, to attempt to protect his colleagues in Ottawa despite the cost to the people of the Province of Manitoba.

The Eastman Report, to the Member for Arthur, who hasn't, I sense, read the Eastman Report, discovered that the real value of the pharmaceutical industry increased between 1967 and 1982 at a pace substantially greater than that of manufacturing as a whole. In terms of constant dollars, the increase in pharmaceuticals was 133 percent - the Member for Arthur, 133 percent! The increase for all manufacturing in the same period of time, Madam Speaker, was 44 percent. Does that sound like an ailing industry that requires the Federal Government to come with great haste in order to rescue it? The answer again is a resounding no, Madam Speaker.

Now, let us look at the growth of assets. The pharmaceutical industry's total assets grew from \$256 million in 1967 to \$1.3 billion in 1982. That's a rate growth of 410 percent. In the same period, the figure for all manufacturing was a 351 percent increase. Does that sound like an industry that needs a concerted effort of society collectively as a whole to the people of Canada to run to rescue? Does that sound like an industry that is ailing in such a desperate state that they require the auspices of the Government of Canada to run to its rescue? I ask honourable members across the way, what is the answer to that. And when they moved this incredible amendment in this Chamber, rather than give this original resolution unanimous support, they have indicated that they are prepared to bail out any large multinational at any price in Canada, rather than reflect the interests of Canadians as a whole.

Madam Speaker, let me assure you in case you are worried, we will not be deflected by attempts on the part of the Leader of the Opposition to move us off this subject that I know he is so embarrassed by and so sensitive to, onto some other issue. We are going to talk about pharmaceuticals, drug patent legislation, not something else, regardless of the wishes of the Leader of the Opposition.

Madam Speaker, we all know of course about the Tory concern for faltering companies like General Motors, General Motors in Quebec - what was it? - \$250 million? I haven't heard from honourable members across the way about the \$250 million for General Motors in the Province of Quebec, haven't heard a thing from honourable members across the way. I haven't heard anything about the \$300 million taxpayer gift to General Motors, not a thing from honourable members across the way. Madam Speaker, when a Tory buys a friend, it sure isn't going to be cheap; it's going to be at the expense of Canadians.

Even the pharmaceutical industry is painfully aware of the amount of money that the sick, the elderly are pouring into its pockets. The Member for Emerson might like to make some notes of this for his information so he could re-examine the amendment he introduced in this Chamber and, with the faintest of hope, might generate some courage to withdraw his amendment and apologize to the House.

A drug analyst at Bayer Stearns and Company, by the name of Barbara Ryan, states the industry is cash-rich and predicts dramatically increased payout ratios. She speaks about reserves in the order of \$1.5 billion

for Merrick and Company by the end of that company's 1986 fiscal year. Then there's Bristol-Myers Company, a cool \$1.3 billion. The list goes on and on. Miss Ryan quotes some of her analyst colleagues as predicting these cash reserves are going to double over the next two years.

These are the paupers, the poverty-ridden of Canada, the neglected of this country that require legislation to protect these poor souls, to ensure they have protection from the Canadian Government. These are the people that honourable members across the way are supporting, along with the banks and the oil industry, when it comes to choosing between the people of this province and those with special and privileged interests in this country. And I know the Honourable Member for Minnedosa doesn't like any reference to the banks, but honourable members will have to get accustomed to it, because we're going to prepare to speak the shots as we see the shots, whether the honourable Member for Minnedosa likes any reference to the banks or not, and we noted his sensitivity earlier today in that respect.

Sickness and disease into a very profitable enterprise, why settle for those kinds of profits, Madam Speaker, when they can phone their friends? They can get help, as they've done by way of this drug patent legislation, to increase the take. Why worry about what the public think when they have apologists like the Tories to muddy the waters, to move amendments like this one that we've just received this afternoon, in order to attempt to confuse the debate in this Chamber, to attempt unfortunately, Madam Speaker, to belittle the people of the Province of Manitoba and the degree of sophistication that exists on the part of Manitobans. That's what they've done.

Madam Speaker, in speaking out against this federal bill, in order to protect Manitobans who need reasonably priced, effective drugs, has been described as piracy. It has been described as piracy by one, I think, Simon Reisman, and others in the Mulroney government have referred to our speaking out against this dastardly legislation as being piracy.

Let me assure honourable members, if it's piracy, as the Tories would like to mumble, then we're prepared. I am prepared to fly the Jolly Roger from the top of this building. We have no hesitation in doing so, Madam Speaker.

The Federal Tories say that their agenda on this matter will lead to a growth in financial investment of some \$1.4 billion in Canada over the next 10 years. They have suggested there's going to be a creation of 3,000 additional jobs as a result of this legislation in Canada. They have suggested that those jobs are going to be high-priced jobs that are related to research development insofar as drug development in the Province of Manitoba.

Madam Speaker, an objective assessment of that promise reveals that it's extremely unlikely to ever come true. Again, I refer to Dr. Eastman's Report: "Canada is not well placed to become a major world centre for pharmaceutical research or for the production of active chemical ingredients." I'll repeat that again for honourable members across the way. Dr. Eastman, not some New Democrat, not some partial observer, Dr. Eastman, who stated: "Canada is not well placed to become a major world centre for pharmaceutical

research or for the production of active chemical ingredients."

Furthermore, what is the growth that can be expected in Canada in the years that lie ahead? It's not likely to occur in Manitoba or Western Canada. It's not likely to occur in the Atlantic Provinces. It will occur in Central Canada, where that industry is already firmly established. I ask you, Madam Speaker, why should Manitobans be called upon to contribute by way of additional Pharmacare costs, additional drug costs, in order to create further jobs in Central Canada, in this particular industry.

How has the present situation contributed to job growth? In Canada, between the year 1967-1982, job creation in this particular industry amounted to 29 percent. In the United States, where there is no generic drug industry to speak of, job growth amounted to 22 percent in the same period - 29 percent as against 22 percent, Canada to the U.S.

Why does the Conservative Party want to return to the days of sky-high drug costs to further enrich what I believe we have established in this Chamber by way of this debate is what is already a very lucrative business? Why do they want to escalate profit making when that profit making will be on the backs of the elderly and the ill within the Manitoba community?

If the Conservatives have their way - and I hope there is still some chance to prevent it. I'm certainly not very hopeful of anything coming from the Senate on this. Some people suggested maybe the Senate will save us. It's a pretty sad day, isn't it, when the only hope we have left in this legislation apparently is some faint hope that maybe the appointed Senate, the politicians who were put out to pasture, may some way or other ensure that this legislation imposing crippling price burdens on Manitobans and on Canadians will be prevented by the members of the Senate. I never thought we would arrive at this day when our only last little straw of hope, one little few ounces of hope, might be in that appointed Senate in Ottawa.

Madam Speaker, I am fearful that we are going to be faced with a monumental increase in drug prices, Pharmacare, general health care. I would challenge honourable members across the way to illustrate where we are wrong in our concerns that there will be a substantial increase in health costs and drug costs and pharmacare costs as a consequence of this drug patent legislation. I would challenge the honourable members to demonstrate where we are wrong, how we are wrong.

Honourable members, if there is a shade of doubt on the part of honourable members across the way - and I say this to them quite sincerely - if any honourable members have a shade of doubt, if any honourable members have some feeling that we might be right, then I would urge them not to tamper with the prices of drugs in the Province of Manitoba, but to join with us in this resolution so that this resolution will receive the unanimous support of all members of this Chamber so, when we sent the resolution to Ottawa, there will be no doubt as to the unanimity of the thinking of Manitobans on a subject as important as this.

This projection on my part of rising drug prices is not idle speculation. Look at the current relationship with some drug prices in Canada versus the United States. One thousand units of diazepam costs Canadians \$2.60, Americans pay \$243.28 for the same

drug that is marketed under a brand name - \$2.60 as against \$243.28, a difference of 9,000 percent.

In a recent presentation by Turcan (phonetic) Limited, it indicated that it can produce a fine chemical in Canada for \$3,000 a kilogram through transfer pricing. That multinational company had intended to import the same chemical into Canada at a cost of \$250,000 a kilogram. How can honourable members across the way, in view of information such as this, in view of the concerns that have been expressed by thousands of Manitobans by way of petition to Ottawa, still vote in a fruitless attempt to block this resolution from being forwarded down to Ottawa to ensure that Ottawa receives a clear and direct message from the people of this province?

Let us be clear who we're dealing with in this matter. This proposal originated, as the Minister of Industry, Trade and Technology indicated a little earlier this afternoon, at the Shamrock Conference between Prime Minister Mulroney and the President of the United States. It was the price that was sought from the Government of Canada prior to entry into the free trade discussions and, rather than stand up to the President of the United States, Canada capitulated. The Prime Minister of this country capitulated; his Cabinet capitulated; the Progressive Conservative Party of Canada capitulated; and now the Progressive Conservative Party of the Province of Manitoba capitulated, and gave away what was an important gain by the people of this country, insofar as fair drug pricing for the people of this country -(Interjection)-

We already know. The Honourable Member for Minnedosa again, in a sense of desperation, wants to return us to a debate of three years ago. I can understand again the uneasiness of the Honourable Member for Minnedosa. He doesn't want to discuss drug patent legislation in 1987; he'd sooner talk about French Language Services back in 1984. He's three years out of date. Manitobans are not asking about 1984; they're asking about what is being done to them in 1987 when they go to the drugstores of this province. That's what they're asking.

These are the same companies who are contributing to the farm crisis that has Western Canada in a vice.- (Interjection)- Well, we hear the Honourable Member for Sturgeon Creek call, "puppet." Let me say clearly to you, Madam Speaker, if there ever was a demonstration of 26 puppets in this House to the Conservatives in Ottawa, it's been demonstrated quite clearly this afternoon by their amendment.

These are the same companies who are contributing to the farm crisis that has Western Canada in such a vice at the present time. In addition to producing and selling brand-name drugs, these companies are the same companies that produce farm chemicals, seed stocks. I am talking about companies like du Pont, Monsanto. Their patent drug divisions want the same licence to print money their farm chemical divisions have.

It's interesting to note, Madam Speaker, even though these companies wring millions of dollars out of Manitoba farmers every year - and I wish the Agriculture critic was present. The former one is here, but the present critic, maybe you'll take the message to him.

**MADAM SPEAKER:** Order please.

Was the Honourable First Minister referring to the absence or presence of a member?

**HON. H. PAWLEY:** I apologize for that, Madam Speaker, I realize that it's a custom in this House not to refer to absences. I ought not to have done that, and I withdraw that reference. It was said in a state of some enthusiasm for the position that we've been espousing in this Chamber, and hoping that all members would have received the message in a very clear and direct manner as to the position of this government.

It's interesting to note, even though these companies wring millions of dollars out of Manitoba farmers every year, not one dollar is being spent in our province or our country to develop new farm chemicals. Sure, there are a few reformulating plants in Canada, but only to reduce transportation costs by shipping chemicals in concentrate form to Canada for conversion to bulk form. This cannot be considered as any major commitment to Canada as a whole.

These companies have a 17-year free ride in Canada when it comes to patent protection on farm chemicals. Even when the patent lapses, generic companies are compelled to retest every aspect of the chemical, covering ground already tested 17 years earlier. When a generic chemical becomes available to farmers, what happens to the brand-name chemical? And we've had the example - in fact the Honourable Member for Morris acknowledged it a little earlier today indirectly, without realizing the significance of his comments, because he made reference to Treflan. It went down by 50 percent. When did it go down by 50 percent? After the 17-year lapse had taken place, which demonstrates the very point that we are making in this Chamber, Madam Speaker.

Roundup dropped by 30 percent at the end of the 17-year period. The Honourable Member for Morris clearly demonstrated the strength of the argument that we've been attempting to make in this Chamber, without his even recognizing that he was giving support to the position that we've been undertaking to present in this House.

In the area of plant breeding, again the same companies are involved. We are faced with the prospect of one division breeding plant seed, Madam Speaker, stocks that will produce crops that require chemical protection that is manufactured by another division of the very same company. And yet, honourable members - and I've heard honourable members across the way give support to plant breeders' rights legislation. They would turn the farmers of this province over to those few companies that want to profit by way of millions of dollars out of the pockets of the farmers of Canada and Western Canada. We know clearly where they stand, again on the side of the chemical and fertilizer companies, and the back of their hand to the farmers of this province.

These companies, Madam Speaker, are looking - let me just advise honourable members. I have made it very, very clear in these free trade discussions with the First Ministers that the Province of Manitoba is unilaterally opposed to intellectual property being placed on the bargaining table vis-a-vis the free trade discussions, because we know what's going to happen to the farmers of this province when they're hit with

Wednesday, 29 April, 1987

skyrocketing chemical and fertilizer prices because of intellectual property being placed on the table in the free trade discussions.

I believe it's time that honourable members across the way, representing the farmers of this province, ensure that their constituents are fully made aware of what will happen. I challenge them to speak up in their constituencies and point this out to the cultural community of this province, rather than continue their ritualistic worship of everything that their federal cousins are doing in Ottawa.

These companies are looking for a final piece of the puzzle, patent protection, for the only part of their operation's not up to it, right up to their armpits in the profiteering. The pharmaceutical division, they want a licence, Madam Speaker, to print money.

Well, I am pleased if the Leader of the Opposition is having difficulty enduring this, because maybe something is getting through to him.- (Interjection)- I wonder if the Leader of the Opposition would like to ensure that he places that on the record. Would you like to place the comments on the record? Those are the same remarks that you addressed to the Minister right now of Cultural Affairs in the Province of Manitoba? You would like to make those same comments? We would certainly be pleased to give you the opportunity.- (Interjection)-

Well now, the Member responsible for Sturgeon Creek just accused me of acting like a silly fool, because he's feeling so uncomfortable about the betrayal on his part of his constituents, of the people in his riding, the people of the Province of Manitoba, in favour of the pharmaceutical industry in the Province of Manitoba. I understand the obvious sensitivity and anger and discomfort on the part of the Leader of the - I almost said the Leader of the Opposition. I know there are a number of aspiring Leaders of the Opposition. I would have to exclude the Member for Sturgeon Creek as being amongst those aspiring leaders in the front bench of the Opposition across the way.- (Interjection)-

I want to tell the Member for Sturgeon Creek that the people where I live voted two-to-one for the New Democratic Party in the last election, which was probably a lot better than what he did in his home poll - two-to-one. So let the Member for Sturgeon Creek not hurl around idle comments in this Chamber.

And let me just tell the Leader of the Opposition, there was one poll in my constituency I've never won since 1969, until the Leader of the Opposition took time out to canvass that poll during the last election. I won it in the last election by four votes, the first time since 1969. I thank the Leader of the Opposition for his contribution. In fact, it was a street that the Member for Minnedosa used to live on.

These companies are looking for the final piece of the puzzle, patent protection, for the only part of their operation that is not up to its armpits already in profiteering. They want a licence to print money on a scale that companies did several centuries ago.

Madam Speaker, the amendments that are contained in Bill C-22 are regressive. They do not serve the interests of Canadians as a whole; they do not serve the interests of Manitobans.

Madam Speaker, I want to ensure, in order to round out this discussion, that I place on record some of the items that were endorsed in the recommendations by

the Eastman Commission that I support. The Eastman Commission of Inquiry did make a number of recommendations that do deserve our public support in this Chamber.- (Interjection)- Maybe when the Member for Sturgeon Creek has had an opportunity to settle down, I can proceed with my remarks, Madam Speaker.

We support the Eastman Commission recommendation of the speed-up of pre-clinical new drug submissions. We support toxicology studies; we support new drug submissions; we support the issuance of notices of compliance. These measures, Madam Speaker, we are prepared to endorse and to accept, and these measures would move new drugs onto the Canadian market two to three years earlier, providing a direct benefit to all Canadians. Shorter time lines for these factors, I have just mentioned, would also advance the cash flow, the profit to pharmaceutical firms, reduce drug prices, align Canadian clinical research with that of the rest of the world. And, Dr. Eastman, again I commend - I was reading to the Honourable Member for Arthur - as he stated in his report, increase research investment by 50 percent in Canada. Manitoba is supportive of any effort to speed up the new drug evaluation process.

We question whether other economic incentives are in the best interests of Manitobans and of Canadians. I believe the incorporation of the recommendations of the new drug evaluation process eliminates the need for the bill proposed by the Mulroney Government in Ottawa, the bureaucratic, irregular measures that are being proposed by the Mulroney Government in Ottawa as well.

In my last word or two to honourable members across the way, there are times when we ought to be able, on behalf of all Manitobans, to declare a message that is clear - and this includes the Honourable Member for Springfield, despite his obvious discomfort as we can see from this side of the Chamber. This requires at times -(Interjection)- Come over to Selkirk, I would welcome that. Rather than campaigning 31 days out of my constituency in the next election, if I had the Honourable Member for Springfield running against me, I would be campaigning 35 days out of my constituency. I wouldn't be worried about returning at all.

What is required, Madam Speaker, is that honourable members demonstrate some support for Manitobans, not bring forth flimsy, cowardly amendments like the amendment introduced by the Member for Emerson. Let the Member for Emerson provide a clear message to Manitobans so that we can proudly leave this Chamber and say Manitobans have spoken with one voice to the Ottawa Conservative Government. We oppose Bill C-22; we oppose a rip-off of the elderly and the ill in Canada and the Province of Manitoba; we put people ahead of multinational corporations. Withdraw that legislation and stand up on behalf of the people of the Province of Manitoba. That's the message we're attempting to provide to the Ottawa Conservatives. It would be helpful from time to time. It has happened in some other Legislatures, if honourable members joined with us in providing that clear message.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please.

**HON. H. PAWLEY:** I think even if the Member for Springfield wanted to send, that would be okay. I don't think there would be that much difference, but the remaining 55 members of 56 members in the House would be important.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please, order please.

I'm interrupting the Honourable Minister, the hour being five o'clock, for Private Members' Business.

The Honourable Government House Leader.

**HON. J. COWAN:** Madam Speaker, I believe there is a disposition on the part of all members to forego Private Members' Hour, by leave, and continue. I believe the Leader of the Opposition will be speaking on the resolution next, and then there may be one more speaker following that.

**MADAM SPEAKER:** Is it the will of the House to forego Private Members' Hour? (Agreed)

We'll continue then on the motion of the Honourable First Minister, and the amendment thereto by the Honourable Member for Emerson.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Madam Speaker.

For all those seniors out there who are listening, as the Minister of Education has indicated, I think they should know that the members of the government who proposed this legislation have been laughing and joking and trivializing this throughout the Premier's speech, and the Premier himself has trivialized his own resolution by the presentation that he made here this afternoon.

I have no intention of trivializing this matter, Madam Speaker. I will speak directly to the resolution and to the amendment that has been put forward by my colleague from Emerson, because we believe this is a serious issue. We believe that it's an issue that ought to be dealt with in a serious context, because it means the health, the health care and the lives of the people of Manitoba in future.

But, Madam Speaker, the members opposite obviously want to continue to laugh about the issue, and they think that they have made some cute political manoeuvre here. That really is the whole intent and purpose of this resolution that's been put forward by the Premier.

It has very little to do with consideration of the effect on seniors, consideration of the effect on Manitoba's economy, consideration of the effect on Manitobans in future. It has to do with their opportunity to put forward a resolution which they think can very cutely put them in a position of being in favour of senior citizens and have us opposed to senior citizens or other groups, such as the Manitoba Federation of Labour, or the Manitoba Association of Registered Nurses, or any other of those groups.

**A MEMBER:** The United Church.

**MR. G. FILMON:** The United Church.

Madam Speaker, it has absolutely nothing to do with attempting to put people on one side of an issue or another side of an issue. It has to do, Madam Speaker, with our view of what will be best for Manitoba in future. Madam Speaker, when it comes to setting aside partisan interests, as the Premier started out to say in his dissertation here this afternoon, we saw what his view is of setting aside partisan interests.

He spent most of his speech taking cheap shots at members opposite about who won what poll in the last election, about who benefited in one particular area or another, about what the Member for Sturgeon Creek does in his area and all sorts of cheap shots. That's his idea of setting aside partisan interests. That's taking the high road, in his view, in debating a serious resolution.

Madam Speaker, setting aside partisan interest does not involve putting forward a resolution that allows his members to bash Ottawa on whether or not Ottawa is interested in the health care, in the health and well-being of Canadians in future. Without stating any particular facts on the issue, Madam Speaker, he takes the position of enjoying an opportunity to bash Ottawa. That's the position that he puts forward in this resolution. He takes the opportunity of jumping in, lockstep with Ed Broadbent.

I'm amused at the fact that he suggests that this is not a partisan issue. I'm amused at the fact that his Member for Kildonan, his Member for Elmwood, said that the New Democratic Party - this was not a movement to the New Democratic Party; that this was not a planned initiative of the New Democratic Party; that they had not been drumming up support; that, in fact, this was a natural reaction by various groups in society across this country, who saw the danger of this legislation and were instantly moved to oppose this legislation.

Let me just, for the record, show whether or not this was a natural, spontaneous reaction or whether or not it was, in fact, orchestrated and organized by the New Democratic Party of this country.

Here is a letter that has been sent out by Ed Broadbent - I believe he's still the Leader of the Federal New Democratic Party. It was sent out on the 30th of September, 1986. It says: "A prescription fund for fair drug prices." It was sent throughout the country.

It says among other things: "We're launching a campaign for fair drug prices instead of increasing profits for drug companies" - precisely aimed at this legislation, precisely aimed at the fearmongering scare tactics of suggesting to people that they were in favour of fair drug prices, and nobody else in this country was, providing all sorts of comparative information that is outlandish in its content, exaggerates totally the circumstances that would prevail under this bill, and attempts to orchestrate a movement right across the country; that brought into the movement, of course, the Canadian Labour Congress, the Manitoba Federation of Labour, the coalition of organizations that they put together with their staff, with their political friends in every province in this country, yes, and that brought into the whole movement, nurses, seniors, the Keystone Agricultural Producers and so many more.

It did so, Madam Speaker, by doing precisely the kind of thing that negates everything that the Premier said. He said that he was doing this on a matter of

principle, but his only principle is election at any cost, re-election at any cost. He's willing to put forward misinformation, duplicity, deceit, fearmongering, any one of those tactics along with his soulmate in Ottawa, Ed Broadbent.

He sends out a letter throughout the country asking for funds to enable him to distribute the misinformation to people throughout the country, to be able to convince the federations of labour, the nurses' organizations, the seniors' organizations of all of their information. He says: "We're asking for your help to fight for affordable prescription drugs." He says: "I need your help and here's what we have to do - fill out and mail the enclosed card to Brian Mulroney, telling him you want fair drug prices." He says: "Make a contribution to the New Democrats campaign for fair drug prices." And they're trying to tell us that this is not an orchestrated movement, this is not a planned political manoeuvre of the New Democratic Party? It's right here in writing, Madam Speaker.

This is the entire rationale for their campaign. And the Member for Kildonan had the audacity to say the New Democratic Party had nothing to do with this campaign, that it happened spontaneously, just like spontaneous combustion. All of a sudden, all these groups in society were opposed to it. He even goes so far as to say that, if they send in the money for this campaign, they'll get a federal tax credit, a federal tax credit. Utilize the federal system of tax credits to take the money out of the pockets of people to pay for this campaign of his to oppose the legislation in Ottawa.

Well, Madam Speaker, that's the level of principle that the Premier talks about when he talks about the New Democratic Party's opposition to this legislation in Ottawa. The fact of the matter is they have no principle when it comes to this. Theirs is simply a political issue. It has absolutely nothing to do with the legislation.

Madam Speaker, he hammers away at the multinationals in the country and he says, in some way, that we only want to support the multinationals. Well, what in heavens name would we want to support the multinationals for? They're big enough, they're powerful enough that they can survive, no matter who is in government. The point becomes, we want to do certain things. We want to encourage investment into research and development for the development of drugs, for the development of pharmaceuticals. For what purpose? To save lives, to cure diseases, to cure illnesses, to take away costs from the health care system in this country. What are we talking about? We're talking about curing the ill. We're talking about curing the sick and ensuring that they will live longer in good health, and not be a major cost to the health care system of this country. That's what we're talking about when we suggest that we want to encourage investment in the research and development of new drugs and pharmaceuticals. We have no interest in whether it's done by a multinational or whether it's done by a small Manitoba-based company or who it's done by, but we want to see that investment because we must have those drugs and those pharmaceuticals developed to cure the people of this country in future.

Madam Speaker, I just want to make one point directly to the Premier, because he has made these statements without once - I want to make one point directed to

the Premier because, throughout his talk, I never once heard him talk about what would be the effect on Manitobans or Canadians if we don't develop cures and new pharmaceuticals and new drugs to arrest the spread of illness and, in fact, to provide cures for the illnesses and the diseases that plague our society today.

He has the good fortune of still having his mother living, and I'm glad of that, Madam Speaker, and I would hope that he would be concerned about that. I don't have my parents but I tell you this, that I would want to have drugs, I would want to have pharmaceuticals being developed through research and development to ensure that they would live longer, to ensure that they would enjoy good health, to ensure that every senior citizen in this province will enjoy better health in future and live longer. That's what I would want to have happen and that's what I would want to have happen as a result of government policy, government policy that directs funding into research, that directs investment into research, that directs it into research and development of these things that we must have, Madam Speaker.

But I heard none of that from the Premier. I heard none of it from any member on their side. All I heard was fearmongering, scare tactics, suggesting that they were somehow helping the seniors of our country and our province. Madam Speaker, they are resigning them to ill health, to earlier death than they might have if there were cures for the major illnesses of our society. They are committing them to that future by wanting to have no research and development into the development of new drugs and new pharmaceuticals. That is the underlying and root cause and root results of what their position on this bill is.

Madam Speaker, what are we talking about? We're talking about primarily seniors, but we're talking indeed about all people in society today who might be affected by stroke, by cancer, by Alzheimer's disease, by AIDS. Don't we all want to find a cure sooner for it? Don't we all want to find a way of ensuring that people who are afflicted with those dreaded deadly diseases have some hope for the future? Indeed, we all do.

Madam Speaker, we know what the position of members opposite is when it comes to wanting to find a cure for these dreaded diseases and illnesses. We heard the Minister of Culture and Recreation the other day stand up and suggest that her contribution to finding a cure for AIDS was making \$3,000 worth of grants to a Gay and Lesbian Film Festival, and she said that the proceeds of that festival were going to go for research into the cure for AIDS. Well, Madam Speaker, isn't that an incredible position to take when she will not see the development of legislation that would see millions of dollars of research and development money be poured into finding a cure for AIDS as a result of the support of this kind of drug patent legislation? She would not have that happen, but she thinks that a \$3,000 grant to a gay film festival is going to find a cure for AIDS. Well, I want to tell you, if that doesn't tell you how far they are from reality in this world, nothing will.

What about finding employment for our young science grads? They think their position is going to be helpful to our young people in future. How will they find employment in high technology, scientific research and development activities, the graduates from the

University of Manitoba, from Brandon University, from the University of Winnipeg? Where will they find this kind of employment if we do not have policies in place in this country that will ensure that we stimulate and encourage investment into research and development in these high technology areas of science? It won't happen, Madam Speaker, without that kind of policy. Yet they speak against it, they vote against it, and they fearmonger amongst people to lobby against it. That is absolutely a despicable thing for them to do - despicable.

Madam Speaker, the Member for Kildonan and the Member for Elmwood suggested in their speeches that somehow all of these groups had done their own research and arrived at their own conclusions in taking their position against Bill C-22 in Ottawa. Well we've had an opportunity to talk with a number of these groups and ask them how they happened to arrive at their position. When I read, for instance, in the Keystone Agricultural Producers newsletter statements like, "This bill would increase prices for pharmaceutical drugs by 138 percent to 15,000 percent," I said, what research have you got that would arrive at that kind of conclusion? Well, Madam Speaker, they got it from all of those other groups who got it from the New Democratic Party.

They take out of context one particular drug and they say, this drug, if it were in place, patent protection would cost you so much, and that would be "X" thousand percent more. Therefore, that's what it's going to increase the cost of our drugs.

They don't talk about what the overall effect will be in the long run and how much it would cost, in addition, in looking at it in a reasonable context, how much it might cost in the long run. First, they imply that all existing drugs, all existing generic drugs would go up in price 138 percent to 15,000 percent - absolutely false. Existing generic drugs will not change in price as a result of this legislation. What we're talking about is making an investment in new drugs, in new cures for illnesses, in new cures for the dreaded diseases, the deadly diseases. That's what we're looking at.

Now and those obviously, if we're putting in research and development money into developing these, might cost a little more as a result of that investment, because ultimately those costs will have to be paid. But don't you think that Manitoba families would want to pay a little more for future drugs that might save lives in their families, that might save the health of their parents and grandparents, that might allow them to live productively and in a happy, healthy state for a little longer? Of course, they would.

What are we talking about? Are we talking about increases of thousands of dollars a year for every family in Manitoba? No. The estimate of cost that was presented by the government in Ottawa was, by 1990, \$3 per family per year. That's the kind of investment they're talking about. That's what they're talking about, Madam Speaker.- (Interjection)-

Now, I'll talk about the Eastman Commission in just a moment. I'll talk about the Eastman Commission, because many members have quoted selectively from the Eastman Commission. Madam Speaker, these are the kinds of figures that are bandied about, which obviously lead to the kind of conclusion that you arrive at. If you tell somebody that they're going to be paying

thousands or tens of thousands of dollars more for their drugs, of course they're going to say they're opposed. But if you tell them they're going to pay \$3 per family per year and, as a result, they may find a cure for cancer or AIDS or Alzheimer's or any of those things, what would they say then? They'd say, I'm willing to make an investment in research and development to find the cures for these dreaded diseases, to ensure that our families live in a healthy, happy state for a longer time.

But it all depends what you tell them when they arrive at their conclusion. So that's the kind of thing that the Member for Kildonan ought to know. That's the kind of thing that the New Democratic Party told to all of these groups throughout Manitoba and across the country, as a result of the fund-raising campaign of Ed Broadbent that raised the money in order to be able to spread the misinformation, the deceit and the lies right across this country.

Madam Speaker, there's a saying in the computer industry - Garbage In = Garbage Out - and if you tell these groups that their costs are going to go up 15,000 percent, that is garbage. If you tell them existing drugs are going to go up by hundreds of percent, that is garbage, and that's why you'll arrive at the conclusions you do, Madam Speaker.- (Interjection)-

Well, Madam Speaker, I won't even address the issue of new job creation, but indeed there can be no doubt that, if we are creating an atmosphere and a climate and indeed a regulatory situation that encourages the investment of tens of millions of dollars, there will be new jobs created. I don't know whether it's 3,000 jobs or I don't know whether it's 2,000 jobs but, if you have that kind of investment being made in research development, there will be jobs being created - absolutely, there will be jobs being created. And yes, they'll be high technology and, yes, they'll be in biochemistry and biotechnology and pharmacology and all those things, because that's where the investment will have to take place.

Madam Speaker, there's no question that, if it takes place in Canada, then it will have the effect of promoting more innovation throughout Canada, and there's no question that with this kind of -(Interjection)- well, the Member for Kildonan says, how can you be sure, and that's precisely the point that members on this side want to make.

Our amendment, Madam Speaker, says that this has to ensure that the mechanism has to be in place, that drug prices have to be monitored by the Drug Prices Review Board, which is going to be chaired by Dr. Harry Eastman, the very person who they take as the expert authority on this. He will be the chairman of that board, and he will ensure that we do not have prices going wildly out of sight as a result of this legislation. That board will have the authority and the responsibility to control the prices.

As well, after four years, the Federal Government will have an opportunity to revoke the entire legislation if the industry does not meet its commitments as to the investment. Indeed, Madam Speaker, we agree with that and we believe that they ought to revoke this legislation if the industry is not investing the tens of millions of dollars that they are committed to.

Madam Speaker, we also have said in our resolution amendment that, if the industry does not meet its

commitments by 1990, the Federal Government may reduce or revoke the period of exclusivity, so they have another way that we're suggesting to ensure that the people of Canada and the people of this province are protected and that we get the best of both worlds, both the investment in research and development, the development of cures for our dreaded and deadly diseases, and we get the jobs and the economic benefit and everything else.

What did we say in our final statement of action? We said, "BE IT RESOLVED that the Legislative Assembly of Manitoba urge the Federal Government to monitor carefully the Patent Act, to ensure a healthy pharmaceutical industry in Canada, and to protect drug consumers."

So, we're saying do both, Madam Speaker, but what are they saying? They're saying kill the bill, do nothing, absolutely nothing, do absolutely nothing. Don't look for new drugs, don't look for new cures for any diseases. Let the Minister of Culture, Heritage and Recreation find the cure with a \$3,000 grant to the Gay and Lesbian Film Festival. That's their answer.

Madam Speaker, you know the members opposite have said before - and I've heard them talk - that Canada needs a policy that will see more money being invested in scientific research and development. In fact, I guess a couple of their members contributed personally to that with their SRTC investments, but we're talking about real policy commitment. I have heard them say that Canada as a nation does not invest enough in scientific research, that we should be contributing a greater proportion of our Gross National Product to scientific research.

Well, Madam Speaker, this is the intent of the bill, to see more scientific research and development being done in this country, not through tax shelters, not through flimsy questionable investments in things that have very little hope of success, but through real research into the development of cures for the sick, cures for the elderly, cures for the people who have long-term disability and illness.

Madam Speaker, we have heard this group opposite talk in an empty fashion about improving the quality of health care in Canada and Manitoba. Well, what will this bill do towards that? Well, firstly it will permit and promote the earlier introduction of new drug therapies for Canadians. Isn't that better for health care in this country? Of course it is, of course it is, it will result in more drug research in Canada and new improved treatments for medical problems, better overall health care in this country. In fact, Madam Speaker, new drugs will eliminate the need for hospitalization or surgery in many cases. New drugs, of course, can reduce harmful or costly side effects of existing treatments.

Madam Speaker, you know, the problem we have here is they say no to all of those improvements to the quality of health care in Canada. They don't want any of those things. They don't want reduced hospitalization; they don't want reduced costs of caring for our sick. They want the research to go on in every other country of the world but Canada.

**MR. F. JOHNSTON:** And they want to go in the generic business in the Deer Lodge Hospital. That's what they want.

**MR. G. FILMON:** Madam Speaker, nobody on this side of the House or anywhere else in this country wants high drug prices. Nobody wants that. We would never support just simply high drug prices for somebody else's benefit. That's, as the Premier said, the height of idiocy to even suggest that.

What we want, Madam Speaker, is to invest some of the money that we're paying in drug costs into research and development to cure the ills of society. But it's typical of the position of these New Democrats. Whenever we talk about health care, they talk about all of the heavy-cost institutions and infrastructure for taking care of sick people. Very rarely do they talk about things that will in fact keep people healthy; that will keep them from becoming sick; that will keep them living longer without the massive health care cost. Rarely do they talk about that. They only talk about the institutional costs of the sick people and maintaining people who are already sick.

This is another instance of that, where they don't want to invest the money into cures for the sick. They in fact want to use it as a political football, and not have the money invested into research and development for the future. We'd never see that kind of attitude of wanting to ensure that healthy people remain well or are restored to good health, that sick people are restored to good health. We talk about the numbers game of how many hospital beds you have and how much money you've increased your hospital budget, but when are we going to turn the attention to ensuring that we are spending some money in making sure that people remain healthy longer in Manitoba. We don't see it from this government, we don't see it from this New Democratic Party at any time, on any issue, and this is a typical example, Madam Speaker.

They talk about the fact that this will not be good for generic companies. They say that this won't be a good move for generic companies, and it won't be good because we won't have generic drugs available. Of course, we'll have generic drugs available. As a matter of fact, the availability of generic drugs will continue to grow under this legislation. All generic drug products now on the market will continue to be sold, Madam Speaker. There's no attempt to cut that, there's no attempt to cut that off, Madam Speaker. All generic drug products now on the market will continue to be sold. In fact, with this legislation, at least 41 new drugs will become available for generic copying in the next five years, Madam Speaker. So we'll have increased opportunities for generic drugs to be available and to be at the disposal of people who need them at lesser costs.

Madam Speaker, members opposite talked about the Eastman Inquiry, and the Eastman Inquiry demonstrated that it had taken an average of 11.5 years for generic copies of drugs to appear on the market. Well, Madam Speaker, this will permit generic competition from 7-10 years. We're talking about the fact that they normally take 11.5 years to bring a copy on the market.-(Interjection)- There you are.

Under the existing system, Madam Speaker, under the existing legislation - let's take a look at this - of the 145 new drugs on the market since 1979, only one has been copied by a generic, only one of the 145 that have been introduced since 1979. The Drug Prices Review Board can remove the excessive protection for

the drug if they believe that the price is excessive. That's in there. Now that's protection that can be exercised for the people who need that protection if it can be demonstrated that the prices are excessive.

Madam Speaker, they talk about the fact that there's been growth in the generic drug industry in Canada, and they use that as a justification. Well, there's been a huge growth in the generic drug industry in the United States, a huge growth in the same period of time.-(Interjection)- The Premier says, very little. There has been 15 percent to 20 percent growth annually in the United States in the generic drug industry, despite the fact that they don't have the kind of legislation we have in Canada today. So this legislation won't prevent the generic drug industry from growing. It's growing at 15 percent to 20 percent annually in the United States right now.

Madam Speaker, generic products in the United States now account for 25 percent of the U.S. drug market, 25 percent of the U.S. drug market in the United States. That's what we're talking about. These people who say they've done all the research don't know any of these facts.

Madam Speaker, the members opposite have talked about the need for strong consumer protection. In fact, under this Bill C-22, it will have strengthened consumer protection because it will ensure that all drug prices are reviewed, not only those for which there is generic competition. So there will be stronger consumer protection, Madam Speaker.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. G. FILMON:** Madam Speaker, what I am saying - and I want to give some opportunity for the Minister of Consumer and Corporate Affairs to have an opportunity to wind up debate because I'll be interested in knowing just exactly why he's against the development of cures for all of the serious diseases, all the serious illnesses, because he is opposed to that because he doesn't want the investment to take place. I'd be interested in knowing why the Premier doesn't want to find cures for the ills in our world.-(Interjection)- absolutely, Madam Speaker.

**HON. V. SCHROEDER:** I don't think we'll ever find a cure for your stupidity.

**MR. G. FILMON:** Madam Speaker, the Minister of Industry, Trade and Technology, of all people, should not be opposed to anything that would cause more research and development and manufacturing to take place in this country. He had the audacity to put on the record just a few minutes ago that the drug industry of Canada was opposed to this. Here's a letter that appeared in all of the major newspapers across the country just a week or so ago. It's a letter from Judy Erola.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. G. FILMON:** Madam Speaker, I anticipated the response. Now they take an individual, former Liberal Cabinet Minister, who is now President of the Pharmaceutical Manufacturers of Canada and they

suggest that this individual, Judy Erola, has no integrity, that she would say anything. Madam Speaker, they suggest that she would say anything, because it's her job to do so. He suggests that she has no integrity. Are you suggesting that this former Liberal Cabinet Minister needs the job so badly that she would take any position in order to ensure that she could collect a salary?

Madam Speaker, I happen to know that Judy Erola is a person of integrity. She is an intellectually capable person, and I think she could be employed in literally dozens of jobs throughout this country that would pay her well and that she wouldn't have to speak on behalf of the pharmaceutical industry.

But I'm certain that she has suggested that she agrees with what's being done, and there is no question that she sees it as providing consumer price protection, stimulating research in Canada, assuring consumers that all existing generic products will continue to be available without an increase in price and protecting all of the consumers of Canada.

Madam Speaker, you see that's what we have in this situation. They discredit an individual who I don't know, only by reputation and only by observation as being a person of integrity and ability. They discredit her immediately, because she works for the pharmaceutical industry. That's the kind of view that they take about this, and that is the kind of politicization that they put on this issue.

Madam Speaker, let's take a comparison between what the New Democratic members want to do with this bill and what we want to do. Madam Speaker, do we want to ensure that research is done in Canada as the drug companies have assured - absolutely. That's our position. We want to ensure that the research is being done and that's what our amendment says, that after four years if there is no evidence that the research is being done, then it's cancelled. The legislation is cancelled and they won't have the opportunity to have this bill in place.

Madam Speaker, do we want to ensure that we provide cures in the future, that we provide tens of millions of dollars of research money going into the development of cures for all of these dreaded diseases? Yes, of course we do. That's one of our fundamental principles and beliefs in supporting this kind of legislation.

Madam Speaker, will it be done by a generic drug company? You tell me one new drug that has been developed by a generic drug company - absolutely none, Madam Speaker. Just for the interest of members opposite, those generic drug manufacturing companies are also multinationals. The multinationals that they hate are also generic drug manufacturing companies, are the multinationals that they say that they hate.

Are we concerned with keeping the prices down for our drugs? Of course we are, Madam Speaker, of course we are. Madam Speaker, we're advocating that they ensure that the Drug Prices Review Board that's to be chaired by Dr. Eastman, who all of them complimented and supported, that board that will be chaired by Dr. Eastman will ensure that it is tough, and that there is no abuse on the prices and that excessive prices aren't charged. If not, Madam Speaker, we have said that Bill No. C-22 will be revoked because that's the position that we take on the issue.

So, Madam Speaker, in summary, we on this side can see that there has to be a balance; that there has to be an assurance of consumer protection; that there has to be an assurance that there is major investment into the development of all these lifesaving drugs and cures for the illnesses of society. We on this side do not want to resign our seniors, our young people and all of the people in Manitoba to a future of illness, to a future of uncertainty because of the many diseases that plague us. We want to ensure them that there will be investment in the research and development of cures for those illnesses, and we see Bill No. C-22 as one way of doing it.

Madam Speaker, we in our amendment have made sure that people know that we're committed to ensure that prices remain fair, and committed to ensure that the investment takes place or else the bill will not exist beyond 1990.

Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Minister of Labour.

**HON. A. MACKLING:** Madam Speaker, when I introduced this resolution some time ago, I indicated that I expected that the honourable members would seriously consider joining with us in adopting in an unanimous fashion this resolution, because I felt sincerely that this was an opportunity for the Opposition to indicate their concerns for Manitobans, and not expect Manitobans to accept that leap of faith, another leap of faith, that the Conservative Government in Ottawa is asking people to make.

Madam Speaker, we remember that the Conservative Party, when they were campaigning to be elected as the Federal Government, talked about old age pensions as being a sacred trust. The Honourable Leader of the Opposition questions why seniors from all across this country have been questioning the propriety of this Federal Government in Ottawa introducing legislation attacking generic drug systems in Canada. They have learned to distrust, Madam Speaker. They don't have that same degree of faith in the Federal Government.

Here across the Chamber we see this thin, gray-blue line standing up, not for Manitobans, but standing up as a screen for their colleagues in Ottawa.

Madam Speaker, the amendment that is proposed to our resolution is a terrible gutting of what is a responsible and reasonable request, that this Legislature indicate to the Federal Government that this legislation, the generic drug legislation which has worked well for Manitobans, which has worked well for Canadians, ought not to be rendered asunder because the President of the United States feels that we have to change our laws in order to placate the multinational pharmaceutical companies who, as I indicated in my speech, have multi - not millions, billions of dollars in reserves.

This is not a have-not industry; it is not one that is desperately trying to hang on for survival; it is not one that in Canada has produced one lifesaving drug. Madam Speaker, it grieves me to have sat in this Chamber and heard speech after speech that obviously was orchestrated from Mr. Brian White and Mr. Harvey Andre, Members of Parliament, to use the same line

of reasoning that Harvey Andre used. It included such outlandish things as saying, don't be worried there's going to be no increase in the cost of drugs. He kept maintaining that position, even though the media kept questioning him. What are the facts? The facts are that the same Hon. Harvey Andre and his government are offering Manitoba \$4 million in transitional assistance because of the increase in drug prices.

So you can see that that leap of faith that we're asked to take, that there's not going to be any increase in drug prices, is rendered false by the words and the actions of the Federal Government itself. So how can you have that same leap of faith?

The honourable members, one after another, talking and imploring that we don't want to suffocate the opportunity for the development of new lifesaving drugs, trying to tug on the heartstrings of the seniors and those who are sick and drug-dependent for lifesaving drugs, Madam Speaker. That is cruel and heartless, because not one pharmaceutical lifesaving drug was developed in Canada by those pharmaceutical companies which they stand up and fight for in this Chamber - not one drug, not one drug.

The pharmaceutical market in Canada is 2 percent of the world market and, as I pointed out in my speech earlier, the research that is done is done near the headquarters of those pharmaceutical companies. When members say, well Canada is out of step, that is not true. Country after country deals with the question of drugs in a different manner. Some insist on the drugs being manufactured in that country. These amendments got those provisions, the provisions of Bill C-22. Country after country has addressed this problem. Why do we, in this country, have to destroy what is good, what is working for the people of Manitoba at the behest of the President of the United States?

Madam Speaker, they talk again, it's the line from the Hon. Harvey Andre and the Hon. Brian White that this Drug Review Agency will be an effective monitoring. As I pointed out in my speech, that is a gutless agency. It doesn't have the power, it doesn't have the clout to deal with the pharmaceutical companies because it can't get at their real costs of development of the drug. Honourable members can gloss that over, but that is the record and that is truth, and that is what has been stated in the House of Commons as well. That's what I stated before that committee, and that is the truth.

Madam Speaker, we have in Ottawa a government that is hellbent to get this legislation passed. They refuse to come across the country and hear people from one part of the country to another. They insisted that all delegations had to come down at their expense to speak to the Parliamentary Committee in Ottawa. Then, when they saw that even with that tactic there was a growing flood of opposition to the legislation, they cut off submissions, Madam Speaker.

I am disappointed, sadly disappointed that the Opposition has not, at least in this instance, joined with us, stood up for the rights of Manitobans and said no to the pharmaceutical giants in the world and their friends in Ottawa. At least, you had an opportunity to distance yourself from them and, even at this late stage, I ask you to vote against your amendment or absent yourself from this, and stand up for the people of Manitoba and vote for the resolution, as it was written.

**MADAM SPEAKER:** The question before the House is the amendment of the Honourable Member for Emerson.

**Wednesday, 29 April, 1987**

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**QUESTION put on the amendment, MOTION defeated.**

**MADAM SPEAKER:** The Honourable Opposition House Leader.

**MR. G. MERCIER:** Yeas and Nays, Madam Speaker.

**MADAM SPEAKER:** Call in the members.

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

**YEAS**

Blake, Brown, Connery, Cummings, Downey, Driedger, Ducharme, Filmon, Johnston, Kovnats, Manness, McCrae, Mercier, Nordman, Oleson, Pankratz, Rocan, Roch.

**NAYS**

Ashton, Baker, Bucklaschuk, Cowan, Desjardins, Doer, Dolin, Evans, Harapiak (The Pas), Harapiak (Swan

River), Harper, Hemphill, Kostyra, Mackling, Maloway, Parasiuk, Pawley, Penner, Plohman, Santos, Schroeder, Scott, Smith (Ellice), Smith (Osborne), Storie, Walding, Wasylcia-Leis.

**MR. CLERK, W. Remnant:** Yeas 18; Nays 27.

**MADAM SPEAKER:** The motion is defeated.  
On the motion of the Honourable First Minister.

**QUESTION put, MOTION carried.**

**MADAM SPEAKER:** The Honourable Opposition House Leader.

**MR. G. MERCIER:** On division, Madam Speaker.

**MADAM SPEAKER:** The motion is accordingly carried on division.

Is it the will of the House to call it six o'clock?

The hour being 6:00 p.m. then, the House is now adjourned and stands adjourned until 1:30 p.m. tomorrow. (Thursday)