

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 15 June, 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

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, I beg to present the Second Report of the Committee on Municipal Affairs.

MR. CLERK, W. Remnant: Your Committee met on Thursday, June 11, 1987 at 8:00 p.m. in Room 254 of the Legislative Building to consider Bills referred.

Your Committee heard representation on Bill No. 6, The Emergency Measures Act; Loi sur les mesures d'urgence, as follows:

Mr. Henry Klapecki on behalf of the City of Winnipeg Law Department.

Your Committee has considered:

Bill No. 6, The Emergency Measures Act; Loi sur les mesures d'urgence;

Bill No. 23, An Act to amend The Highway Traffic Act; Loi modifiant le Code de la route;

And has agreed to report the same with certain amendments.

Your Committee has also considered:

Bill No. 12, An Act to amend The Highways and Transportation Act; Loi modifiant la Loi sur le ministère de la Voirie et du Transport;

Bill No. 22, An Act to amend The Water Resources Administration Act and The Real Property Act; Loi modifiant la Loi sur l'aménagement hydraulique et la Loi sur les biens reels;

And has agreed to report the same without amendment.

All of which is respectfully submitted.

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, I move, seconded by the Member for Lac du Bonnet, that the Report of the Committee be received.

MOTION presented and carried.

MADAM SPEAKER: Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills . . .

ORAL QUESTIONS

MTS - availability of overview of internal audit to Member for Pembina

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, my question is for the Minister responsible for the Telephone System, in absence of his colleague, the Minister of Finance.

Madam Speaker, in Public Accounts last week, the Minister of Finance agreed to provide, with conditions - conditions unspecified - an overview made by the Provincial Auditor which was provided to the Minister of Finance and, presumably, the Minister responsible for the Telephone System who was then, before being demoted, the Member for St. James.

Madam Speaker, it was an overview made of an internal audit by the Telephone System. Now since we are to be dealing with the Manitoba Telephone System on Thursday of this week, my question to the Minister of Telephones is: Will that overview that was made available to the Minister of Finance and to the then Minister of Telephones be made available to myself, prior to Thursday's sitting of the Telephone System?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. G. DOER: Madam Speaker, I'll take the specific question as notice. I do know that the matter was raised in terms of the Auditor's involvement in MTX and the internal audit that took place. The commitment that's been made by the Minister of Finance - I'm sure the Minister of Finance will maintain that commitment. As you know, Madam Speaker, that commitment was made; the commitment that was made by the Minister of Finance was made at the Public Accounts Committee and I'm sure the Minister of Finance who responds to that committee will follow through on what he committed to the honourable member.

I'll take the specific as notice, in terms of the committee meeting Thursday. As, Madam Speaker, knows, we have been providing as much information as we can to those committee hearings, as much information as we are able to release. We have done so in the past and we will continue in the future.

MR. D. ORCHARD: Madam Speaker, a supplementary to the same Minister.

Given that the overview is by the Provincial Auditor who is a servant of this Assembly, not a servant of Cabinet Ministers, or the Minister or Finance, or the Minister responsible of the Telephone System, could the Minister responsible for the Telephone System indicate whether he has indicated any objections to the Minister of Finance as to why he should not provide me with that overview by the Provincial Auditor who is a servant of each and every MLA in this Legislative Assembly?

HON. G. DOER: Madam Speaker, I have not discussed any impediment to fulfill the commitment the Minister of Finance made. Madam Speaker, the audit that the member refers to I believe was an internal audit. I believe the Minister of Finance was concerned that the consistent practices dealing with internal audits, with the Members of the Legislative Assembly, i.e., the Provincial Auditor, be maintained in a consistent way. And I know that was the concern that the Minister of Finance had, and I'm sure he will fulfill whatever commitment he made to the Member for Pembina, as indicated in the committee some week ago.

King Commission recommendations - is government comfortable with more open scrutiny

MR. D. ORCHARD: Madam Speaker, my question is for the Minister responsible for Workers Compensation Board.

Madam Speaker, a summary of the Legislative Review Report tabled last week indicates on page 2, an advocating by the Report Committee that in addition to advocating the opening of Workers Compensation to closer scrutiny as one of the recommendations and in context it says, for example, there are recommendations that workers be provided greater access to their files; that worker advisors be given the right to review all files and records of the board.

It goes on, on page 3, to indicate that the policies and procedures presently considered internal to the board's operation be made public. Madam Speaker, given that those recommendations of a more open WCB have been made in the King Report, to the Minister, is this one of the recommendations that this Minister and his government feel comfortable with pursuing? Will the board be more open; will such things as workers files be available to them; and will such thing as internal working procedures be made public?

MADAM SPEAKER: The Honourable Minister responsible for the Workers Compensation Board.

HON. H. HARAPIAK: Madam Speaker, I'm sure that the member opposite will recall the openness of the Workers Compensation system when they were in government. There has been a lot of progress made, the system has become much more open. We have provided a lot more information to both the aged workers and the employers. As for the recommendation, do we feel comfortable? We feel comfortable with many of the recommendations of the report but, as I said previously, we will be studying the cost analysis of all the recommendations and not be dealing with one particular recommendation, in isolation; we'll be dealing with the entire report at one time.

MR. D. ORCHARD: Madam Speaker, a supplementary to the same Minister.

Surely there is no cost implication to the board by following the recommendation that it become more open and accountable to the public, to the workers and presumably to this Legislative Assembly, given that overall philosophical direction of more openness which has no costs attached to it.

Can the Minister indicate whether he and the government are in favour of a more open Workers

Compensation Board, so that information will not be held in abeyance from the people of Manitoba and from the workers it seeks to serve?

MADAM SPEAKER: Order please, order please. That question is repetitious.

MR. D. ORCHARD: Madam Speaker, with all due respect, I was questioning the Minister as to whether the general policy of the government is to accept a more open format. That is not repetitious of what I asked earlier on.

MADAM SPEAKER: Order please.

Is the Honourable Member for Pembina arguing with my ruling? The question is the same or substantially the same and is therefore out of order.

Does the honourable member wish to rephrase his question?

Workers Compensation Board - government information policy at the board

MR. D. ORCHARD: Madam Speaker, I will attempt to rephrase my question.

Madam Speaker, given that there is no dollar implications, an answer just given to me by the Minister, in making the board more open to the people and to the workers it serves, will it be government policy to encourage and actively pursue a more open public information policy at the board?

MADAM SPEAKER: The Honourable Minister responsible for Workers Compensation.

HON. H. HARAPIAK: Madam Speaker, I'm sure that the Member for Pembina will recall, when they were in government, that the workers had no access to the files whatsoever. When we first formed government, we did make the minutes of the meetings open. We opened up the files for injured workers so that they could have access to them; we have moved workers compensation from the 19th century to the 20th century. We recognize that there is still some additional work to be done. We said we will be looking at the entire report and when we receive a cost analysis of all the recommendations, then we will be moving on the entire report.

Workers Compensation Board - tabling of Cormack Report

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

MR. D. ORCHARD: Madam Speaker, a new question to the Minister.

Madam Speaker, I recall very clearly the record of the Workers Compensation Board during our years, wherein it had a \$36 million surplus and now it has a \$184 million deficit, Madam Speaker.

MADAM SPEAKER: Does the honourable member have a question?

MR. D. ORCHARD: Madam Speaker, given that a deficit position of \$185 million exists today in the board, will the Minister table - prior to his Estimates which would be today - the so-called Cormack Report which is an investigation into the long-term claim disability committee; will he table that report so that we, and the workers of Manitoba, can have more of this open information recommended in the King Report?

HON. H. HARAPIAK: Madam Speaker, the member opposite talks about the time when they were in government, when they had a surplus. We, too, Madam Speaker, could have a surplus at this time. All we have to do is look to the west of us, to the Government of B.C. where they have a fantastic surplus, where they have cut off all the services to the injured workers; they have cut off all the offices outside of the central office; they have cut off all rehabilitations. They are making those surpluses on the backs of injured workers, and I am wondering if this is what the Member from Pembina is advocating that we do. Do we cut off the services, at the risk of cutting off all the services together, in order to have a positive dollar value to the Workers Compensation?

Greg Mason study - tabling of

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

MR. D. ORCHARD: Thank you, Madam Speaker.

MADAM SPEAKER: Final, final.

MR. D. ORCHARD: Madam Speaker, not necessarily. Now that we have got recorded answer No. 3 from the Minister responsible, having listened for three weeks to recorded answers No. 1 and No. 2, Madam Speaker, can the Minister indicate whether, for instance, he would give to us the report, by Greg Mason, which studied, as we are told, the rehabilitation program that this government so dearly hangs its benefits to workers and employees and their families on; would the Minister table that Greg Mason study and the rehabilitation costs, as apparently the board wanted done and the Minister prevented from happening?

HON. H. HARAPIAK: Madam Speaker, the member opposite talks about reports that were tabled and not dealt with. I think he should refer back to the Committee 100 Report, which dealt with the whole area of rehabilitation, where they made recommendation after recommendation. There were 19 recommendations where we should be moving in the area of rehabilitation.

We moved on those recommendations, Madam Speaker. We have made the area of rehabilitation more conducive to the injured workers, and it has moved to the point where injured workers are being helped to a great degree. There is some further movement required, some further reform required in the whole area of rehabilitation. The Review Committee, which is made up of industry representatives, worker representatives, it is their system, they are the ones that are concerned about it; they have made the recommendations. Once we have had an opportunity to look at the recommendations, we will be dealing with the entire package.

CAT scans in U.S.- 75 percent covered by MHSC

MADAM SPEAKER: The Honourable Member for River Heights.

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

Physicians in Manitoba have recently received a letter from the Pembina County Memorial Hospital and Nursing Home, urging Manitoba doctors to make referrals to the CAT scan located in Cavalier, North Dakota; and further indicating that 75 percent of that cost would be borne by the Manitoba Health Services Commission. Is this now the policy of the Manitoba Health Department that 75 percent of costs of a CAT scan done in the United States will be paid for by MHSC?

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: No, Madam Speaker, we are looking at the policy. There might have been abuse in the past and we certainly want to encourage people to get the health care in this province. Also we should have extra CAT scans, sometime next year we should have at least five CAT scans operating.

No, we don't intend to be sending people there. There's actual recruitment in some of the hospitals in North Dakota, trying to use that as a business and try to have as much business as possible. I don't think that we want to play the game. We want to make sure that we get proper care for the people of Manitoba, but we won't encourage that.

CAT scans in U.S.- doctors to be informed regarding

MRS. S. CARSTAIRS: A supplementary question to the same Minister, Madam Speaker.

Will the Minister immediately write to all physicians in this province, and inform them that that is not the case, that the patients are not given the information that 75 percent of their costs will be covered?

HON. L. DESJARDINS: Madam Speaker, I'll make sure that the Manitoba Health Services Commission relays the proper information to all the members of the medical profession.

Emergency department - request pay doctors on a fee-for-service basis

MRS. S. CARSTAIRS: Madam Speaker, a new question to the Minister of Health.

Madam Speaker, in the past month, one night, a Monday evening, and this last Wednesday evening I've had the unfortunate involvement of having to arrive at the Grace Hospital with a daughter, first of all, who had a horse roll on her; and secondly having been thrown from the horse and having had a concussion, and therefore, I have a special affiliation for emergency services these days within our hospital system.

Will the Minister of Health move immediately to make sure that the doctors in our emergency departments at our non-teaching hospitals are paid on a fee-for-service basis, as opposed to the service that they are now - which is on salaried - in order that these doctors can be kept on staff?

HON. L. DESJARDINS: Madam Speaker, this is hardly the way to proceed to make a statement in the House and announce policy on such an important decision as this. This is being looked at by the commission. I think that we want to make sure that the doctors are properly paid, but part of that is being negotiated at this time. As I said last week, the commission is looking at the situation out there.

Inter-City Gas - how is money going to be found to purchase

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Thank you, Madam Speaker. I direct this question to the Minister of Energy and Mines.

I would ask him to help explain what appears to me, and I'm sure to many Manitobans, a major contradiction in the statements made by both the First Minister and, indeed, the Minister, with respect to the acquisition of Inter-City Gas, the government's proposed takeover of that industry.

The government's spokespersons have indicated that that was to be generated internally, with internal funds, and that there would be no requirement for any substantial amount of taxpayers' dollars required to acquire that business.

Madam Speaker, the principals of Inter-City Gas have indicated exactly the opposite, that they indeed expect a big cheque. I don't know what the size of the cheque is but my constituents, my taxpayers, are going to be asked to come up with approximately \$100 million, \$180 million, or \$200 million. I would like the Minister to explain how is that money going to be found.

MADAM SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: What we are talking about is an integrated policy which is going to save the people of Manitoba \$50 million a year. It'll be saving residential families \$150 a year on their heating bills; in the wintertime this could add up to \$30 and \$40 per month. We, on this side of the House, believe that warrants the government taking action to ensure that all people, all residential families, get the saving with respect to gas prices that they should have been getting and haven't been getting to date.

Part of that process is the purchase of Inter-City Gas, a natural distribution system, and that purchase will entail the provision of a bond which will be self-financing. It's like Hydro or Telephones where the bonds that have been put up for the purchase was self-financing, where the revenues were generated by the consumers of the gas, which were sufficient to pay off those bonds over a period of time.

Madam Speaker, when we say, one says that one borrows money to do this, that borrowing is a self-

sustaining borrowing. The credit rating agency that was in town looked at this; they were satisfied with it; they believe that this will have no negative implications at all for the province's net position. They believe this is a positive thing for Manitoba. We certainly believe that the overall package which saves residences, saves consumers, \$150 a year, \$30-\$40 a month, is sufficient and is justified. We put the consumer No. 1, Madam Speaker.

MR. H. ENNS: I know the Minister would not deliberately want to mislead the residents of Manitoba, and he would not want to leave it on the record, when he says that all the people of Manitoba are going to receive the benefits of lower natural gas prices.

I have to explain to my farmers in the constituency of Lakeside, who are very hard-pressed now with world record low prices on grain and other commodities, that they are not getting any benefit . . .

MADAM SPEAKER: Question?

MR. H. ENNS: . . . from this takeover. I know the Minister would want me to correct the record.

MADAM SPEAKER: Does the honourable member have a question?

Inter-City Gas - borrowing of money for takeover

MR. H. ENNS: Existing gas users, principally in this City of Winnipeg, are going to receive the benefit.

Madam Speaker, my supplementary question to the Minister is, through that long answer that he gave, the province will then be borrowing a large amount of money to consummate this government takeover?

MADAM SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Madam Speaker, we have a situation where \$50 million is saved for the people of Manitoba, just think of the implications on all segments of Manitoba economy if you save \$50 million; think of the implications for the seniors; think of it for the farmers or for the small businesses. Farmers, by the way, need farm inputs; they need fertilizers; they need herbicides. Madam Speaker, natural gas acts as a feed stock for these chemical fertilizers and for herbicides. If we can drop the prices for the chemical inputs, for farm products, Madam Speaker, we know that will help farmers. We on this side are confident of that.

When it comes to the issue of acquiring, through purchase, Inter-City Gas, we have said that we will be negotiating that. We have said we would come back - and I don't know why the member finds this surprising - we indicated it would be coming back to the House through The Loan Act, which we will. The terms and conditions of the agreement, when it is reached, will be specified.

Madam Speaker, what we are not talking about, we are not talking about money being taken from the Consolidated Revenue Fund; we are talking about the province taking on an obligation, having it self-financed,

and the credit rating agencies understand this, the financial institutions understand this. They understand what self-sustaining debt is, as opposed to deadweight debt, and I would hope the Conservatives would join with us to save money for the consumers. Remember, they're No. 1 with us.

MADAM SPEAKER: Order, please.
The Honourable Member for Lakeside.

MR. H. ENNS: Madam Speaker, you know how very much I attempt to stay within the Rules of this House. So, again, if you are going to allow this kind of an answer, you'll have to allow me to correct the Minister. I do not need this Minister or this government lecturing what the farmers . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please. Order, order please.
As the honourable member well knows, neither he nor I can dictate the contents of the answers that any Government Ministers give. The Minister was every bit inside the rules, as was the Honourable Member for Lakeside on his first two questions. Question period is not a time for debate.

Would the honourable member care to ask an additional question?

Inter-City Gas - profit level of

MR. H. ENNS: Madam Speaker, you are, of course, correct.

Madam Speaker, I would ask the Minister of Energy and Mines to clear up what appears to be a major contradiction. Government spokespeople, spokespersons, talk about a \$30 million profit that Inter-City Gas currently enjoys. The company officials who operate the company talk about a much reduced and lower profit level of some \$10 million. Can the Minister indicate to me which of those two figures is the correct one?

HON. W. PARASIUK: This is one of the difficulties when the Member for Lakeside keeps alluding to government sources that are supposedly quoted in one or two of the media, without asking the questions directly. I don't mind dealing with the question asked, as asked directly by the Member for Lakeside, because I think this is an important issue. I know that the Member for Lakeside has expressed concern being the only Conservative to express concern about higher natural gas prices and, in fact, having urged me a few weeks ago to acquire the assets of Inter-City Gas. I find it surprising today that he is now backing away from that position, having taken it personally, but possibly the Conservative Party as a whole is showing their disregard for lower consumer prices for natural gas.

The operating profit of Inter-City Gas is in the order of \$30 million. From that they pay taxes, from that they pay long-term debt and from that they get a rate of return on their investment, and the rate of return may be in the order of \$10 million. Their operating profit out of which they pay interest charges for the long-term debt is in the order of \$30 million, Madam Speaker.

Inter-City Gas - how long before savings passed on to consumer

MR. H. ENNS: I have a supplementary question, Madam Speaker.

Madam Speaker, for the record, I have not indicated to him or to government members just how I will vote on that bill when it arises. Madam Speaker, I am trying to get the kind of information that I think legitimately ought to be answered. The only rationale is for the government to take over a corporation like Inter-City Gas and to operate it like a public utility at cost as, indeed, is Manitoba Hydro, or ought to be. We worry about the rising costs of these operations . . .

MADAM SPEAKER: Does the honourable member have a question?

MR. H. ENNS: . . . so my question to the Honourable Minister is, if he intends to use current profits to buy the company, how long will Manitobans have to wait until that company is bought before any savings can be passed on to the consumers? Madam Speaker, the Minister can't have it both ways, if he wants to take those profits that the company now is earning and apply them to the purchase of the company, then obviously there can be no substantial reduction of natural gas prices in Manitoba.

HON. W. PARASIUK: Madam Speaker, we have indicated in our policy that we will be distributing gas at fair distribution prices, and that the whole package of what we are doing - long term contracts, pursuit of gas reserves, the natural gas distribution system - will provide a saving from November 1 on in the order of \$50 million per year, \$150 per residential family, for the pensioner, for the senior citizen, for the single parent, for people living in residential areas right across this province who consume natural gas. That is a worthy objective of a New Democratic Party Government who cares about saving money from the consumers when they're not getting a fair deal.

When I have the Member for Lakeside say, you're not going to lower gas prices, Madam Speaker, we have said repeatedly we want to lower gas prices by \$50 million per year for the Manitoba consumer. We think that's an excellent program. We know that the people of Manitoba overwhelmingly support us in this respect.

Business Loan Program - tabling of details

MADAM SPEAKER: The Honourable Member for Portage la Prairie.

MR. E. CONNERY: Madam Speaker, we've been telling the people of Manitoba that this government is operating in an economic bubble, a bubble that is going to break in a short period of time. The main economic indicators, or sectors of the economy, which is agriculture, the primary sector, and the manufacturing sector, are suffering. In fact, the manufacturing sector, Madam Speaker, have lost 11,000 jobs in the last five years that they've been in power. The Minister has finally announced a very small . . .

MADAM SPEAKER: Does the honourable member have a question?

MR. E. CONNERY: . . . about \$1.1 million adaptation program. Can the Minister now table the details of that program to this legislature?

MADAM SPEAKER: The Honourable Minister of Business Development and Tourism.

HON. M. HEMPHILL: Thank you, Madam Speaker. I think, first of all, I'd like to make a correction. It's my recollection, I think it's perhaps the third time where the research done by the member opposite has been inaccurate. There hasn't been a loss of 11,000 jobs, there has been a loss of 9,000 jobs in the manufacturing sector. It's a very serious issue, one we're very concerned about and it's a national and a North American phenomena, not just one that is affecting us in Manitoba.

In terms of the program, I announced that program some time ago and that program has been designed in conjunction with the Canadian Manufacturers' Association who helped us determine what the major factors and the major concerns were. They deal in the area of marketing and the biggest one is technological change, for some reason, that we are hoping to help the industry with. They have not been moving towards technological change which would allow them to increase their production and increase their marketing, Madam Speaker.

So this program, which I am quite delighted to table and would have answered and, in fact, Madam Speaker, expected questions to come up in my Estimates. When we were on the Business Development side there wasn't one question on manufacturing - not one - and I was ready to give all information about this program when our Estimates were up.- (Interjection)- Well, I will read Hansard, Madam Speaker. My recollection is that I was expecting serious questions, and a number of them on manufacturing, and was quite ready and willing to talk about this program and others like Venture Capital, which had been directed 70 percent towards the manufacturing industries. I'll table all the information the member opposite wants.

Business Loan Program - how many businesses affected

MR. E. CONNERY: It's unfortunate, Madam Speaker, the Minister has such a short memory. It's obvious that's why she can't run her department.

Can she tell us, how many businesses will be affected and how many jobs will be affected by this 1.1 million program?

HON. M. HEMPHILL: Madam Speaker, we are, at the advice of the Canadian Manufacturers' Association, directing this program to the small manufacturers and we are expecting that the technological changes that they will be incorporating, will give them some increase in production and some increase in staffing. Because the initial period - and it's the Canadian Manufacturers' Association who told us that we had to be realistic about this program because we have to do a lot of

educating - some of the businesses and manufacturers out there are afraid to go into new technological changes and they have to be brought along and given information so that they know what the benefits are so they're not afraid to take on things like that, increased technology and equipment that is going to improve their production.

We all believe that the first quarter, or the first portion of the program, was going to be involved in education and we are undertaking major seminars and workshops throughout the industry and have provided the information to hundreds of small manufacturers and small businesses. We expect in the next phases that the take-up for the program will begin.

MR. E. CONNERY: I hope the members in this House, the people in this House visiting and the people on TV will recognize, the Minister did not answer the question again.

MADAM SPEAKER: Does the honourable member have a question?

MR. E. CONNERY: Yes, Madam Speaker. Can the Minister tell us why they announced a \$1.1 million program, when in the 1986 election, and in the 1986 Budget Address, they had a \$50 million, five-year program that we haven't heard anything about? Is this government bankrupt of money, which we believe, or are they bankrupt of ideas as to how to put a program through? When is the \$50 million program going to be announced?

HON. M. HEMPHILL: Madam Speaker, there is going to be a Business Loan Program. It will be announced as soon as we are satisfied that we have designed the best program to have the best use of that money, to give the most help to the businesses in Manitoba.

Madam Speaker, the Manufacturing Adaptation Program is not instead of the \$50 million loan program, it's in addition to it and it is being targeted as is the Venture Capital Program which, as I mentioned before, 70 percent of the projects are in the manufacturing area. It is being targeted specifically to deal with the most serious concerns and issues in the manufacturing sector.

Bill C-22 - response re opposition to

MADAM SPEAKER: The Honourable Member for Kildonan.

MR. M. DOLIN: Thank you, Madam Speaker. My question is to the Minister of Consumer and Corporate Affairs.

A couple of weeks ago, I had the privilege of presenting the government's opposition to Bill C-22 to the Senate Committee against the Patent Drug Bill. I'm wondering, has the Minister heard any response from the Senate Committee, and will he be getting responses - does he have any timetable?

MADAM SPEAKER: The Honourable Minister of Consumer and Corporate Affairs.

HON. A. MACKLING: Madam Speaker, I've had no response from the Senate Committee, nor have I had

any response from Mr. Harvie Andre, the Federal Minister, who at one stage was saying that these changes to The Patent Drug Act would not increase the costs of drugs in this country and later on admits that the money he's willing to pay to the provinces to adjust to the change in the cost to our Pharmacare systems will compensate us for the increases in costs of drugs.

Madam Speaker, we have heard nothing from an arrogant Tory Minister in Ottawa who refuses to listen to the people of Canada, including consumer groups and senior groups everywhere who have said we've got the best drug system in the world, why change it?

Bill C-22 - more opportunities to express opposition

MR. M. DOLIN: Madam Speaker, a supplementary to the same Minister. I was somewhat concerned about the apparent stacking of the Senate Committee - you know the Conservatives on a committee supporting, obviously the government position, and others - who were minorities supporting the other position. Will there be any other opportunities for the Government of Manitoba, through the Ministry of Consumer and Corporate Affairs to express its opposition to this very negative bill before Parliament?

HON. A. MACKLING: Madam Speaker, regrettably, the Federal Government refused the request of this province to itself have a parliamentary committee hold hearings throughout Canada to hear people, to hear consumer groups and seniors groups and others, make representation on this question. As a matter of fact, Madam Speaker, the Province of Manitoba was the last delegation to be heard by the parliamentary committee in Ottawa. They cut off representation, because they're concerned to protect the multinational drug companies whose profits are obscene.

MR. M. DOLIN: Madam Speaker, a final supplementary. I would assume that the Minister would certainly support them - individual citizens and organizations - writing to their members of Parliament and to the Prime Minister . . .

MADAM SPEAKER: Order please, order please.

MR. M. DOLIN: . . . and the States, since there's no other alternative.

MADAM SPEAKER: Order please.
That question is not in order.

Bill No. 61 - request to be withdrawn

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, my question is directed to the Minister of Labour.

Last week, the City of Winnipeg, which employs over 11,000 workers, employed by seven bargaining agents,

the Executive Policy Committee of the City of Winnipeg, unanimously passed a resolution asking this government to withdraw Bill 61 regarding Final Offer Selection.

The City of Winnipeg was also joined by many others, including the Manitoba Chamber of Commerce and the Manitoba Association of Health Care Professionals. Madam Speaker, will the Minister now reconsider his stand on Final Offer Selection legislation, Bill 61, and withdraw it immediately?

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: First of all, I would like to say, Madam Speaker, that I hope the new suit is indicative of a new image from Brandon West and that the questions will be much more appropriate. I do think the honourable member should recognize that the right to strike and the right to lockout are rights that are contained within labour relations. We don't encourage people to strike or to lockout. The option that is being advocated of another opportunity, another mechanism, to resolve disputes between management and labour is just that, just another option. If the parties do not wish to use it, they will not ask the Labour Board for the workers to determine whether or not that option should be exercised. It is their right to exercise.

MR. J. McCRAE: Madam Speaker, on the subject of Ministers who don't listen, I will direct another new question to the Minister of Labour.

A year ago the Minister of Labour found himself a defendant in a civil action in the Court of Queen's Bench arising from final offer selection. At that time - coincidentally, the dispute was between the Manitoba Food and Commercial Workers' Union and Westfair Foods - the Minister was asked to appoint a selector. He appointed one who is a member of the NDP executive since 1977 - a good friend of an FCW organizer . . .

MADAM SPEAKER: Does the honourable member have a question?

MR. J. McCRAE: . . . a close friend of Wilf Hudson and Dick Martin, a man who has no selectory experience, Madam Speaker.

MADAM SPEAKER: Does the honourable member have a question?

MR. J. McCRAE: Yes, Madam Speaker, I do.

MADAM SPEAKER: Please place it.

Bill No. 61 - fairness to employers and employees

MR. J. McCRAE: The Minister's appointee was a former counsel to the union and who wears and owns two jackets bearing the FCW logo.

Is this the kind of fairness employers and employees can expect from this Minister after Bill 61 is passed?

HON. A. MACKLING: Madam Speaker, in the labour relations field, we have representation from trade unions, we have representation from manufacturers, hotel people, industry, generally appointed to the board. I respect the abilities of all of those people.

The Labour Board in this province, the Manitoba Labour Board, appoints arbitrators, and we don't ask them to check all the persons who are appointed with a political litmus test to find out whether they're Conservatives, Liberals or NDP.

We respect the integrity of individuals like Cam MacLean who continues to be chairperson of the Labour Management Review Board, who was a former president of the Conservative Party of Manitoba. We respect the abilities of individual people, and I don't yield to the kind of political nonsense that the honourable member espouses.

Bill No. 61 - what labour problems exist

MR. J. McCRAE: In view of the fact that the Minister of Labour proclaims that labour relations in this province are second to none in this whole country, what labour problem exists which the Minister wants to address with Bill 61?

HON. A. MACKLING: I have now heard it, Madam Speaker; the Honourable Member for Brandon West says that our labour relations laws are second to none in the country. There is a change.

MADAM SPEAKER: Order please.

The Honourable Member for Brandon West on a point of order.

MR. J. McCRAE: Yes, Madam Speaker.

I would ask the Minister to withdraw those misleading comments. This is the second time this Minister has misled this House and the public of Manitoba by saying that honourable members on this side of the House have said that the labour relations climate in this province is good.

We have never said that, and we continue not to say that; in fact, otherwise is the case, and this Minister should stop putting words in other people's mouths.

MADAM SPEAKER: Order please.

A dispute over the facts is not a point of order, and I do hope the honourable member was not accusing the Minister of deliberately misleading the House.

The Honourable Member for Brandon West.

MR. J. McCRAE: I'll leave it for others to decide whether it's deliberate, Madam Speaker, but it is a misleading of this House.

HON. A. MACKLING: Madam Speaker, perhaps my hearing was faulty. I believe I heard the honourable member saying that the labour relations laws in this province . . .

MR. J. McCRAE: You didn't hear me say that.

HON. A. MACKLING: Well, if the honourable member did not say that, then I regret his not having said that, and I withdraw any reference to his having said that.

But, Madam Speaker, if the honourable member was listening to other critics of our labour relations laws in this province, just several weeks ago they were saying they were terrible; and the honourable member who represents that point of view was saying the same thing in the House.

I was delighted to hear representation from the Chambers of Commerce saying our labour relations environment is excellent, why do we need this? There has been a dramatic change, apparently, in the thinking of some people in this province.

Final offer selection is nothing that is going to destroy or erode the fundamental rights of workers in this province; nor will it be the cloud of doom and gloom that the Honourable Member for Brandon West would welcome. Madam Speaker, it is just another option in the labour relations equation that will be a positive force in Manitoba.

MADAM SPEAKER: The time for Oral Questions has expired.

The Honourable Member for Fort Garry.

MR. C. BIRT: Yes, Madam Speaker, the Premier made a few comments before the House opened. As it related to Seniors' Day and the celebration on the grounds today, I am wondering if I might have leave to make a non-political statement on the same matter.

MADAM SPEAKER: Does the honourable member have leave?

I do not hear unanimous consent.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.
The Honourable Member for Fort Garry.

MR. C. BIRT: Madam Speaker, I would just like the record to show that the Premier is playing a double game in this House in not allowing everyone to enjoy the celebration of the seniors. He wants . . .

MADAM SPEAKER: Order please, order please.

As the member well knows, non-political statements are only made when there's unanimous consent; and I heard several members, not the Premier, object.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, perhaps to help us out of our present difficulty, members opposite very well know that the reason there is difficulty in obtaining leave . . .

MADAM SPEAKER: Order please.

HON. J. COWAN: On a point of order, Madam Speaker, there is difficulty . . .

MADAM SPEAKER: Is the honourable member raising a point of order?

HON. J. COWAN: I am raising a point of order, Madam Speaker.

MADAM SPEAKER: What is the honourable member's point of order?

HON. J. COWAN: The honourable members opposite know full well that the difficulty in respect to obtaining leave for non-political statements rises from the fact that those members, on three occasions running, denied permission for one of our Ministers to make a non-political statement which would have brought attention to the ethnocultural community, to the achievements of that community in this province . . .

MADAM SPEAKER: Order please, order please.

HON. J. COWAN: Madam Speaker, if I may continue . . .

MADAM SPEAKER: Order please, order please.

The honourable member does not have a point of order; no explanation is needed. To make a non-political statement, one needs unanimous consent and that is either given or not given, as the House so chooses; and there's no point of order on that matter.

The Honourable Member for Pembina on a new point or order.

MR. D. ORCHARD: Yes, Madam Speaker, on a new point of order.

My colleague, the Education critic, the Member for Fort Garry, specifically asked leave to welcome the seniors to this building today and it was on that basis that government denied leave. The Premier, the Attorney-General and others denied . . .

MADAM SPEAKER: Order please.

That is not a point of order. The Honourable Member for Pembina has no more a point of order than does the Honourable Government House Leader. That topic is closed.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please.

The Honourable First Minister.

HON. H. PAWLEY: Yes, the Member for Fort Garry wanted to indicate what the purpose of his . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.

If honourable members want to have private discussions, they can do so elsewhere. May we continue with the orderly business of the House.

Order please.

ORDERS OF THE DAY HOUSE BUSINESS

MADAM SPEAKER: The Honourable Government House Leader on Orders of the Day.

HON. J. COWAN: Madam Speaker, by agreement with the Opposition House Leader and the Member for River

Heights, the other day, we had agreed that we would change the ordering of the Estimates process.

So I would like to move, Madam Speaker, seconded by the Minister of Labour, that pursuant to Rule 65(6.3), the sequence for consideration of Estimates of the Government Departments to be considered by the section of Committee of Supply meeting in the Chamber be amended to read as follows: Cooperative Development; Housing; Finance; the Civil Service Commission, for completion, as it has already started previously; Northern Affairs; and Executive Council.

MOTION presented and carried.

HON. J. COWAN: Madam Speaker, the order of the business of the House today will be as follows by agreement with the Opposition members.

We would call Second Readings for Bills No. 64, 66 and 69, Madam Speaker, and would you please call them in reverse order, starting with 69 and working backwards to 64; following which, we will move the necessary motion to have the House consider the Supply to be granted to Her Majesty.

SECOND READING

BILL NO. 69 - THE STATUTE LAW AMENDMENT ACT (1987)

HON. R. PENNER presented Bill No. 69, The Statute Law Amendment Act (1987); Loi de 1987 modifiant le droit statutaire, for Second Reading. (Recommended by His Honour the Lieutenant-Governor)

MOTION presented.

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Madam Speaker, on Friday I gave the Member for St. Norbert a copy of the usual explanation which accompanies The Statute Law Amendment Act and I have copies for all members of the House. I would simply ask that the explanations be distributed.

Madam Speaker, in accordance with the usual practice, those sections of what is by far one of the briefest Statute Law Amendment Acts that I've ever introduced which have some significant or policy impact are marked with an asterisk. There are, out of some 26 sections, only half a dozen such sections which are noted. The explanation will assist the members and I think I need make no further remarks on introducing the bill for Second Reading.

MADAM SPEAKER: Are the honourable members ready for the question?

The Honourable Member for Emerson.

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

MOTION presented and carried.

**BILL NO. 66 -
THE ELECTORAL DIVISIONS ACT (2)**

HON. H. PAWLEY presented Bill No. 66, An Act to amend The Electoral Divisions Act (2), for Second Reading.

MOTION presented and carried.

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, a few words in respect to the contents of the bill that is before us. The contents of the bill are not substantive, nor would they alter in any fundamental way the procedure used by the Electoral Division Boundaries Commission to arrive at its report in the Legislature.

As honourable members know, the commission was established by way of legislation during the time of the premiership of D.L. Campbell to provide an independent commission to review and to redistribute the boundaries of the province every 10 years in order to reflect shifting population that might take place from one census to the next census.

The system has worked out quite well over the years. I think that when one hears, in fact, of some of the situations in other provinces where there is a huge differential from one constituency to another, we can indeed take some pleasure in the Province of Manitoba that all political parties have supported the commission that does operate now in Manitoba insofar as altering those boundaries.

It has come now to the time when the commission must again meet in order to redraw all the boundaries in time for the next election and the proposals that are included within this bill for the most part are a formalizing of practices and procedures that have been used for many years in the Province of Manitoba. These practices have indicated, have been a good way in order to ensure that all Manitobans and their interests are fairly represented, whether they be of the North or the rural or the City of Winnipeg.

The amendments are simple, they're straightforward. We, first, see no reason to increase the number of seats in the Manitoba Legislature. We do know that the past commission did recommend that there be consideration given to that. It's not our view that there is a need to increase the number of seats at this time from 57 to 60, but to continue at the 57 number.

I think in saying that, we should also reflect on the fact that there has been an improvement in the resources that have been made available to individual members of the Legislature to serve their constituents over the years, such as the moves that were undertaken by joint agreement last year insofar as the establishment of constituency office and expenses, in order to carry on needed service to constituents within different constituencies in the Province of Manitoba. I know that a number of MLA's have established constituency offices as a consequence of that.

The legislation provides actually for a division of the population of Manitoba by 57, in order to find the average number of constituents to be represented by any single member of the Legislature. Built into the formula is a variation to reflect the fact that there is need to reflect the characteristics of some parts of the

Province of Manitoba, in order to ensure that there is fair representation. There is, for instance, under the amendments that are before us, a continuation of a 25 percent variation insofar as the northern constituencies, north of the 53rd parallel, to respect the sparse population, their limited roads and other means of access that MLA's do have in respect to the North.

I should just mention at this point that, insofar as the last redrawing of boundaries of the Province of Manitoba, the commission at that time did provide for a greater variation than 10 percent, between 10 and 25 percent insofar as the northern constituencies. The commission, in fact, did find need to vary the population in the northern constituencies. I believe one constituency, the Churchill constituency, was a 25 percent variation at that time. Rupertsland, as well, had a very sizeable variation that was allowed by the commission that was doing the drawing of the boundaries at that time.

Insofar as other constituencies in the Province of Manitoba, they were mainly within the 10 percent variation. There was a small, I think approximately 600-vote variation, in rural Manitoba as a whole in one constituency. All other constituencies were within the 10 percent.

In the City of Winnipeg, I believe, there were three or four constituencies that were in excess of 10 percent, but those constituencies in total would represent a population variation of about 1,000 only. So the legislation before us provides for 10 percent variation throughout Manitoba, with the exception of the North, in which there is a 25 percent variation.

Some other provinces provide for a guaranteed northern riding, a number of ridings in northern areas, such as the Province of Saskatchewan. Newfoundland and two other provinces do guarantee a number of constituencies in the North. It was our view that, rather than guarantee constituencies, as other provinces do, it would be better to keep their variation at the 25 percent and change the rest of the province to the 10 percent as, in fact, was generally the practice in the last commission.

The population for the redrawing of the boundaries will reflect diversity of interests of the population, the means of communication between the various parts of the constituency, the physical features of the constituency, other similar relevant factors that the commission may be able to take into consideration in drawing the boundaries.

Another amendment provides and directs that the decennial census be the data used to determine the electoral quota. That's a technical amendment in order to permit the last census to, in fact, be the means of determining the population in each constituency.

Another amendment flowing from the recommendations of the chief electoral officer permits the deputy chief electoral officer to act in the place of the chief electoral officer if the chief officer is unable to act.

The need for a further amendment was required because of the refusal on the part of a number of Native communities to participate in the census. As members may recall, there were protests by some Native communities in the fact that they had not been involved in the process. To establish self-government, a number of Native communities refused to permit a census to be taken on their particular reserves. I believe that

those communities included a number in the Interlake. I believe Fort Alexander was another very substantial community where there was a refusal to allow any census to be taken. So, they did not participate.

The amendment provides the opportunity to ensure that there is a participation in Indian communities across the province in the political process, by allowing the Bureau of Statistics to estimate the population of non-participating Native communities, both Natives and non-Natives, so that they can be fairly represented in this Chamber. So the Bureau of Statistics will be looked to in order to subscribe a population by using reasonable means to those areas that were not included in the census.

The final amendment that I would like to deal with is one that is well recommended by the chief electoral officer, and that is that the administrative changes reflect the new boundaries, that there be a six-month period following Royal Assent to the legislation. That permits the chief electoral officer to gear up and to prepare the election machinery. On the basis of the new boundaries, it would also permit the political parties to also prepare. I believe the federal period is 12 months from the time that the legislation is passed in Parliament. Here we would have a six-month period for the chief electoral officer to gear up election machinery and for the political parties to prepare on the basis of the new boundaries.

I believe that covers the amendments. As I indicated, they are not substantive. They are basically technical. They reflect past practice, certainly the practice of the last commission in the Province of Manitoba, reflect some shift that has taken place in population that requires the redrawing of boundaries according to the existing statute.

I leave that to your consideration, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Madam Speaker, I move, seconded by the Member for Emmerson, that debate be adjourned.

MOTION presented and carried.

INTRODUCTION OF GUESTS

MADAM SPEAKER: Before calling Second Reading on Bill 64, may I direct the attention of honourable members to the loge to my right, where we have the former MLA for Kildonan and Concordia with us this afternoon. On behalf of all the members, we welcome you back.

BILL No. 64 - THE HIGHWAY TRAFFIC ACT (2)

HON. J. PLOHMAN presented Bill No. 64, An Act to Amend The Highway Traffic Act (2); Loi modifiant le Code de la route (2), for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Minister of Highways and Transportation.

HON. J. PLOHMAN: Madam Speaker, I'm pleased to introduce for Second Reading this bill to amend The Highway Traffic Act, dealing specifically with the matter of MPIC salvage vehicles. With passage of this bill, Madam Speaker, this government is undertaking to ensure the added safety of Manitoba's motoring public through identification of vehicles sold as salvage by the Manitoba Public Insurance Corporation.

My colleague, the Honourable Minister of Municipal Affairs, and the Minister responsible for the Manitoba Public Insurance Corporation and I have worked closely with the staff from MPIC and our staff in the Motor Vehicle Branch in putting together the amendments that are contained in Bill 64.

The legislation provides for a number of changes to The Highway Traffic Act. The situation involving the transferring of the ownership of a salvage vehicle is addressed under these proposals. In this proposal, the seller of that motor vehicle must provide the buyer with a declaration indicating that the vehicle was purchased as salvage from MPIC. Receipt of this declaration has to be acknowledged in writing by the buyer. If the person transferring ownership of a salvage vehicle refuses to provide or falsifies the salvage declaration, the buyer will be entitled to rescind the transaction and to receive a full refund of any property or funds which have been exchanged in the purchase of that salvage vehicle.

In addition, this legislation will require MPIC to permanently identify all salvage vehicles with a mark indicating the date on which the vehicle was declared as salvage. This identification mark will be embossed on the vehicle, immediately next to the manufacturer's statement of compliance label. Under the legislation as proposed, Madam Speaker, the identification mark must not be altered, defaced, obliterated, removed or concealed without the written approval of the Registrar of Motor Vehicles. Further, if this mark is in any way altered through repairing the salvage vehicle, it must be reapplied following completion of those repairs.

The legislation requires that any individual who falsifies a statement of declaration, willfully defaces a salvage identification mark, or fails to have the identification mark reapplied following the completion of repairs, will be subject to a fine of not less than \$1,000 or imprisonment for a minimum of 30 days. These are strong deterrent penalties for engaging in this unacceptable practice.

Therefore, the amendments that I am introducing today will ensure that the public is protected from buying vehicles that may be unsafe to operate; that sellers of salvage vehicles will be responsible for making the buyer aware that the vehicle was previously disposed of as salvage by MPIC; that salvage vehicles from MPIC will be permanently identified, thus ensuring that all subsequent buyers are aware that the vehicle has been written off in the past; and that anyone not complying with the proposed amendments to the act concerning salvage vehicles can be charged with a criminal offence.

This legislation responds to public concerns about the resale of vehicles purchased through MPIC salvage auctions, and I'm confident that it will reduce the potential for unsafe vehicles being operated on Manitoba's highways, and will indeed enhance the safety of Manitoba motorists.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Turtle Mountain.

MR. D. ROCAN: Thank you, Madam Speaker.

I move, seconded by the Member for Riel, that debate be adjourned.

MOTION presented and carried.

MADAM SPEAKER: The Honourable Minister of Municipal Affairs.

HON. J. BUCKLASCHUK: Thank you, Madam Speaker.

I'm wondering if I could now address my remarks on Bill 65. By agreement on Friday, we had leave to introduce the title.

MADAM SPEAKER: What is the will of the House? There is some confusion as to the Minister - I think it's assuming that there was agreement on Friday to him doing it today?

HON. J. BUCKLASCHUK: Madam Speaker, last Friday, we were running short of time. At that time, I had asked the House for leave to introduce Second Reading by title, and I thought there was an agreement that we would have the remarks today.

ADJOURNED DEBATE ON SECOND READING

BILL NO. 65 - THE SURFACE RIGHTS ACT

MADAM SPEAKER: Debate then on Second Reading on Bill No. 65.

The Honourable Minister of Municipal Affairs.

HON. J. BUCKLASCHUK: Thank you, Madam Speaker.

Madam Speaker, The Surface Rights Act was first enacted in 1983 and was meant to provide a forum for settling disputes between the owners of surface rights and the operators, who are owners of the mineral rights.

The legislation has met its objectives, but four years of working with the legislation has revealed a number of areas where it can be improved. Much of the 1983 legislation was borrowed from the Saskatchewan legislation on this subject, and it's now considered appropriate to reenact the legislation, incorporating a number of new policy changes and, at the same time, rearranging a number of the sections so the legislation is more readable and understandable.

I have met, from time to time, with representatives of the Surface Rights Association and representatives of the oil companies to discuss problems which have arisen under this legislation. We think that the bill before you answers a number of questions raised in these discussions, and I propose now to deal with a number of changes and policies incorporated in this legislation.

One of the areas in which there has been some difficulty has been in the matter of compensation. Subsection 26 of the bill sets out the basis on which the board can determine the compensation to be paid for surface rights. This subsection is being rewritten for greater clarity, and the bill which is before us does not include a change which I consider important, and which was inadvertently omitted from the final draft of

the bill. I will be proposing at committee an addition to this section which will provide that the board, in determining compensation, shall consider any freely negotiated leases which the parties before the board consider to be an indication of compensation which should be paid.

The Surface Rights Association has raised this issue before the board and meetings with me on a number of occasions. The association feels that the board should be prepared to give some weight to the compensation paid by operators under freely negotiated leases. The association regards this as an important concept and I believe it should be included in the legislation.

A second important change in the bill before the House deals with the question of costs. When the new board was appointed in late 1985, it stated in its early orders that it was not prepared to award costs until it had decided a number of cases which could act as a guideline to the parties on the level of compensation which it could anticipate in board orders.

The association feels very strongly that an owner should be compensated for his reasonable costs in presenting the case before the Surface Rights Board. The operators, on the other hand, feel that the owners are not entitled to costs in cases where the owner has refused an offer which is higher than the subsequent board order.

The amendment addresses this problem by providing that where the offer made by an operator before a hearing is less than 90 percent of the amount subsequently determined by the board to be the compensation, then the owner shall receive his costs. This provision is similar to The Expropriation Act. It is felt that this will be a guideline to the board and to the parties appearing before the board on the question of costs.

The part of the act dealing with abandonment has been completely rewritten. Abandonment is the process by which the operator removes his equipment from the land and restores the site to its original condition insofar as possible. There is now in place a dual process under The Mines Act and under The Surface Rights Act. This results in unnecessary duplication of administration and in confusion for the owners and operators.

Over 90 percent of the oil wells in Manitoba have been established as a result of the operators entering into an agreement with the owner or occupant. Less than 10 percent of the wells are the result of an order of the Surface Rights Board; and yet the board must be become involved under the present legislation in every abandonment situation.

After considerable discussion with the Department of Energy and Mines, it has been agreed that the administrative procedure would be much simplified if an operator wishing to abandon surface rights made one application to the Mines Branch. Where the operator is able to comply in all respects with The Mines Act and regulations pertaining to abandonment and restoration of the land, and is able to satisfy the owner with respect to the question of restoration, then the abandonment should become effective upon the issuance of a Certificate of Abandonment as provided in the Mines regulation.

The Surface Rights Board will become involved in the new act only in the event of a dispute between the

operator and the owner or occupant, if any. This is most likely to arise with respect to a disagreement about the adequacy of the restoration which has taken place. In this situation, the matter shall be referred to the Surface Rights Board to conduct a hearing and to resolve the dispute.

The new Part IV therefore reflects this procedure and the Surface Rights Board will only become involved in the abandonment process where there is an unresolved dispute between the operator and an owner or occupant.

Section 39(2) provides for additional compensation in certain situations. The possibility may arise that an abandonment may become effective before the anniversary date of an agreement, when an additional year's compensation would normally be paid to the owner. The timing, however, may prevent an owner from seeding the site for the current crop year. For example, if the anniversary date of the agreement is August 1, but the operator applies for and received approval to abandon in June or July, the owner cannot make use of the land and authority is required to permit the Surface Rights Board to determine what loss, if any, an owner or occupant suffers.

With respect to Part VI, Appeal, the final major policy change in the new legislation concerns the questions of appeals from the Surface Rights Board. The 1983 legislation provided for an appeal to the Court of Appeal on a question of law and an appeal to the Court of Queen's Bench on a question of compensation.

The proposed new legislation provides for an appeal to the Court of Appeal on a point of law only. Approximately 30 appeals have been made to the Court of Queen's Bench, either by operators or owners, on the amount of compensation awarded. None of these appeals have come to trial over the years. There is no appeal in Saskatchewan on the question of compensation, and Alberta is in the process of giving consideration to removing the right to appeal on the question of compensation.

The amounts of the awards involved, generally under \$6,000, make it unattractive for most owners to consider appealing the compensation because of the costs involved. The removal of an appeal on the question of compensation treats surface rights awards in the same manner as assessment matters where the only appeal is on a point of law.

Madam Speaker, those are the major policy changes in the new legislation. A few other minor amendments have been made. For example, subsection 16(2) of the present act requires that a standard form of lease shall be established. This has been dropped in the new legislation. No standard form or lease ever was established under the regulations, and neither the association nor the industry supports a standard form of lease.

Section 17 of the bill provides that a copy of a lease or agreement or assignment thereof shall be filed with the board within 30 days after the execution, with the additional requirement that, in the case of an assignment, the operator shall mail a copy to the owner or occupant. The Surface Rights Association and its members have complained that an assignment of a lease may take place, and they have no knowledge of the new operator.

Section 25(4)(e) now provides that the board order may deal with the question of the location of access

roads to the site. There has always been some doubt as to the board's jurisdiction in this respect. Those are the major changes to the legislation incorporated in this bill. We think the changes will substantially improve the operation of this legislation, and its understanding for both the operators and the owners.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Emerson.

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

MOTION presented and carried.

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Madam Speaker, in accordance with the previous announcement by the Government House Leader, I move, seconded by the Minister of Culture, Heritage and Recreation, that Madam Speaker do now leave the Chair, and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented.

MATTERS OF GRIEVANCE

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: No, Madam Speaker, it is not agreed. I intend to use the one occasion that we, as members of the Chamber, have to express grievance. I find the action on the part of the government that they exhibited just a few moments ago as reaching a new high in their attempt to politicize anything and everything they touch. I say this with a great deal of regret that they would choose a day set aside to honour our senior citizens, where we welcome them into this building, that they would choose to do so, Madam Speaker.

It would be in order, I suppose, although I know honourable members opposite and indeed on our own side sometimes get tired of any lectures that they get from the senior and veteran members in this Chamber, but it would be in order to provide just a brief explanation of the practice of granting leave or the not granting of leave.

Madam Speaker, that practice implies exactly what the word describes: leave, granting cooperation from one side of the House on behalf of one member to do something which is not in the ordinary, to do something which calls for the cooperation of all members of the House, to allow something to proceed that is not prescribed in our rules.

Then, Madam Speaker, by and large, all members of the Chamber on both sides of the House are very reluctant not to grant leave. By the same token those requesting leave aren't very reluctant to abuse it. Madam Speaker, leave is not always granted. It is used to show our displeasure from time to time when we feel that we have been particularly aggrieved, when we

think that a particular Minister has not been responsible, from our point of view, in her or his actions in this Chamber or when a government generally is behaving in a way that we take umbrage with.

It can be said of both sides; I certainly expect if the Opposition is behaving in a way that the government does not like, does not feel is called for, that if then at the end of the question period, before Orders of the Day, a member stands up and asks for leave and it is not granted, that happens from time to time.

Madam Speaker, I'm well aware - and the government House Leader does not have to remind me - that there have been several occasions during the course of this Session where we did not grant leave. Madam Speaker, we did so for precisely the reasons that I just outlined. We wished to use that little mechanism that we have available to us as a demonstrable token of our objection to either the actions of a particular member opposite or of the government as a whole. Madam Speaker, I wasn't born yesterday, I'm well aware that if we do so, that likely the next occasion, rightly or wrongly, if a member from the Opposition asks for leave, that the government members will remember that and deny leave just to get even.

Madam Speaker, that's human nature; I'm not making a complaint or I'm not grieving about that. What I'm grieving about, Madam Speaker, is the insensitivity of this group that we call a government that would choose an issue like honouring our senior citizens to exercise that little bit of petulance on their behalf on their part. Because, Madam Speaker, there was a fundamental change in how Senior Citizens' Day was being observed this time around. Madam Speaker, let me clearly put it on the record that the Official Opposition - the Conservative Party - welcomes all senior citizens to this building. We think it is a most worthwhile effort on the part of the Government of the Day to engage in, and we congratulate and I'm prepared to acknowledge that it was initially introduced by an NDP administration.

Madam Speaker, in the past it has always been the practice that the senior citizens who assembled and came and visited us on these grounds, in this building, were formally welcomed by the First Minister, the Premier of the Day, in this Chamber and then as our rules provide, because he was making a ministerial statement the Leader of the Opposition or a spokesperson for the Leader of the Opposition has the opportunity to also formally welcome all seniors to enjoy the day with us on Parliament Hill. Madam Speaker, I don't know why that was changed. I can make some deductions as to why it was changed, but Madam Speaker, this time around the formal welcome was made on behalf of the NDP party, on behalf of the Government of the Day, just a few moments before the House assembled on the front grand staircase, with all the provisions of the government information services at his disposal, by that I mean microphones, and so forth, in the grand setting, and, Madam Speaker, I don't complain about that either. I wasn't born yesterday. I know that a Government of the Day will always take maximum advantage of their position.

Madam Speaker, I don't complain about the fact that they already have a considerable advantage with respect to welcoming the seniors into this building. They all have Minister's offices, which I'm sure all seniors are invited to visit, particularly those from their

constituents. We in the Opposition, of course, share only one Caucus Room and our very small offices, which you couldn't get more than one or two seniors in at one time.

Madam Speaker, that's all fair game, but then when the Official Opposition was denied to stand up and formally acknowledge and welcome senior citizens, on this day that we are setting aside to honour them, by a group that calls itself a caring, sensitive government, is very hard to believe. I believe, Madam Speaker, there must be some on the other side that would recognize that that is taking politics one step too far and at its lowest common denominator.

Madam Speaker, this government, of course, has become infamous in the degree of politicization in so many of the things they touch. Madam Speaker, when you get headlines like this in that fine paper, the Teulon Times, the Stonewall Argus, "Tory Riding Loses out on Lottery Grants"; we understand, of course, what politicking - the way the NDP play it - is all about. Where 97 percent, 98 percent of a so-called public program is available only to those constituents that vote right, according to the Government of the Day.

Madam Speaker, we see it when we open up and look at our Highway Program and see how the publicly-generated taxpayers' money is being distributed, particularly noteworthy is that example when you consider that it is the Opposition that holds most of the geographic area, wherein these highways have to be built. The Minister has to take and burn the midnight oil particularly long to find the money to spend on the NDP constituents, and avoid Conservative constituents. Madam Speaker.

Madam Speaker, we will complain about those actions, and have; that is our role as an Official Opposition. We will chastise the Minister responsible, when it's drawn to our attention. We will chastise the government in its entirety, when we think that there is lack of fairness, even-handedness not being displayed in these matters. Madam Speaker, that's what these Sessions are all about, to ensure that public funds are being truly spent in the public interest.

What makes this afternoon's actions so despicable, Madam Speaker, is that this government would stoop so low, to deny Her Majesty's Official Opposition from formally welcoming the senior citizens to this Chamber is something that I, in my 21 years, have not witnessed or seen. Madam Speaker, I dare say that those veteran members opposite could not recall a similar incident. It's totally inexcusable, Madam Speaker, that the government would vent its imagined grievance against us, on the senior citizens of the Province of Manitoba.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Minister of Culture, Heritage and Recreation.

HON. J. WASYLICIA-LEIS: Yes, I rise on a personal grievance.

Thank you, Madam Speaker. I regret that I must be here in the House at this moment rising on a matter of personal grievance, when I would much rather be greeting the senior citizens of this province.

Madam Speaker, I'm proud that this government has chosen to honour its senior citizens for the past half-

dozen years; and members opposite will know that every effort has been made to ensure that this is a non-political event, that all members opposite are informed of the activities well in advance and given ample opportunity to make a contribution to this important day and open up their offices and invite the senior citizens of their constituencies and of this province into the Legislative Building to share this important day with them.

Madam Speaker, members opposite - the Member for Lakeside in particular - on rising on a point of personal grievance around the fact of being denied consent to make a non-political statement here today, conveniently forgets and conveniently ignores the fact that on three separate occasions over the past couple of weeks . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please.

HON. J. WASYLICIA-LEIS: . . . members opposite have conveniently forgotten, Madam Speaker, that they have chosen, on three separate occasions to deny me what has been a normal tradition in this House, what has been a right, a part of our parliamentary procedures for a good number of years and that has caused me a great deal of personal anguish and disappointment.

Madam Speaker, it was members opposite who chose to disrupt a well-established tradition, a custom in our Legislative Chambers for allowing MLA's in this Legislative Chamber to make non-political statements, to recognize the achievements of constituents, to pay tribute to those in our province who have accomplished outstanding deeds and to remember those who have contributed to this province.

Madam Speaker, when I chose to rise to ask leave to make a non-political statement, I was following in that tradition, hoping that members opposite would provide consent to allow me to make a statement to pay tribute to a very important group in our society and a very important achievement that was made.

Madam Speaker, let me inform you what that statement was going to be, so that members opposite will understand that when they chose to disrupt the system, they chose to put at risk all of our patterns and traditions established in this House. Madam Speaker, I was going to, on three separate occasions, draw to the attention of members opposite the achievement of the Manitoba Ethnocultural Youth Committee which recently won the prestigious Commonwealth Youth Services Award.

Madam Speaker, I was going to tell members opposite that this exciting news represents a major accomplishment for Manitobans. I wanted to provide members opposite with details of this award program and inform them of the significance of this achievement; and I would have told members opposite that the Commonwealth Secretariat, headquartered in London, England, administers a Commonwealth Youth Services Award Program.

This program is designed to promote and enhance youth training in member countries of the Commonwealth. The Youth Service Award recognizes and awards the contribution made by young people to

the development of their societies, and fosters cooperation and the exchange of ideas and experiences among young people of the Commonwealth.

This is the second year for the program, under which up to five awards may be made annually in the Commonwealth. Last year, that is in 1985-86, there were four winners named, from Hong Kong, India, Kenya and New Zealand.

One of the competitors this year, Madam Speaker, was the Manitoba Ethnocultural Youth Committee with a project entitled: "Leadership in Action." The committee is a non-profit organization dedicated to working with ethnic youth groups. In its project it presented 8 workshops and a one-day development conference. The purpose was to provide youth organizations with leadership skills and training. Madam Speaker, that project was funded by the Manitoba Inter-Cultural Council and the Secretary of State, each contributing \$10,000, with skill development, expertise provided by the recreation branch of my department. It was one of two Canadian projects submitted to the Commonwealth Secretariat.

And the exciting news, Madam Speaker, that I wanted to share with members in this House, was that the International Youth Assessment panel chose the Manitoba Ethnocultural Youth Committee as a Commonwealth winner; and what was even more exciting, was that the news I wanted to share with members in this Chamber was that this was the only winning project in the entire Commonwealth for 1986-87.

I wanted to tell members opposite about the 23 members of the team that will each receive medallions and certificates, and about the two team leaders who are offered two study fellowships; or, as an option, a cash award of a thousand pounds which goes to the project, to enable its work to continue.

I was going to tell members opposite about the project leaders, who are Maureen Tsai and Darlene Rebello, and about the team members who are, as follows: Amitabh Srivastav, Merle Neufeld, Regina Ramos, Nanice Ibrahim, Rollie Srivastava, Deanna Wong, Tony Scarpino, Akhilesh Bharti, John Root, Michelle Kowalchuk, Amut Vijayvergiya, Mariela Amaya, Lai-Ling Lee, Lori Srivastava, Sandeep Vohora, Kelly Scarpino, Ivy Oandasan, Marianne Vardlos, Christine Chan, Salla Kuruganty, Tom Pagagiannopoulos, Kevin Okabe, Hali Krawchuk.

Madam Speaker, I was going to ask in that non-political statement, for all members of this Chamber, to join with me and say to them how proud we are of this young team who won this very prestigious award. And I wanted to be able to say with, members' of this House support, to be so specifically and exclusively singled out from the entire Commonwealth for this important youth award, is truly a cause for celebration. I know we all owe a tribute to this group of young Manitobans who have spelled out to us what it means to be leaders in action.

Madam Speaker, I'm sure that all Manitobans would have been pleased to hear about this news. I'm sure that the young people who have received this prestigious award, would have been honoured to have this achievement forever entrenched in the Legislative annals of this Chamber.

Madam Speaker, I'm sure that the senior citizens of this province would have been happy to hear this news,

given their concern for the future of this province, given their interest in seeing the youth make a major and lasting contribution to the future of this province.

Madam Speaker, members opposite chose to deny me the right to make that non-political statement. They chose it, Madam Speaker, they say, on the basis of being offended at remarks made during the Estimates debate. They forget, Madam Speaker, that those remarks were made in the context of some very disparaging, discouraging remarks made by members opposite that became very hard to take in the heat of the debate.

Madam Speaker, let me remind members opposite how the Member for Sturgeon Creek, on two occasions, uttered loud enough in this Chamber for all of us to hear that "If you were my daughter, I would spank you."

Madam Speaker, let's also remember that it was the Member for Pembina who yelled out during debates, "You're a sleazy little girl."

Madam Speaker, I think I have every right, as much as every member in this House, to be treated as an honourable member.

Madam Speaker, there are rules and procedures for debates in this Chamber. If members opposite had concerns . . .

A MEMBER: The next thing they'll be calling us slimy little pigs or something.

HON. J. WASYLICIA-LEIS: Madam Speaker, if members opposite had a concern with any of the remarks that were made, they had every opportunity to rise on a point of privilege and say so, or rise on a point of order. Not having such a point of order or a point of privilege, they were not able to rise and make that case known.

Madam Speaker, I think it was an injustice done to me personally. I think I was not treated as an honourable member when members opposite chose to make those remarks and when they chose to deny me, on three occasions, the right to make a non-political statement, the final occasion being after this side had granted the Member for Arthur leave to make a non-political statement.

Madam Speaker, we, on this side of the House, have shown an interest in wanting to cooperate fully and to make it possible for everyone to enjoy the benefits of freedom of expression in this Chamber and to be all treated as honourable members.

Madam Speaker, it was members on that side of the House that broke the rules. Madam Speaker, members on that side of the House have caused me to feel a great deal of grievance and personal injustice. They have not followed the traditional high standards established by our parliamentary system. They have broken the rules on every count.

I have no choice but to express that grievance and that disappointment in the form of this statement of grievance.

Thank you, Madam Speaker.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the

Honourable Member for Burrows in the Chair for the Department of Cooperative Development; and the Honourable Member for Lac du Bonnet in the Chair for the Department of Business Development and Tourism.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - BUSINESS DEVELOPMENT AND TOURISM

MR. CHAIRMAN, C. Baker: Committee, come to order.

We'll pick up on Section 3.(b) Canada-Manitoba Tourism Agreement - Destination Manitoba: (1) Salaries.

The Member for Portage la Prairie.

MR. E. CONNERY: Can the Minister tell us now if the original Canada-Manitoba Tourism Agreement is now wound down, or are there other extensions to it?

MR. CHAIRMAN: Madam Minister.

HON. M. HEMPHILL: Mr. Chairman, the original agreement has been wound down largely, Destination Manitoba, and I think our final activities were to disburse funds for projects that were approved prior to March 31 in Program 5, Program 6.

There are a few projects that aren't yet completed. There were some delays in some of the projects, the timing of some of the projects, and additional time was given so that the last amendment will allow projects to be approved up until March of this year, and disbursements come through the following 18-month period.

So the projects are completed, but we may still be disbursing funds over the period of the next 18 months.

MR. E. CONNERY: Will the total amount of the agreement be expended?

HON. M. HEMPHILL: No.

MR. E. CONNERY: How much money would we have not expended under the agreement?

HON. M. HEMPHILL: Approximately \$160,000.00.

MR. E. CONNERY: It's a \$20 million program, if I recall?

HON. M. HEMPHILL: Yes.

MR. E. CONNERY: How many programs or how many loans did we lend out in the various sectors? Can you just give us that?

I think in the original program we were looking at smaller ventures rather than the new one, which is supposedly the world class.

HON. M. HEMPHILL: Mr. Chairman, the Member for Portage la Prairie is quite right about the size of the projects.

I have probably about 10 or 15 pages here listing the projects. Would he like me to read through a few of them in each program area, or would he like me to table them and provide the information?

MR. E. CONNERY: Do you have, by sector, the tallies of the numbers and money by sector, if it's convenient?

HON. M. HEMPHILL: Mr. Chairman, I've been encouraged to make him an offer that will provide a complete report of the program, all of the projects, and it will show the sectors.

MR. E. CONNERY: In the new agreement - what are we in, the second year of the new agreement? - and there were several proposals that were being looked at last year that were just proposals. Can the Minister bring us up to date in the various sectors, the number of proposals, and the amount of money that has been committed, even though it hasn't been spent?

HON. M. HEMPHILL: Mr. Chairman, in Program 1, which is Marketing Expansion, there is \$5 million available. We have expended or committed \$2,117,000; we have \$2,882,935 uncommitted. We have presently got 12 new projects that are currently under assessment in that program.

Program 2, Resorts and Facilities has \$8 million. We have \$1.5 million expended; \$6.482 million with three to four major projects anticipated this year.

Program 3, which is Winnipeg Attractions, has \$9.5 million. We've expended \$1.948 million; \$7.551 million uncommitted, two to three major projects anticipated this year.

Program 4, which is Rural Attractions, has \$4 million. We've expended \$147,000; \$3.852 million outstanding. I'm rounding these out, by the way, the uncommitted balance. We have two to three major projects commitments anticipated out of this program.

Program 5 is Tourism Events, \$2 million. We've committed \$242,318; we have \$1.757 million unexpended and we're expecting about one major event and possibly four expansions this year.

Industry Productivity Enhancement is \$500,000.00. We've expended \$206,000; \$293,000 unexpended. We have a number of proposals currently under assessment.

Program 7, which is Administration, Research, Evaluation, and Public Information, has \$1 million it. We've expended \$442,000; have \$557,000 left, and we have a couple of studies and proposals that are being reviewed in that area.

MR. E. CONNERY: In the non-capital grants, what is the criteria there for a grant? Is there a maximum range that people can apply for?

HON. M. HEMPHILL: Mr. Chairman, in the Marketing Expansion Program, the assistance they can receive is up to 100 percent or a common benefit cost for activities involving a consortia of private and public sector, up to 50 percent of first-year incremental cost to new private sector initiatives that are non-repayable, reducing support for the first year. We have a goal there of self-sufficiency.

In the Tourism Resorts Attractions and Facilities, private sector incentives can get up to 50 percent of eligible costs, up to 25 percent is forgivable loan, maximum of \$500,000, minimum necessary to lever the project. Public infrastructure of the level of assistance will vary with the applicant.

In Program 3, Winnipeg Attractions, provincial and federal projects up to 100 percent. City of Winnipeg project up to 80 percent non-repayable; Not for Profit Agency project up to 80 percent not repayable. Private sector up to 50 percent, up to 25 percent of eligible costs is a forgivable loan, maximum \$500,000, and the amount minimum necessary to lever the project once again.

Rural Attractions, provincial-federal project up to 100 percent, Not for Profit, the same 80 percent; Municipal Project up to 80 percent non-repayable.

Tourism Events, they can get organizational and development costs of major new events up to 100 percent non-repayable, support on a declining basis after start up and we have a self-sufficiency goal there to. Product Development Expansion of major existing events up to 80 percent non-repayable; normally only one-time start-up assistance. Private sector projects up to 50 percent non-repayable, normally only one-time start-up assistance.

Program 6, which is Industry Productivity Enhancement, provincial and federal initiatives 100 percent, industry association projects 80 percent non-repayable, normally only start-up assistance again; private sector initiatives up to 50 percent non-repayable.

Program 7, Administration, Strategic Research, Planning, is Agreement Management Committee initiatives up to 100 percent non-repayable. Municipal 80 percent non-repayable; private sector 50 percent non-repayable.

MR. E. CONNERY: In the report of the '85-86, that would be the first year of the new agreement?

HON. M. HEMPHILL: Yes, Mr. Chairman.

MR. E. CONNERY: Under Events, it says 3 - Destination Manitoba (a) non-capital grants. The Festival du Voyageur is \$26,000.00. Is there a maximum in that particular sector?

HON. M. HEMPHILL: The Marketing Expansion - Mr. Chairman, there isn't a maximum.

MR. E. CONNERY: I wonder if the Minister would give us a rundown after of the events. What would be the major ones in 1986-87? What major ones would we have? Would the Festival du Voyageur have another grant in '86-87?

HON. M. HEMPHILL: Mr. Chairman, can we have clarification? Is the Member for Portage la Prairie reading from the annual report?

MR. E. CONNERY: Yes.

HON. M. HEMPHILL: Under Program 4, under the Tourism Attractions, we have the Festival du Voyageur at \$26,000.00. These are the end of Destination Manitoba projects that you're reading from?

MR. E. CONNERY: Yes.

HON. M. HEMPHILL: The Western Canada Aviation Museum got \$6,113.00.

MR. E. CONNERY: What I am asking though, did any of these get anything in '86-87?

HON. M. HEMPHILL: In '86-87? Oh, okay.

MR. E. CONNERY: I see what they've got for '85.

HON. M. HEMPHILL: Mr. Chairman, the Festival du Voyageur received \$2,673, which was approved. We've disbursed \$2,235 of that, it's not quite complete.

Which other ones did you want to know if they had received funding?

MR. E. CONNERY: Mr. Chairman, my concern is that one particular event seems to receive a lot of money through various departments, through Tourism and whatnot. There's a lot of events in this province and is there an undue amount of money going to one particular event? I guess that is my question.

HON. M. HEMPHILL: Mr. Chairman, I don't think it would have an undue amount of money. It is a major event - probably one of our major winter events - and if there's one thing we know we have to do is start attracting people into Canada, into Manitoba throughout the winter and not just what we call the peak or the height of the tourist season.

Projects like that, the winter festival, is one of our main tools for I think promoting winter activities that will not just be the festival. We have other groups: Contemporary Dancers, Country Music Week, Folks Arts Council, a number of other organizations also getting funding.

MR. E. CONNERY: My concern is that we round it out. Does the Minister have any breakdown on the number of foreign visitors who would come? We looked at the people coming into Manitoba at that particular time of the year and we don't see very great numbers. I guess maybe what I'm saying is that, are we funding it because it's a local event, it's a cultural ethnic event, or are we saying that we're funding it because it's bringing in foreign tourists? I don't think this particular event brings in a large number. Do you have a breakdown?

HON. M. HEMPHILL: Mr. Chairman, I think there are a number of reasons for supporting an event like this. One is that we're taking festivals like that and trying to develop them into major events so that they will become major attractions.

Folklorama, for instance, is growing every year and our ability to promote it outside of Manitoba and attract people from outside of Manitoba is growing every year. That means that we have to continue to expand and build on those events that are already successful. The information that I have suggests that to date we're estimating about 50 percent of the visitors are from outside of Winnipeg presently at the festival.

MR. E. CONNERY: Outside of Winnipeg could mean Domain; it could be in Ste. Anne or areas like that. I think it's a good function, but I just want to get straight as to what our rationale for doing it is. Where does Folklorama get their funding from? Have I missed it somewhere? Does it come out of Culture and Heritage, or does it get some Tourism money?

HON. M. HEMPHILL: The Folk Arts Council gets \$18,000 out of the program; we've disbursed \$17,896 out of that. Mr. Chairman, we don't have anything for Folklorama presently but I think we're considering it. We are expecting a proposal and we will be considering it.

MR. E. CONNERY: What cross-checks are there to make before you're funding a particular group that they haven't gone to the Cultural Affairs Department or all the various departments, that one group doesn't milk the system? Is there a system of checking with the other departments that they may, could receive funding from, to make sure they're not?

HON. M. HEMPHILL: Yes, Mr. Chairman, there is. We have a procedure set up whereby we do check with the other departments when grants are being given. We have information so that we know if they are getting a grant from Cultural Affairs or from some other department.

It doesn't always mean that they won't get the grant, if they qualify under the existing program, but it means that we will take into consideration monies that they are getting from other departments.

MR. E. CONNERY: I think I asked earlier on, is there any Jobs Fund money in the Tourism at all in this sector?

HON. M. HEMPHILL: No, Mr. Chairman.

MR. E. CONNERY: The reason we ask, Mr. Chairman, because Ministers don't usually volunteer this information and we have to ask the same silly question over again sometimes. In the Capital Grant sector, there are some fairly significant ones. Could you, just very quickly, starting at the top - Rainbow Stage?

HON. M. HEMPHILL: You're back in Destination Manitoba?

MR. E. CONNERY: Well, it shouldn't be.

HON. M. HEMPHILL: Yes, you're in Destination Manitoba.

MR. E. CONNERY: These are the original contracts?

HON. M. HEMPHILL: Yes, so we were sort of in this program. We're looking through this year's but Rainbow Stage, under Destination Manitoba, Program 2 received \$550,000.00. It was the replacement of the stage house, addition of backstage support facilities.

MR. E. CONNERY: Mr. Chairman, does the Minister have, to make it quicker, what they would receive in 1986-87, if there was a grant in fact?

HON. M. HEMPHILL: We don't have anything for them.

MR. E. CONNERY: When we're going through the ones that I asked, if there are funds for that group . . .

HON. M. HEMPHILL: Okay. It's just that it takes us awhile to go through the whole list, just the final payout of that original.

MR. DEPUTY CHAIRMAN, M. Dolin: The Member for Portage la Prairie.

MR. E. CONNERY: That was the final payout, the Chinatown Development?

HON. M. HEMPHILL: The Chinatown Development, \$350,000, which was to develop China Gate at the entrance to Chinatown. The total project assistance is \$500,000, and it's the final payout there too.

MR. E. CONNERY: The Convention Centre?

HON. M. HEMPHILL: It's \$550,000, operating and renovation of facilities; total assistance of \$600,000, and we're in final payout there too.

MR. E. CONNERY: The consulting services, Michael O'Sullivan, what would we be doing in that area?

HON. M. HEMPHILL: Mr. Chairman, that was the feasibility study for the development of the IMAX Theatre, \$34,000.00.

MR. E. CONNERY: Is that over and above the original figure then that the Minister gave us for the IMAX?

HON. M. HEMPHILL: Yes, Mr. Chairman.

MR. E. CONNERY: Are there any other monies toward the IMAX that don't show up in that \$7.5 million? If I remember - is there any other thing . . .

HON. M. HEMPHILL: No, Mr. Chairman.

MR. E. CONNERY: I do have a concern when we're using a large amount of federal-provincial money, the amount that maybe is going now to provincial sectors where I believe they should be funded on their own. I have some concern with the amount that seems to be coming into our tourism sector, much more than what we had there last year. We have the Natural Resources at Hecla Park for \$260,000.00. What was that for?

HON. M. HEMPHILL: Where are you now?

MR. E. CONNERY: Still on the same book. I don't have your '86-87

HON. M. HEMPHILL: . . . still in Destination

MR. E. CONNERY: That's the only one you gave me.

HON. M. HEMPHILL: Okay.

MR. E. CONNERY: You'll give me the other one next year . . . ?

HON. M. HEMPHILL: Yes, I'll give you a copy of it right now.

Program 3, \$260,000 initial payment for the development of Hecla Village, Gull Harbour Marina, riding stables and youth hostel.

MR. E. CONNERY: What's the total amount?

HON. M. HEMPHILL: Hecla Village

MR. E. CONNERY: This is when it went to Natural Resources, Hecla Provincial Park.

HON. M. HEMPHILL: \$500,000 total grant for Village - stabilization \$170,000; Cantoba Club, \$70,000; project management, \$56,000; and the marina, \$204,000.00.

MR. E. CONNERY: In other Estimates, and with this Minister's also, like in the Venture Capital, brags about the leverage of working with the private sector. When the Minister gives money to another department of the government, there is no levering of private money. It is straight government money that is going into the project.

My concern is, as in the Venture Capital Program, if the government was putting in a third and we could lever twice that amount of money, we would have \$1.5 million going into a project rather than just half a million dollars and, also, not having to carry out the losses that are being experienced because we know that the recovery from Hecla Park is only about 28 percent of the operating expenses, which is a horrendous cost to the people.

When these kind of monies are given out, how do you go about doing it with another department? Do they have a plan that says they're going to break even, or at some point break even or does the Tourism Department just give it to them because they would like to have some money? You know, there's criteria for other groups in the private sector. It has to look like it's going to turn the corner and be profitable or you shouldn't be funding it, but we see at Hecla Island Provincial Park a tremendous loss going on there with tremendous amount of monies going in, with the new highway and everything else. Is there a plan submitted to the department to show that these monies aren't just being thrown down the tubes?

HON. M. HEMPHILL: Mr. Chairman, we work very closely with the other department, the Department of Natural Resources. The support that we give is based on an overall plan and it's based on a plan that indicates that the - both at the target population - potential is there for this to become a major tourist attraction.

One of the things we're looking at doing is developing, sort of first-class attractions throughout the province that will be able to attract major conferences, convention seminar people, and this is going to be one of them. This has the potential to do that, so the additions that have been developed there are adding to an already very good facility which we think can be expanded into a major convention and conference attraction with the additional facilities that they have been given, and with improved management capacity which has also been built in and which was a requirement of the additional funding.

In other words, we wanted to make sure that the management and the promotion, that there was improvement in both of those areas so that we weren't just adding money and building the facility without having those two elements in place - good management and promotion.

MR. E. CONNERY: Well, I haven't yet put together a total package for the cost of Hecla Island, but I know when we finally get it done the people are going to be shocked to know what kind of money we put in there.

We know that when they take the return on the cost of operation they don't take into account any of the capital costs. So if we are getting a 20 percent return strictly on the operating cost, what plan have they told you, or how far down the road would we even get before we get back our operating costs?

HON. M. HEMPHILL: Mr. Chairman, I think that continuing the expansion and continuing to improve this development is consistent with the over-all Parks Development Plan where one of the things that we want to do is have major attractions where families can go.

The other thing that I mentioned is that we want to make sure that we have other places in the province for major conferences and conventions, that they can be held on sites that can handle them other than just in Winnipeg. I think that is a good priority for us to have. That's not to assume that every convention and every conference has to be held in Winnipeg, but that we improve some of our sites and locations outside of Winnipeg. This is one of them that fits into those categories.

MR. E. CONNERY: Mr. Chairman, we know that Hecla has a very limited range of activities and for people to go up there, you're either a golfer or a tennis player, or you're a naturalist - a hiker. Some people can do boating, but it doesn't give a wide range of activities for people to do which you get at Riding Mountain and some of the other areas.

You know, we could have done this at Portage la Prairie on Lake Manitoba at the Delta. We could have had a Delta wild-life experience plus be close to a lot of other activities. At Riding Mountain, if one of the members likes to golf, the other can go into town and do some shopping, as long as you don't give him the credit card, you're all right.

So, I find that this particular resort is going to be a naughty success. There's only one hope that, if we can loop it through Black Island where people can loop around, then you might see people driving because there's things to see on both sides. But as long as they're just going up to Hecla and back away from Hecla, then it's not going to be a success, I don't think.

The facility is not a bad facility and I'll say that openly - that it is a good facility. The old section of the Venture Manitoba Tours, the resort, leaves a little to be desired but the facility is a good facility. But I think that we're chasing a lot of money in there and I don't think we'll ever get some return out of it that was anticipated when it was first built.

HON. M. HEMPHILL: Mr. Chairman, just to state one final comment. All of the information that we have suggests that one of our biggest selling points for Manitoba and for Canada, especially internationally, is the naturalist approach. In fact, that's what many people are looking for and that's one of our biggest promotions and biggest selling jobs, because people are moving more and more into those kinds of activities.

For instance, when I talked to people in Germany, talked to people in Hong Kong, a number of countries

where they're very interested in getting more information about Manitoba they continually tell us that this is the information that we have to project because they have a lot of people - Germans for instance are great naturalists.

What we need to do is get the information to places like that about what we have available. So I think that the opposite is true; I think that the naturalist area that doesn't necessarily have a lot of development and a lot of activity has great appeal and has a great market that we can promote.

Just to let the Member for Portage la Prairie know, I want to assure him that we are seriously considering the Delta Marsh, the potential of that proposal.

MR. E. CONNERY: I agree with some of what the Minister was saying, that the Hecla Park, Gull Harbour Resort, is an interprovincial and international sort of resort. If it's going to succeed it's going to be because we are bringing in people from Minneapolis and Chicago and areas like that. Maybe they'll go to Hecla, maybe they'll go up to Churchill. But, Mr. Chairman, they are not promoting Gull Harbour, Hecla out of Manitoba. Their total thrust is to sell it to Manitobans.

So the Minister has contradicted exactly what Venture Manitoba Tourism is doing. They have withdrawn their 1-800 number that goes toll free out of province. It's not even listed. It's been listed in one of your travel books, but it's not listed. If you phone it, it's a discontinued number and you phone the centre and they say there's no listing.

So what goes on - you know, you say we should be selling it interprovincially and I agree, but they weren't at your Rendezvous Canada. Now, if you're going to sell the people from Germany what better place than Rendezvous Canada. That's exactly what I said when Rendezvous Canada was on. Why didn't we have Gull Harbour advertised in there and advertise it as a deluxe because it's an expensive place to go? It's not just the average person who can afford to go there. So we've got to get a wider circle of people going.

I think people will go but it's going to be more of an elitist club. Maybe the government want that, but that's the fact of life that it is expensive and it's a long way to drive. I think the Minister is not conveying to her own other departments that she's involved with in Cabinet that, yes, we do have a world class or a very good class facility and we should be marketing it outside of Manitoba and Canada, and we aren't.

HON. M. HEMPHILL: Mr. Chairman, just to put on the record that they were part of the Minneapolis blitz and that they shared a booth at Rendezvous Canada.

MR. DEPUTY CHAIRMAN: The Minister of Energy and Mines.

HON. W. PARASIUK: I was intrigued by the comments of the Member for Portage when he talked about a loop route going up through to Hecla and over to Black Island and then back on the other side of Lake Winnipeg. I certainly think it merits further investigation. I believe that there was a ferry that was in place linking Hecla to Black Island on possibly to Manigotagan.

MR. E. CONNERY: Black Island to Manigotagan, I don't think it came right across to . . .

HON. W. PARASIUK: Well, I'd like that checked because I think that there might have been something. I know that was cancelled, however, about in '78 or '79. I think it certainly would be worth while to look at that again because I can appreciate the logic of a circle route. You don't want to go up one way and then come back through the same territory in a sense and a circle route would provide quite a contrast. You would get more of the prairie scene through the Interlake and then you would get more of the sort of the Canadian Shield scene on the other side of Lake Winnipeg. So I've asked the Minister and her staff to check through this to determine what did take place in the past and to determine whether there is any feasibility of resuscitating that idea, at least it's logical, that idea in the future.

HON. M. HEMPHILL: Mr. Chairman, yes, I'm glad that point was emphasized by the Minister of Energy and Mines because it's part of a total proposal, the parks proposal, has that element in it, so it's something that is being examined and is under consideration.

MR. DEPUTY CHAIRMAN: The Member for Portage.

MR. E. CONNERY: Venture Manitoba Tours Limited for \$150,000.00. Is that a final towards the upgrading or the extra facilities, or is that a new program?

HON. M. HEMPHILL: Yes, it's final payment for lodge expansion.

MR. E. CONNERY: Another one that I haven't had the opportunity to go and see, and I hope to this summer, is Oak Hammock Marsh but once again another Natural Resources event with significant funding. Is this part of a program or is it a total program, \$45,000.00?

HON. M. HEMPHILL: Mr. Chairman, the Oak Hammock Marsh Wildlife Management Area is a total project cost of \$433,000.00. We put up \$133,000 which was for the construction of a visitors' centre, natural dike and sell area.

MR. E. CONNERY: I guess the one that really makes me sit up and wonder is the Thompson Ski Club and I wonder when does a group cease getting funding when we have other ski slopes in Manitoba that have been asking for funding. We look in 1981-82 and we could have missed some, we tried to find them all, it was \$1,000; 82-83, \$2,150; 83-84 is \$1,500 and then there is an error in the book, they show 133 but in effect the Minister pointed out was \$178,000; 84-85 \$2,450; 85-86 \$8,900, and was there any in '86-87?

HON. M. HEMPHILL: Mr. Chairman, it was final payout under Destination Manitoba, which was \$8,900, which was for completing the expansion of the chalet, servicing the site with hydro and upgrading and expanding the downhill services. That was the final payment.

MR. E. CONNERY: Did they receive any funding in '86-87?

HON. M. HEMPHILL: No, Mr. Chairman, and I'm advised that there was a very substantial private sector

funding and community support in this project which is one of the reasons why we made the decision to support it. A lot of initiatives by the community and a lot of money, a lot of financial resources went into it.

MR. CHAIRMAN: The Member for Portage.

MR. E. CONNERY: The Winnipeg Sports Car Club of \$162,900, I don't think this is the first amount of money that has gone into that.

HON. M. HEMPHILL: Mr. Chairman, the Winnipeg Sports Car Club of \$162,000 is the initial payment for expansion and upgrading of Gimli Motorsport Park.

MR. E. CONNERY: Have they received any previous funding and are they to receive future funding?

HON. M. HEMPHILL: Mr. Chairman, that's it.

MR. E. CONNERY: That's the total grant?

HON. M. HEMPHILL: Yes.

MR. E. CONNERY: I'm trying to remember, and I didn't read all of the Hansards completely - we were talking about, I think, \$140,000 to Gimli Park. Was that a tourist one? I brought it up. Did that get labelled as a tourist event? I'm trying to think . . .

HON. M. HEMPHILL: Mr. Chairman, if the Member for Portage la Prairie is talking about the Gimli Harbour Park, \$426,000 was the project cost. The assistance given was \$247,000; and it was to develop a tourism infrastructure for the Icelandic Festival, provide display for a Viking longboat and Art Club and upgrade the waterfront image.

MR. E. CONNERY: The Elkhorn Ranch received a significant amount of money, and I stay at the Elkhorn Ranch, I appreciate it. It's a beautiful facility, but how much can go to one particular organization?

HON. M. HEMPHILL: Mr. Chairman, in this case, the assistance approved was \$850,000; \$350,000 of which was a repayable loan. The expansion of the project gives us 40 luxury rooms, development of a western - are you talking old agreement or new agreement?

MR. E. CONNERY: This would be the new agreement.

HON. M. HEMPHILL: The new agreement, that's what I thought. Development of the western theme and development of a recreation centre, I think when we're looking at supporting a specific project like that, we're looking at developing actually a region. One of the things we're focusing on is destination areas and focusing on where there is potential for major tourist attractions. In this case, we're tying in with a promotion or a wish of the Federal Government to have Riding Mountain Park promoted more and receive more attention, because a lot of money has gone into Riding Mountain Park.

So what we've done here is I think we're tying in with a project where there is private sector initiative,

where there is potential to build on to an already good facility, but make it sort of a major luxury facility and attract people into the area; the same kind of point that you were making about tying in the islands and having a loop. It's the same rationale of improving facilities in a regional area where there are a number of attractions and where you can encourage people to go one day, to one area, and maybe tour the Riding Mountain, and another day into other parts of the region.

MR. E. CONNERY: I don't know how you pronounce it, but Nejanilini . . .

HON. M. HEMPHILL: Nejanilini.

MR. E. CONNERY: Where is that located, to start off with?

HON. M. HEMPHILL: It's 150 air miles northwest of Churchill, near the Northwest Territory border.

MR. E. CONNERY: What is the total cost of that particular facility? What would be the additional private sector leverage?

HON. M. HEMPHILL: The total assistance approved was \$350,000.00. The forgivable loan was \$175,000; and the repayable loan was 175,000, half and half, gives this construction of a five-star resort lodge, 32 beds, a central seminar, recreational dining facilities, plus a 3,200-foot runway for the lodge.

MR. E. CONNERY: Is that the total amount of money that's going in? Is there no private sector money in that particular venture?

HON. M. HEMPHILL: Mr. Chairman, the private sector is putting in over \$1 million into their project. The total project cost is \$1.4 million.

MR. E. CONNERY: Who are the principals of the lodge or the company?

HON. M. HEMPHILL: Mr. Chairman, the principal is Marvin Benson. He's from Selkirk.

MR. E. CONNERY: Marvin Bedson?

HON. M. HEMPHILL: Benson, B-e-n-s-o-n.

MR. E. CONNERY: Okay. With time getting - we have to deal shortly with the horse racing. We should have maybe attended to that. Could we do that and then finish up the few things? We don't have very much to deal with in the horse racing. We're not thinking; we should have done that right at the beginning.

HON. M. HEMPHILL: Yes, I should have thought about that.

MR. CHAIRMAN: Do you want to pass section (b) now?

MR. E. CONNERY: Well, we're at section (b), yes. We're in section (c) really. I guess we're all over. I don't know how you . . .

HON. M. HEMPHILL: It doesn't matter. Ask all the questions and pass them at the end if you want.

MR. CHAIRMAN: So we're now at horse racing - the Member for Portage.

MR. E. CONNERY: Has the Minister any opening statements on the horse racing?

HON. M. HEMPHILL: No.

MR. E. CONNERY: I'd like the Minister once again to just describe the funding. There's a process, and I want to make sure that we have it all right, how the Horse Racing Commission gets their money, or the race track. What is the amount?

HON. M. HEMPHILL: Mr. Chairman, in terms of the grant assistance that the Horse Racing Commission receives, the Thoroughbred Purse Breeder Support gives them \$1,490,000.00. The Thoroughbred Exotic Fund is \$766,000.00. The 3 percent takeout reduction is \$1,277,000 for '86-87. That was where we provided the additional \$1,277,000, through Special Warrant for the 3 percent takeout reduction program, and that 3 percent reduction was part of a plan where we would reduce the takeout to stimulate increased wagering.

The Harness Purse Breeder Support gets \$668,000; Harness Exotic Fund gets \$362,000; Great Western Harness Circuit, \$267,000; Quarter Horse Racing, \$11,000; Commission administration, \$409,000; Capital Improvements loan fund/debt servicing, \$44,000 - for a total of \$4,020,000.00.

Mr. Chairman, we then have formulas to determine the grant money that will go back into the industry. The formula for determining the support levels for the races are unchanged from '86-87. Thoroughbred Purse Support gets 2.75 of wagering; Thoroughbred Breeders gets 0.75 percent of wagering; Thoroughbred Exotic . . .

MR. E. CONNERY: Could the Minister give us a copy of that in the next day or two rather than read all that into the minutes . . .

HON. M. HEMPHILL: Yes.

MR. E. CONNERY: . . . because it would be interesting to know.

Have there been any changes in the funding formulas or anything from last year; and is, therefore, the extra money just because there's a higher wagering at the track?

HON. M. HEMPHILL: Mr. Chairman, there hasn't been any changes in the grants or the funding, and the increase is from anticipated higher levels of wagering.

MR. E. CONNERY: We had a serious accident - I was talking to Dan earlier - and I just would like to maybe put it on the record where there was a bad accident just before Christmas, I think it was - maybe the reason that the accident happened and what the track is doing to overcome that type of accident?

HON. M. HEMPHILL: I think, first of all, I would like to perhaps read into the record that our safety record

does compare very well with other provinces and racetracks in the country. There were 8,516 starts by horses during the '86 season and there was only the one accident - but that was a serious accident.

It was a very unique accident, and as far as we can determine, nothing like that has ever happened before in the history of racing. It's very hard to determine the whole series of events that led up to that very unfortunate and unique happening. I do have a whole page that outlines the sequence of events that I can give to the member - it would take me a little while to read it in - but just to say that we doubt that this type of accident would ever happen again in the future.

We have instructed the association to install a flashing red light at the quarter poles which could be activated from the judges' stand, and we hope that that can be used to alert all drivers in a race when an accident happens, that there is something amiss on the track and that they are to take extra precautions and be extra vigilant.

MR. E. CONNERY: The Minister said that our track record is good compared to North American or Canadian track records.

How would you compare it - with North American records? How many accidents have we had at the track where a horse has been put down in the last year?

HON. M. HEMPHILL: One in the last two years. We had two horses that killed themselves coming off the track - one last year and one this year.

MR. E. CONNERY: In an accident or just . . . ?

HON. M. HEMPHILL: They threw their rider and then tried to escape back to the barn.

MR. E. CONNERY: What kind of an increase in handle would be expected to have this sort of increase in the grant?

HON. M. HEMPHILL: It's based on approximately a 12 percent increase.

MR. E. CONNERY: Are we showing that to date? Are we showing that sort of increase that would come up with that?

HON. M. HEMPHILL: After 28 days, the handle is up slightly over 5 percent, and we expect the increase to be more significant as the summer increases.

MR. E. CONNERY: Is that compared to the same number of days last year, your 5 percent?

HON. M. HEMPHILL: Yes.

MR. E. CONNERY: I don't have anything more on the horse racing, unless there are any comments that the Minister . . . Oh, just a minute, the Member for Springfield . . .

MR. CHAIRMAN: The Member For Springfield.

MR. G. ROCH: I was just wondering for my own information, Mr. Chairman.

The new track that opened in Minneapolis, has it had any adverse effect on the industry in Manitoba?

HON. M. HEMPHILL: No adverse effects.

MR. G. ROCH: None whatsoever. Because I remember when it first opened up, there were some fears on the part of the industry in Manitoba that it might adversely affect not just the industry but also the tourism, but it hasn't happened.

HON. M. HEMPHILL: The information I had is that not only has it not had an adverse effect, but it's led to a better quality of horses being raised here in Manitoba.

MR. G. ROCH: So it goes to show that competition is good for the system.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The Member for Portage.

MR. E. CONNERY: We're back into Tourism then?

MR. CHAIRMAN: Yes.

MR. E. CONNERY: I don't think I asked the Minister what new major events have been outlined for tourism for this year. Did I? If I did, I don't . . .

HON. M. HEMPHILL: Major events?

MR. E. CONNERY: Well, anything that is coming up in the tourist projects, proposals, or are there any major interesting ones to see what's coming up?

HON. M. HEMPHILL: If I give you just a sort of a summary of the level of activity, then the proposals that are in now that have not been approved - they are in some sort of stage of negotiations with either the private sector or the proponents or the Federal Government and it's a little difficult. I indicated that the Delta Marsh was under consideration, but in some it's difficult for us to list the projects prior to them receiving approval.

MR. E. CONNERY: What proposals, then, in the last year, since we were in Estimates, have been approved?

HON. M. HEMPHILL: When I gave the information on the funding before, I didn't list the number of projects in each area. The total is 50 projects approved, combined in the seven programs.

MR. E. CONNERY: Total money - is that available?

HON. M. HEMPHILL: And the total amount of money is over \$6 million.

MR. E. CONNERY: Can the Minister also supply a copy of that along with the other material so we can have an idea of what is happening?

HON. M. HEMPHILL: Yes.

MR. E. CONNERY: I think we would now excuse the staff and we will deal with the Minister.

MR. CHAIRMAN: Can we pass the items on No. 3, please?

Items No. 3 (a)(1) to 3 (d)(1), inclusive, were each read and passed.

Resolution No. 25: Resolved that there be granted to Her Majesty a sum not exceeding \$12,176,800 for Business Development and Tourism for the fiscal year ending the 31st day of March 1988—pass.

We are now on No. 4. We have to pass that Item No. 4.

4.(a)(1)—pass; 4.(a)(2)—pass; 4.(a)(3)—pass.

Resolution No. 26: Resolved that there be granted to Her Majesty, a sum not exceeding \$2,135,000 for Business Development and Tourism, for the fiscal year ending the 31st day of March, 1988—pass.

Back to the Minister's Salary - the Member for Portage la Prairie.

MR. E. CONNERY: Mr. Chairman, one of the things I asked, and of course as you know we're on allocated time. I had asked the Minister's assistant, Maria, if we could have the Minister's response to the Tourism Association Resolutions. I don't need to have the response today, we don't have the time, but if the Minister could, then I would appreciate having her responses to them.

HON. M. HEMPHILL: Just to indicate, Mr. Chairman, these resolutions are a little more complicated than they normally are when a department just responds itself to the resolutions, because a number of the resolutions are addressed to other departments and we're in the process of coordinating them, but as soon as we have them, we'll be glad to make them available.

MR. E. CONNERY: It's a little easier for me to make a more simplistic answer, which I have done, and if we would have time, I would have liked to read the Minister's into the record, and my answer, but we don't have the time.

Mr. Chairman, in winding up, I guess I'm very concerned, and we're not dealing just with Tourism, we're dealing with Business Development. I would hope the Minister would take some of the things that we have said to heart. I would hope that the Minister would have a better interrelationship with other departments whose actions reflect upon the Business Development and Tourism industry, and they're both very important sectors of our economic livelihood.

I think the Minister has to stand up and defend her portfolio from some of the irresponsible actions of other Ministers. Increases in such things as the payroll tax, additional labour legislation, I'm not going to reiterate the whole works. I've put them on the record in my opening statement in both sectors.

I think the Minister could take a look at some of those things that I've said. I think I'm in tune with the industry and I think the Minister knows that in most areas that we are in tune with the industry, but a lot of those things run counter to the overall policies of this particular government.

I know the Minister, in public, has to defend the actions of the government, but I would hope that she would use a little more persuasion in caucus meetings to try to reflect some of the things that the industry

needs, if we're going to make some of the recoveries. This goes for both Business Development and Tourism.

When we look at the increasing alcohol costs and we see the downward trend in licensed restaurants, there is a correlation there between the two. The cost of gasoline, the highways that we have and it's not just individual highways, but our whole highway network needs to have an upgrading if our tourism industry is going to survive.

The other things for Business Development, we can go back all through it with Workers Compensation, now \$184 million or whatever it's going to end up at, it might be over \$200 million before we're done. This is not going to make it attractive for new companies to come into Manitoba or for existing companies to expand. I think the Minister wants to be very careful when we look at companies that are in the expansion stage, that that expansion could take them outside of Manitoba. So we have to be very, very cognizant of the climate that we have in Manitoba.

Programs, themselves, aren't going to be the salvation of business in Manitoba. A \$1.1 million Technology Adaptation Program or machinery, or whatever it is, is not going to go an awful long ways. It's only going to affect a very, very small number of individuals or companies and will not have any significant impact on the huge deficit we have in imported goods.

So, I would encourage the Minister to take a look at climate conditions first, then if her \$50 million program is put into place and is strategically used, I think it could be of an advantage to business, but I say strategically that it be used with companies that are going into products that maybe aren't already produced here or that there isn't sufficient production. We want to be very careful in programs that we don't help out one company to the detriment of another that's already established.

So, I think there's some dangers in programs and as I said, the CFIB report said, reduce taxes, reduce red tape, we would do without programs in favour of the other things.

I guess, Mr. Chairman, that would be the extent. I said last year we would give the Minister an opportunity. She's had a year and I'm not satisfied with the results of the year that we've had. Tourism has been a disaster. We found out yesterday that through a sampling of 2,500 people, we can get a distortion of what is happening within a province compared to fact. The facts are that the indicators say that aren't more people and yet the survey, and I'm sure the staff did it in a straightforward and honest way, but the results of the survey don't show what actually did happen within the tourist industry in the business community.

I'll spend some time with her staff member and our researcher because I am not happy with us having conflicting statistics and I would like to see us at least agree, or at least be comparing the same apples to apples and not apples to oranges which I'm afraid maybe we're doing now.

I think, Mr. Chairman, on that basis I would wish the Minister more success in the coming year because, as I said before, it's hollow victory to keep on saying tourism is down and this government is bad, but it's the people out there who are suffering, not the Minister, nor I. So, I hope the Minister, I wish her well, and hope

that this is a much more productive year, both in the business and the tourism sector.

HON. M. HEMPHILL: Mr. Chairman, I'll just say a few words because I want to make the Member for Portage la Prairie feel a little bit more confident and to have some of the confidence that the tourism industry themselves have.

If we take the concerns he raises about conflicting statistics, and say that maybe one of the most useful measurements of the pulse of the tourist industry right now are the tourism people out there themselves. We just in the last few days, had a meeting with the tourism TIAM board of directors, and it's interesting to note that they are feeling very buoyant, very confident, very happy and they are saying that, for instance, the President of TIAM now is an operator and says that not only for her operation, but for all of the others that she knows about, that their sales are at a record this year. One tourism operator who reported 1983 as being his best year and this year is now 5 percent ahead of the full best year of 1983 and they also report that their inquiries are just a record phenomenal number in all regions.

So, as far as the industry which is probably in a better position to feel the pulse than we do, when our statistics come in a month late, two months late, they're feeling it day to day and they are feeling good about this year. They feel that last year was down a little but they are feeling that this year is looking very good and they're feeling very good about it.

So I hope they're right and I hope that at the end of the season we're able to show overall, the confidence that they are communicating and demonstrating right now about the potential for this year.

I also want to let the Member for Portage la Prairie know that we do listen to what he says and that while we will point out areas where on statistics we have a difference of opinion or different information, it's important that, (1) we put that on the record, and (2) that we clear it up between us, which I think he is saying he wants to do.

But there are a number of times, and the Deputy Minister is still sitting back there and can nod, when you have made a point, that I have leaned over and said, "That's a darn good idea, I think you should follow up on that." And to mention a couple of them that stick in my mind, one was the point that you made that once we get people into our province the best thing we can do is keep them here one more day and I think that's true. We've already done the promotion, we've already attracted them here and if we can find a way to take them from their present plans and say there's something additional that's interesting to do close to the area you're going to be at, then we have benefited.

And I know - and I can't remember the figures - but I know if we keep everybody here one more day there's a very significant revenue to our province. And his suggestion that we look at our promotions - as I recall this is what he was suggesting we do - look at the promotions and make sure that they understand if they're in this region or this area, if they just take a little jaunt down here that there's something very interesting that they can see, that is very close to them,

I think that is an excellent idea. And I have asked the staff to look at it and to see if we can promote with that in mind to encourage people to stay an extra day or two and see something that is within a reasonable distance and they may be willing to just say, oh, that sounds really exciting; I think we'll stay over one more day or two more days and do that.

The other one was the suggestion about the loop this morning, talking with the Gull Harbour Resort and looking at that as a potential which is in the plan and the proposals for consideration, but I recognize that he's coming up with, doing quite a bit of thinking in some areas and coming up with some good ideas and we're going to go through Hansard and make sure that anything that he said that's a good idea, that's implementable or that's manageable that we can incorporate, I'm going to instruct them to take a look at them.

I only want to make one other point, that in terms of the health and education levy when we made the changes this year to double the level that was offset up to 100,000 for total offset and up to 150,000 for partially offset, it's the small business that benefited. We've now offset 95 percent of small businesses have total or partial exemption from the levy and that a lot of them are in the service sector, and a lot of those people are in the tourism sector.

So I think that that was at least - while it didn't go as far as the Member for Portage la Prairie wanted us to - it was at least some effort to recognize that the small business people and those in the service and the tourism industry are being given some help.

MR. CHAIRMAN: Thank you, Madam Minister.

Resolution No. 1: Minister's Salary 1.(a).

Oh, I'm sorry, the Member for Springfield.

MR. G. ROCH: Thank you, Mr. Chairman.

Given the fact that the Minister seems to be in such a cooperative mood . . .

HON. M. HEMPHILL: You want an information centre?

MR. G. ROCH: No. Tourism, we all realize is an important segment of the provincial economy and you seem to be taking the whole area of tourism itself very, very seriously, and I commend you for that. And there is cooperation between the different hospitality associations within the province and this department. Has this Minister or this government given any thought of separating the Department of Business Development and Tourism or at least creating a separate Department of Tourism? It's been a long-standing request from the various different hospitality associations.

HON. M. HEMPHILL: Mr. Chairman, actually it's not under active consideration right now and I suppose it's one of those things where there would be benefits and some problems in adding another department to the number of portfolios and departments that exist. As an overall thrust, it might be seen to be a problem. In terms of separating them there are reasons to keep them together I suppose, and one of them is that a lot of the tourism industry is small business. I'm amazed myself at the amount of correlation that there is between

what is happening in the tourism industry and what is happening in small business. The service sector is going to be one of the sectors where there is the greatest growth, the service sector and in the tourism industry. So it means that a lot of our programs and a lot of our support when we're directing them towards small business, we're directing support to the tourism industry.

My inclination right now would be to say there's more reasons, more correlation and more reasons to keep them together than there is to separate. I think the only reason for arguing for the separation which I would understand the industry perhaps wanting, is the image. My guess is that they would feel that if you separated it and made a separate portfolio of tourism you would be making a major statement about the importance of tourism. But I think there are other ways to do that and that we do benefit from having business and tourism tied together.

MR. G. ROCH: I guess we'll have to both agree and disagree on some aspects of that but I won't belabour the point anymore in the interests of saving time, but if ever at some point in time there possibly a thought given, or it becomes at least in the government's mind feasible to do so, please keep it in mind, I'm sure the industry would appreciate it. That's all my comments, Mr. Chairman.

MR. CHAIRMAN: Resolution 23: Resolved that there be granted to Her Majesty a sum not exceeding \$561,400 for Business Development and Tourism for the fiscal year ending the 31st day of March, 1988, Administration—pass.

That brings to a close the Estimates of Business Development and Tourism.

Is it the will of the committee to call it five o'clock or do you want to start . . . Mr. Minister do you want to start? -(Interjection)-

The hour now being five o'clock, we adjourn until eight o'clock this evening.

SUPPLY - COOPERATIVE DEVELOPMENT

MR. CHAIRMAN, C. Santos: Committee, please come to order.

This section of the Committee of Supply will be dealing with Estimates of the Department of Cooperative Development. We shall start with the opening statement from the Honourable Minister responsible for the department.

The Honourable Minister.

HON. J. COWAN: Yes, Mr. Chairman. It has often been said by the leadership of the cooperative sector across the country that co-ops form a strong third sector of our economy. Alongside the private and the public sector, cooperatives encourage stable economic growth and provide jobs and services to communities as they work to help improve the quality of life for hundred of thousands of Manitobans.

The Manitoba Government shares that belief in the cooperative sector as a strong force in our provincial economy and our social fabric. We have demonstrated that support and our commitment to the cooperative movement through both policies and programs.

We are proud of the progress that cooperators have made during the past few years as we have all worked together to build an even stronger cooperative sector. We've accomplished much by listening to each other and by working together. I am confident that there is much more yet than can be done as we continue on with that solid working relationship in years to come.

The record, indeed, is very clear. There were more new cooperatives incorporated in Manitoba in the past year than there were in any other year since records have been kept. The last three years, in fact, have seen more cooperatives incorporated than in the previous decade. Not only is the cooperative sector in Manitoba a strong economic force but, more importantly, it is a rapidly-growing force.

For example, last year Manitoba led the entire country in the number of co-op housing starts on a per-capita basis. That national leadership means that more Manitobans and their families will have affordable, democratically-controlled accommodations available to them.

It means over \$106 million in investment in our provincial housing stock. It means jobs for construction workers, managers and maintenance workers. It means decent shelter for over 2,800 Manitobans. There are more housing co-ops currently under development right now than ever before in our history. Through the Manitoba Government Co-Op HomeStart Program, more than 17 co-ops have been assisted.

This provincial program - one of the very few such provincial programs in all of Canada - has proven its value to hundreds of Manitobans and their families. Cooperators are always looking to new ways to make cooperation work. The Manitoba cooperators have a proud history of showing how cooperation can build a stronger province.

The recent Manitoba Government Employment Cooperative Program is one more example of how the government and the cooperative movement has worked together to create jobs, provide services and build a stronger economy. This \$1.3 million program, now in its second year, is unique in Canada. In those two years, 27 employment co-ops have been established. Many Manitobans owe their jobs to these co-ops. More than \$1.3 million has been injected into the provincial economy because Manitoba cooperators had the initiative and the courage to invest their own time and money into creating their own jobs.

Again, through that individual commitment and the help of the Provincial Government, Manitoba is leading the way for the development of new ways of building the province through cooperation. The financial cooperative sector, our credit unions and caisses populaires with their 1,250 employees, 334,000 members, and \$2.2 billion in assets, experienced another successful year of growth. An increase of 12.3 percent in assets for the credit union movement and 14.2 percent in assets for the caisse populaire movement clearly demonstrates an increased confidence in these important financial institutions by hundreds of thousands of Manitobans in communities right across the province.

Indeed, co-ops are playing an increasingly important role in the Manitoba economy. From day care co-ops to recreational co-ops, to retail co-ops, to producer co-ops, to fishing co-ops, and other co-ops through

the province, Manitobans are benefiting from cooperation.

The cooperative option offers many new opportunities for all Manitobans to build a more equitable and fairer society. Through innovative programs, such as Co-op HomeStart, the Employment Cooperative Program, development agreements with co-ops, the \$29.5 million loan to the credit union-caisse populaire movements, and targeted efforts in other areas, the Provincial Government has provided special assistance along with its normal ongoing activities.

This development work and its regulatory activities mean an expanding cooperative sector in which cooperative development takes place in a structured and stable environment.

Two new initiatives for the upcoming year deserve special attention. The first, now under way on a pilot project basis, is a Youth Employment Cooperative Initiative which calls upon existing co-ops to work with the youth in their communities to create employment through cooperative activities for young Manitobans. This initiative has been started this year, as was indicated earlier, on a trial basis, but the government is hopeful that the experiences gained over the next few months will enable a larger effort next year and more jobs and more opportunities for young cooperators throughout the province.

The second major cooperative initiative was announced as part of the government's Throne Speech, and is designed to help Manitobans establish gas bar co-ops where these cooperatives can result in needed service and/or lower gasoline prices at the pump. Experiences with existing co-ops, such as Thompson Gas Bar Co-op, prove that under the right circumstances, gas bar co-ops can result in significantly reduced gasoline prices for their membership.

The government is presently considering how assistance to Manitobans wishing to establish gas bar cooperatives can be best structured. Program details will be announced as they are further developed in the near future.

Indeed, the past year has been a banner year for co-ops in Manitoba. It is my hope, as Minister responsible for Cooperative Development, that with the ongoing cooperation of the cooperative movement, generally, and with the dedication and commitment of hundreds of thousands of Manitobans who belong to that movement, and tens of thousands of Manitobans who play a leadership role in that movement, we will be able to build upon the progress of the past couple of years as we move forward toward more and more cooperative development in the province.

MR. CHAIRMAN: We shall now hear the customary Opposition critic's reply to the Minister's opening statement.

The Member for La Verendrye.

MR. H. PANKRATZ: Thank you, Mr. Chairman.

As I have previously stated, I am also a co-op member and also a member of the credit union, and I believe credit unions definitely do have their place in society. I also believe that, to some degree, co-ops - like, for instance, when the Minister was indicating the new co-op in respect to youth employment - I think they can

be really advantageous to young people to see how business should be started. Something of that nature can give them an opportunity to get involved.

The gas bar co-op, well I'll question some of that possibly when he indicates, for instance, Thompson - to some degree, possibly it can be, but if it's at the expense of closing down other gas bars, I would possibly have to question that. In respect to the housing co-ops, what the Minister was indicating, here again, I believe it's a wonderful opportunity for people, possibly without financial assistance or without the financial backing, can get into a housing development or housing starts for them through the co-op movement, and then possibly sell them off like England is doing right now with their co-ops, on a reduced basis, and allowing the private sector to take over when the responsibility goes back to the individual people.

I'm waiting to go through these Estimates with the Minister. I believe that co-ops definitely have a place and I do not want in any way, shape or form to leave with the Minister, or with anybody else here in the House today, that I'm negative toward it because I definitely believe they have their place.

But, at the same time, I also believe there has to be strong administration, proper administration, and checked on properly so that you don't get a runaway of funds. Because, generally, when people do not have personal initiatives or personal expenses involved, personal things to do with it in that respect, then sometimes the cost on certain issues will skyrocket. We see it with some other instances as well.

So, with those few comments, I'm welcoming the Minister to go through the Estimates with me.

MR. CHAIRMAN: At this point in time, we cordially invite the members of the administrative staff of the department, if any, to take their respective places.

Deferring budgetary Item No. 1.(a), relating to the Minister's Salary, as the last item for consideration by this committee, we shall begin in consideration of Item 1.(b)(1) Executive Support: Salaries; 1.(b)(2) Other Expenditures, under the heading Administration and Finance.

The Honourable Minister of Co-op Development.

HON. J. COWAN: Perhaps before beginning, Mr. Chairperson, I can introduce the staff who are present with us at the moment. There will be others who will be joining us as we discuss the various areas of the department which fall under their area of responsibility.

To my left is the Deputy Minister, Mr. Dick Chenier; to my right is Mr. Greg Thomson, the Director of Management Services; and sitting next to Mr. Thomson is Mr. Vic Hryshko, Director of Development.

I'd also like to indicate, Mr. Chairperson, in thanking the Opposition critic for his comments that, as in the past, if he wishes, we can consider all the areas generally rather than have to go line-by-line; and I think that may make for a more efficient consideration of the Estimates.

As well, during the detailed questions that require specific answers, I'll be glad to provide them at a later opportunity, if that's agreeable to the Opposition critic, as well.

Mr. Chairman, I'm sorry, having one more staff just joined us, I might introduce him, as well. He's the Director of Regulation, Mr. Ron Pozernick.

MR. H. PANKRATZ: Mr. Chairman, to the Minister, could he explain - and let's go to (b) Executive Support, (1) Salaries and (2) Other Expenditures - what would those Other Expenditures be made up of?

HON. J. COWAN: The other areas, I believe, include Transportation, Communications, Supplies and Services, and Other Operating, which includes the charges that go along with staff travel and just running an office generally.

There is a more detailed explanation that can be made available if the member requires that, or we can go over why there are certain variances from year to year.

MR. H. PANKRATZ: Well, I believe it's on page 26 and there it's broken down, but on Other Operating it was \$8,000 and it's reduced to \$7,500. Basically, that's what my question was.

Where do you get the breakdown on the \$7,500.00. Is it possible you could make it in a little more detail?

HON. J. COWAN: I just want to clear my mind. The reference - is it the \$74,200 that the member is referring to under Administrative Support?

MR. H. PANKRATZ: No. I'm referring to the Other Expenditures of \$41,400.00.

HON. J. COWAN: I'll go through them as they appear on that page, I believe. The Transportation, there is a decrease of 40 percent there, which in percentage terms is relatively large, but because we're working off of a relatively small base it is a decrease of \$7,000.00. That's because of the decrease in the number of interprovincial trips. It covers the usage of the two government cars, a courier service, etc.

In respect to Communication, it stays the same. That covers telephones, advertising exhibits. If, after the Estimates, the Opposition critic wants to take a walk up to the third floor, or perhaps even the elevator, and walk down by my office, he'll see a display there on "Cooperation," which travels to different areas and provides Manitobans - generally at fairs and other events - some overview of what the department does. It is those sorts of exhibits that are covered in this and other areas of the department.

Supplies and Services again stays the same, and that's operating and office supplies, repairs and maintenance to the equipment, rentals, professional services. We also include in that the cost of the Co-op Week Notices, which are sent out every year during Co-op Week, and other fees.

The Other Operating, which is a 6 percent decrease, or \$500 decrease, is due to a decrease in the hotel and meal costs due to less travelling. It covers the cost for hotels, meals, computer-related charges, publications, employee education assistance, etc. So that figure, while there is a slight decrease there, can also be attributed to lesser activity in respect to travel generally.

MR. H. PANKRATZ: We can now move on to (c), Mr. Chairman.

MR. CHAIRMAN: Item 1.(b)(1) Executive Support: Salaries, under Administration and Finance—pass; 1.(b)(2) Other Expenditures—pass;

1.(c)(1) Financial and Administrative Services: Salaries; 1.(c)(2) Other Expenditures - the Member for LaVerendrye.

MR. H. PANKRATZ: Could I ask the Minister - what kind of specialized research service organization do you provide? Could you go into a little more detail on that, Mr. Minister?

HON. J. COWAN: Yes. In that area, the member will see an additional one staff year, I think, as well, which has been provided through the department to me, in my role as House Leader, which provides assistance during the sitting of the House and making certain we can run this operation as smoothly as possible, and also will be providing other assistance when we're not sitting.

In respect to co-ops themselves, they undertake research that deals with initiatives or areas that we want to gain more knowledge in respect to as a department.

For example, I mentioned earlier that there were two special initiatives that were being undertaken this year: the Gas Bar Co-op and the Youth Employment Initiative. The research work was done through this general area of the department by the planning individuals in respect to how we might shape that program. They didn't do all the research themselves, they were more or less the focal point for the research or the locus group doing the actual detail work. All staff members worked together and we have a very good staff in the department, a lot of years of experience just sitting at this table; no reflection on the individuals per se, but a large number of years of experience in the cooperative movement that gives us a good management team that can work with the planning area, so that we can build programs and initiatives that we think meet the needs of the cooperative sector generally.

When we dealt with the Employment Cooperative Program, originally as the Co-op HomeStart Program or the Utility Co-op Program originally, they were all in large part developed by the department generally with the specialized assistance of this particular component. It's not a very large research or planning branch, but we feel by working together we can keep it quite efficient and we can ensure that the work of the department in respect to new initiatives is undertaken on an ongoing basis. So the specialized research services that they dealt with generally in the past year have been in respect to forestry, co-ops, youth co-ops, health care co-ops, gas bar co-ops, a bit of continuation on our employment cooperative initiative. There might be some that I missed but I believe that gives a general overview.

MR. H. PANKRATZ: Mr. Chairman, to the Minister, it also states that development and a long-range planning to the department, and I wonder whether the Minister would be able to elaborate on the long-range planning.

HON. J. COWAN: Long-range planning builds, in large part, upon the day-to-day activities of the department and the needs we see that are here today and how we can respond to them, but, more importantly, goes on to try to cast a view to the horizon to determine what

evolving opportunity areas may come about for cooperation in Manitoba.

As well, these individuals are asked to, again, scan the horizon for problems that may be coming up, not yet fully defined, not yet fully identified, in the cooperative sector that we would want to sit down and discuss generally. So I think that taken in context what this group is doing is looking for those opportunity areas that mean that the department can respond quickly to evolving and emerging issues as they evolve and as they emerge, rather than having to wait until those issues are fully flushed out.

This is exceedingly important in areas where there might be problems, so that we can identify long in advance of the problem becoming a specific issue and demanding immediate attention. How we might wish to reduce the potential for that problem becoming severe, and we would then direct staff to go in and deal with a particular area.

So the long-range planning of the department is designed with those two purposes in mind. Again, we don't have a large-planning staff; we don't have a large research staff. It was much larger in the mid-Seventies, but we do believe we have the nucleus in place that can provide us with that sort of information as required.

MR. H. PANKRATZ: Well, Mr. Chairman, under 1.(c) Finance and Administrative Services, is that also the area where I could question the Minister in regard to Co-op Promotion Board?

HON. J. COWAN: Please, anywhere one wants to ask a question is fine with me. We'll just jump back and forth as required, if that's permissible with you, Mr. Chairperson. So I would be prepared to entertain questions at any time.

MR. H. PANKRATZ: Well, in this '85-'86 report, are these the present members of the Promotion Board?

HON. J. COWAN: Yes, they are.

MR. H. PANKRATZ: How do they get elected to the board?

HON. J. COWAN: As I have to admit, Mr. Chairperson, all these individuals were on the board when I came into the portfolio, so I can't speak to the specifics; but what I can say, generally, is they are appointed by Order-in-Council. The secretary to the board is usually the Deputy Minister of the department, and they are chosen on the basis of knowledge, interest and commitment in the cooperative movement. They are, hopefully, reflective of the province as a whole, and you will see that there are individuals from Winnipeg to Thompson, and from the rural areas as well, so that we get that sort of perspective on the board.

As for how these specific individuals were appointed, I can't be more definitive. I can tell you, however, if I were going to be looking at new appointments to this board, I would attempt to find, firstly, a cross-section of Manitobans that represent the demographics of the province as a whole because I think it's important that this board is reflective of the individuals it is designed to serve.

I would also attempt to make certain that there was representation from the different areas of the province so that when discussing activities, they would be able to bring to the board that unique perception that comes from being located in a specific part of the province.

There would also want to be a long-standing commitment and dedication to cooperative principles and to the promotion of cooperation in Manitoba.

Those would be the qualities that I would look for in the first instance. There would be more detailed qualities that would be discussed as one took a longer list to a short list. If the member opposite has any names in mind, I would be pleased to entertain them.

MR. H. PANKRATZ: Well, actually, from the comments the Minister made, I should take it for granted, but I'll still pose a question.

Are all of them co-op members?

HON. J. COWAN: Again, because I didn't choose the individuals directly and didn't go over their c.v.'s directly, I had to ask the question of those who were here when they were appointed, and I'm assured that they all had connections with the cooperative movement to varying degrees when they were appointed.

My understanding is that a number of them, including the Deputy Minister, have had a long association with cooperatives, and I can't speak on all the individuals, but the ones I do know have in fact had association with the cooperative sector over a period of time.

MR. H. PANKRATZ: Would you be able to indicate what their remuneration is, if there is any, and how much it would be annually and how much per meeting, whatever way you do the calculations?

HON. J. COWAN: My understanding is that it's \$40 per day plus expenses, out-of-pocket expenses, which isn't an exorbitant amount, a little bit less than I think we get paid for coming in to sit as committee members as members of the Legislative Assembly when we're out of Session, but it appears to be sufficient at this time.

MR. H. PANKRATZ: I'd like to go over some of the activities of '85-'86, the way it states in the book, and my first question would be:

What was the grant for, which the Manitoba Metis Federation of Brandon received, the \$1,000.00?

HON. J. COWAN: That was a seminar format we sent to staff there to provide an overview of Cooperative Development, and, as well, I believe some training. I attended a portion of that seminar; I believe it's the same one we're talking about.

At that time, there was a general discussion on how cooperation may provide an opportunity for the Metis community generally to undertake a number of initiatives which would benefit that community throughout the province, and by doing so, benefit the province as a whole.

We talked a bit about housing co-ops and how they fit in with the general tradition of the Metis community across the province. We talked about economic development and community development, hand in

hand, as to how cooperation may provide an opportunity for local MMF associations, or for the provincial body, to begin to work on economic enterprises from a cooperative perspective that would provide some return to the communities as well as stabilize the economic base of the community, and, more importantly, provide opportunity for individual community residents to partake in the economic activity in their own area, and, at the same time, earn a return on their work; in other words, through a cooperative model of the surpluses or the profits, if you will, of any economic activity would flow back to the community.

We also talked a bit about how generally the cooperative model can serve the needs of many remote communities which are largely represented by the Manitoba Metis Federation throughout the province.

MR. H. PANKRATZ: Mr. Chairman, to the Minister, the next - whatever number they are - are those basically all of them for just committee meetings or for that kind of convention, or do any of them go to specific projects?

The one that I'm specifically concerned about or would like to ask the Minister some questions on is the support to the Manitoba Regional Council of the Co-op College of Canada for Young Adults Seminar.

I would like to ask the Minister exactly how many did attend, where was it held, and what did the department basically gain out of it? And maybe he could just elaborate a little on the information that was reached.

HON. J. COWAN: There's a bit of a danger in the critic asking me to elaborate upon this particular one because it is an area of personal priority; and also, I have to tell him that I attended this particular conference as well, and I don't want him to think that I attend all the conferences. It's just that he happened to pick two that I feel very strongly about.

There were approximately 30 young Manitoba cooperators from across the province in attendance. They were chosen to attend by their own cooperatives in their home communities; they were sponsored by their own cooperatives. The assistance that we provided to them was of general nature, as you see - \$1,000.00. For that \$1,000, we gained a number of benefits.

One was I believe it's always important to talk to people about what you're doing and, in particular, to talk to people, who are most affected by what you're doing, directly with them.

The area of bringing youth more into the cooperative movement, as I indicated earlier, is a personal priority. We have a very strong movement in Manitoba, and it's built on many years of experience and a lot of dedication and commitment. But in order for that movement to continue to grow, to become even larger yet, to serve the province even more, it is essential and crucial that we have more and more young people coming into the cooperative movement.

Young people come into the cooperative movement in a number of ways. It may be that their parents are cooperators and instill in them a certain confidence and faith in the cooperative movement, in the policies and programs and the benefits of being a cooperator. It may be that they come in contact with co-ops in their own communities; it may be that they develop a

sense of cooperation through the school system, but whatever the reason for them coming into the movement itself, it is important that a certain percentage of them take up leadership roles over a period of time so that we have young people educating themselves to become the future leaders of the provincial movement, generally.

That's why we ask the co-ops themselves, or that's why the co-ops themselves, through the Cooperative College of Canada, chose the cooperators from their general areas.

We went there to talk to them about things we were doing, to ask them if there were things that we weren't doing that they thought we should be doing and to bounce some ideas back and forth, starting out with some ideas of our own and eventually picking up some ideas from them as to how co-ops can better serve young people in Manitoba and in their specific communities.

The benefits, therefore, were: (1) we were able to encourage young people to become better educated about the movement and hopefully take on leadership roles; (2) we were able to meet what we believed to be and hoped to be the future leaders of the cooperative movement in Manitoba; (3) we were able to get some feedback on those things we do and don't do; (4) we were able to bounce some ideas off them.

For example, this Youth Employment Initiative that we talked about earlier was an issue that was discussed there, and I don't recall now - it being so long ago - whether it was their idea or our idea. But what is important is that there was an idea at that conference or that meeting, seminar, that took shape and ended in a program which is designed to help young people get employment in the cooperative sector.

So those are the types of benefits that we received from what appears to be a very nominal grant of \$1,000.00.

MR. H. PANKRATZ: I should have, right away, asked the Minister to explain why, in the previous year, it was \$11,000 and reduced to \$1,000, the reduction in that, or am I not reading it correctly on this statement on page 15?

HON. J. COWAN: I'll check on that rather than hold up the proceedings. As soon as I get the answer, I'll give it to the member.

MR. H. PANKRATZ: You also undertook a survey and a research project to assist the board in determining cooperative promotion priorities and opportunities.

I would like to ask the Minister whether he would be able to table those research findings and what the comments were. Maybe he'd like to elaborate on some of them at this point in time.

HON. J. COWAN: The basic research related to the attitudes of Manitobans toward co-ops and other forms of enterprise. We have shared some of it generally with the cooperative sector, and we do that, or at least have done that, in the past when we've undertaken either focus groups or surveys of this sort. Certainly that which has been shared with the cooperative sector generally we can share with the Opposition. There'd be no difficulty in that regard. That would not be the entire survey.

There are some very specific parts of the survey which deal with new initiatives that we may be contemplating or deal with areas that we want to get a more detailed overview on - and when I say "we," I'm talking about the Promotion Board generally - and those parts, until they result in actual programs, are probably best contained internally within the Promotion Board. But, by and large, most of the work is shared with the sector and I'd be pleased to send that over or to have a meeting with the member to share that with him directly.

MR. H. PANKRATZ: Maybe the Minister could indicate - Westlake Corn Growers Co-op \$500, Northern Chip Production \$500, Northwest Rice Growers Co-op \$1,000 and the Maurepas Housing in Selkirk \$500 - maybe you could elaborate on them. Is this basically all for conventions or are these for specific projects?

HON. J. COWAN: The \$500 grant to Northern Chip Production was a start-up grant, and that includes some financing for a rental of halls or perhaps looking at some information to be provided on occasion, organizational assistance that they have to develop themselves.

The Westlake Corn Grower's Co-op Ltd. again was a start-up grant, the same with the housing cooperative. The \$15,000 for expenditures was on the School Awards Contest, again trying to get young people more involved in the cooperative movement by expanding their exposure and their knowledge to what cooperation means generally. Of course, we talked about the survey research some of which I've promised to send over.

MR. H. PANKRATZ: The Westlake Corn Growers Co-op Ltd., Ste. Rose du Lac, \$500 - did you indicate that was for growing the production of corn?

HON. J. COWAN: No, basically it was a start-up grant for the co-op itself, and that would include costs such as perhaps - and I'm not certain of specifics because each co-op uses it differently - but perhaps they may draft something or rent a hall or send out some postage, those sorts of general activities that are really preincorporation for a co-op where they're going through the organizational phase.

That's perhaps one of the most difficult phases for a co-op. You don't have a solidified membership yet. Maybe all you have is a good idea and a number of people want to work together and you have to get more people involved so you have to do some organizing. Maybe you need a bit of assistance to rent a hall because you haven't got a group yet that can start to finance that on their own and the co-op isn't bringing funds that can, over a period of time, provide financial assistance for those sorts of activities.

It's a general policy of the Co-op Promotion Board to provide anywhere from \$500 to \$1,000 - that may be less or more on occasion - for co-ops that are attempting to organize and require this form of assistance.

MR. H. PANKRATZ: I guess then my next question to the Minister should be: Did they form a co-op? I would like to apply that to the other organizations that received the grants as well. Did they form a co-op, let's say, for

instance, exactly like the Westlake Corn Growers and/or any of the others?

HON. J. COWAN: It's my understanding that of the ones he mentioned, all of them have, in fact, formed co-ops except for the Northern Chip Production. I'm told that it is not completely finalized in operation yet. In other words, we don't know whether it will or will not form a co-op, but it hasn't as of yet. Of course, the longer it takes for a group to form a co-op under these sorts of times, the more difficult it is in some instances.

But in respect to that particular one, the only one which has not become a co-op, we still leave it open to question as to whether or not they will be.

MR. H. PANKRATZ: I'd like to go to page 16, Schedule 1, where the money is invested in the Manitoba Hydro-Electric Board at 7.25 percent due on August 19, 1993. For what length of time was that and when was that originally scheduled, that bond?

HON. J. COWAN: That sort of detailed question I'd be glad to answer, but in order to ensure the accuracy of the answer, perhaps I can provide the information to the member at a later time, unless there's some requirement to have the answer during the consideration of these Estimates, in which case we'll have staff call someone.

MR. H. PANKRATZ: No, that's fine. If the Minister can get me that information at a later date, that would be fine.

I'd also like to ask, then, my next question. In regard to the next one, La Federation des Caisses Populaires, which is 11.3 percent term, due on July 22, and the Cooperative Credit Society of Manitoba, which is also on August 30, 1986 - pardon me, both due in '86 - where will that money be reinvested as of that date?

HON. J. COWAN: The first one with the Federation has been reinvested with them, and the second one that was with the Cooperative Credit Society of Manitoba has been reinvested with Me-Dian Credit Union in the city.

MR. H. PANKRATZ: Would you be willing to share with us at what rate and for what length of time?

HON. J. COWAN: It's one year in both instances, and the rate would be competitive. Let me find out exactly how competitive. We'll have to find out that detail. I'm told that it'd be about 8 1/8. It would probably be that in both instances, but rather than have to come back and tell the member that we're off by an eighth, or a sixteenth, or a thousandth, or even maybe more, I'd like to finalize that and get back to him at a later date, but I'm told they are within the general range.

MR. CHAIRMAN: The Member for Niakwa.

MR. A. KOVNATS: Thank you, Mr. Chairman. I have just a few questions to bring myself up to date.

I was involved with a mortgage today where my son had just purchased a home, and while I was talking to

the lawyer - the mortgage was under Montreal Trust, but I understand that the original mortgage came under caise populaire and then transferred over to Montreal Trust.

Can the Minister advise why this took place, why caise populaire gave up their mortgage business and transferred over to Montreal Trust, or is there some association with the Montreal Trust at this point?

HON. J. COWAN: It would be difficult to answer that question without the detail of the actual circumstance which the Member for Niakwa is outlining. I would be more than happy to do that, to have staff perhaps meet with him and take the detail. However, to answer his general questions, their association between the caise populaire and Montreal Trust, I'm not certain exactly what association he is suggesting might be there, but to my knowledge there is no official association. However, I would want to look at the specific case before being more definitive in my answer.

MR. A. KOVNATS: No, I really didn't want to get down into the final details. I wasn't investigating, but I know that in this particular circumstance, the mortgage comes due, I think, in January of next year and it was taken out with caise populaire. I was wondering if there would be some dangers in whether the mortgage will be upheld and, what were the dangers in the change in the first place. I was just inquiring. It's not that important.

HON. J. COWAN: Perhaps the Member for Niakwa and I can sit down with staff later and get the detail. We can find out the specifics for him and then provide him with a specific answer. If he feels it is required to bring it back in the House during question period or something, we could do that, but I wouldn't want to comment on that until I had that specific detail. We know of no areas that would require concern right now in respect to the issue he outlined.

MR. A. KOVNATS: Under Planning and Research, a little while back there was some staff - oh, by the way, before we proceed - I was driving back from Brandon. I had been to a meeting in support of the Member for Brandon West not too long ago, and when I was coming back the next morning, I just happened to be listening to that well-known commentator, Peter - I've forgotten - on CJOB . . .

MR. CHAIRMAN: Warren.

MR. A. KOVNATS: That's the one, Peter Warren. Thank you very much, Mr. Chairman.

I heard the Minister and I believe it was one of his staff that was with him, his Deputy Minister. There was something of some concern where somebody had phoned up and they were interested in starting a cooperative in some small town. I think it was a food cooperative. There were only about five or six people in the town and the Minister and the Deputy Minister, I think, had given some encouragement about starting a cooperative there which didn't seem to be reasonable inasmuch as there just weren't enough people there and I think they were going to start a delivery service or something to that effect.

But to go a little bit further, has the Minister investigated the opportunities or the possibilities of forming burial co-ops, or is there any such thing, or forming cooperatives to build winter roads in the North? Are there cooperatives on Indian reserves, or does that come under a special category, inasmuch as you know the Indian reserves are sort of regulated by the Federal Government?

But can the Provincial Government go in and form these cooperatives, inasmuch as there seems to be some help these people need in the North? They've had no competition in the Hudson's Bay stores, and I'll even mention a couple of names because I happened to be at a function where the Minister of Northern Affairs and I were at concerning the Hudson's Bay anniversary, and I know that the Indians may not have been treated fairly in the past. What is the cooperative movement doing to possibly correct this situation?

HON. J. COWAN: First things first. I appreciate the fact that the member was listening to Peter Warren, and indeed it was my Deputy Minister who was on the show with me and we had some interesting discussions that particular day, one of which in fact did deal with the issue of a small community in rural Manitoba.

The impression I received from the caller was that it had at one time been a larger community and had reduced in size and they had lost their services. He particularly wanted to see if the cooperative option could be used for a store to provide service to the community. My staff got in contact with him that very same day - the gentleman himself lives in Winnipeg, but owns property in the community which he referenced - and spoke to him about the opportunities.

I believe if the Member for Niakwa had heard my full comments on that, he would have heard me say that there are some areas where the critical mass is just not large enough for a co-op of a retail-store type to be formed. You need to service a population. If the population isn't there, you're not going to be able to service that population. But I did reference - at least I seem to recall referencing, I hope I did - the fact that perhaps they could look at a direct charge co-op, where they could bring in goods and store them in a basement or in someone's spare room. By that form of cooperation, they could provide the service to the community.

My understanding is staff had left an invitation open to the gentleman to call upon us, if he wishes to discuss the option further. I'm certain that was one of the options that was most likely discussed with him, and that option in fact can work in areas where you have a very small population. So while he may have had in mind a certain type of co-op, based on the Red River Co-op or the Federated Co-op, there are other types of co-ops that can be put together to provide services that don't require the infrastructure which would, in turn, require a large population base to serve. - (Interjection)- Funeral co-ops.

I'm sorry to spend so much time, but I have to tell my story. I use it in all my speeches and the Member for Niakwa has given me such a good opportunity, I'm certain that he would be interested in the analogy that I use when speaking to groups of cooperators.

You know, co-ops can form in many different ways to provide many different services and we, in fact, do

have a funeral co-op in Manitoba. It has been in existence for some time. We also have child care or infant care co-ops in Manitoba, and then in-between infancy and the unfortunate occasion that one might have to experience in order to use a funeral co-op, individuals can entertain all sorts of different activities by way of cooperation.

So, in Manitoba, what we really have is a cradle-to-grave cooperative system, and it is that sort of a system that provides those opportunities. I usually get more of a laugh out of that from what I received from the Member for Niakwa, but I'm certain that the Member for La Verendrye is laughing at least.

The point that has to be made is that almost any place or any time where there is a need, there can be a cooperative way of fulfilling that need. In the case of a funeral co-op, the membership requirements are kind of tough. On the other hand, it does provide a service.

I'm certain the Member for Niakwa was probably reading the same article I was not too long ago where I believe, in Prince Edward Island, they just formed a funeral co-op there and it made the national press. But we've had that sort of cooperation in Manitoba for quite some time.

In regard to reserves and co-ops, there are actually quite a few co-ops on reserves in Manitoba. To be somewhat critical, there probably aren't enough and there are probably a lot of opportunity areas where we can do further developmental work through the cooperative model on the reserves. But we are certainly not without precedent or not without some experience - a reserve in my own area, South Indian Lake. I don't know if the Member for Niakwa has been there, but he and I have travelled some reserves together in the past, but that has a co-op store, the only store in town, doing very well. It has a co-op day care centre, one of the few day care centres in reserve communities in Manitoba, and that's of recent vintage.

I have to admit that one was formed, incorporated and made operational while I was Minister of Cooperative Development, and we believe it provides an excellent model for other areas. We have fishing co-ops in a large number of reserves; there are some employment cooperatives that are being formed in remote areas. I'm not certain if any are on reserves themselves, but there's certainly nothing that would prohibit them from being on reserves. As a matter of fact, as a government, we would encourage their development on reserves.

The member asked a specific question about whether or not the federal jurisdiction on a reserve would prohibit us from having a co-op on a reserve. No, it does not, and in fact we as a government believe that there is a lot more opportunity in those areas than has presently been met or fulfilled. That's one of the reasons why two years ago we announced the opening of a northern office of Co-op Development - nothing grandiose. As a matter of fact, there's one staff person in it now working out of the provincial building in Thompson. But that gave us a presence in the North to help initiate cooperatives on reserves, in Metis communities, in industrial communities throughout the North by having a staff presence there. That person does a fair amount of her work on reserves, as well as non-reserve communities.

The other month, two months ago, I was in one of the communities in my own constituency, a reserve, Shamattawa, one where there is a very strong community will to make Shamattawa a better place to live. We were talking about some of the barriers to economic development in the community, some of the barriers to social development in the community, some of the problems they have. They told me that they pay over \$6 a gallon for gas. Think about that for a moment - \$6 a gallon. Now there aren't a lot of roads in the community, so one should say, what's the problem, or one could say, what's the problem? Not a lot of roads; you don't have a lot of vehicles. But when you think about where that community is located and the types of activities that community undertakes, they are very energy dependent.

For example, in order to cut wood, and the community survives in large part on wood for heating purposes, they sometimes have to travel 20-40 miles to get good stands of wood to cut, and they do that by skidoo. Every time they go and put a gallon of gas in their skidoo, it costs them \$60, and they can't bring that much wood back by skidoo because of the weight of the wood and the ability of the skidoo to carry a heavy load. So they have to keep going out 20 or 40 miles and coming back 20 or 40 miles in order to cut wood. It means that wood in that community costs about \$160 a cord to cut because of the high cost of gasoline.

There are two ways, and we discussed one of them at that time and we'll discuss another with them in the near future, that they, through cooperation, could cut down on that cost. One way we suggested is: Why don't they start a firewood co-op? They would get a number of individuals who would go out - we were thinking at that time about using the winter road but one can also use the river during the spring - go out, cut the wood, bring the wood down the river or on the winter road, cut large bulks of it using any programs they can to help assist with wages and sell the wood in the community at a much reduced cost.

They figured that they could probably sell wood in that community for under \$100 a cord and perhaps even \$75 a cord, almost halving the cost of cordwood for heating in that community. They use several cords a month to heat a house in that community during the winter, so that would represent a significant savings to them through the cooperative option. They would all be members of the co-op, and they would buy their wood from the co-op, and they would cut their wood through the co-op and that's an opportunity for them.

Of course, the other way that they might be able to reduce the cost is through a gas bar co-op which is an area that we've started talking about. We think one of the major opportunity geographic area for the province in respect to gas bar co-ops is in Northern Manitoba, particularly in rural communities.

So, yes, we think that there is a real need for more co-ops. There are already existing co-ops on reserves and Metis communities and we would like to see even more appear over time.

MR. A. KOVNATS: I'm not going to prolong the debate. I'm getting information that I find very interesting but the Minister had made a remark about some of the things - I have a very good sense of humour and I

know the Minister knows that. He made a remark about how I didn't smile or laugh at a humorous remark that was just made. - (Interjection)- Well, it was, I've just got to explain. Today's probably been the worst day that I've ever spent in the Legislature. - (Interjection)- Well, maybe it was partly your fault and I wasn't going to bring it up, but you know, I've never really been as upset as I have been today.

It's not just because of some of the remarks that were made but we have the old terminology, you know. You don't get mad, you just get even. Well, I hope that whoever had grievances today, on your side particularly, felt they got even and that's the reason that I didn't really feel like - I guess I'm just not in that good a mood. But anyway, I'm not going to prolong that particular part of the debate.

You have people in the cooperative movement by the name of Gauthier, I think was the director at one time? And Phil Jubinville - I don't think Phil was the Deputy Minister, but Assistant Deputy.

A MEMBER: Director of Administration.

MR. A. KOVNATS: Yes. Well, anyway, can you bring me up to date on whether these people would like to come back into the cooperative movement? Because it seems that they did a half decent job at that time. I've lost contact with them. Phil happened to be my neighbor across the street and he happened to be very, very political, as a matter of fact, but can you bring me up to date on what's happened with those people?

Just before we pass that part over, you didn't mention anything about winter roads cooperatives. You know, there happens to be some people in the North and I've had some contact with them, you know, up at Red Sucker Lake.

HON. J. COWAN: I wouldn't feel it appropriate to comment on what individuals outside of the employment of the department are now doing or not doing. However, I am told that we can put the Member for Niakwa in contact with the individuals which he referenced and I'm certain he'll find that they are undertaking activities now which are fulfilling, and they are enjoying what they're presently doing, at least I would hope they are.

I hope he appreciates the fact that once they leave the employ of the department, actually even while they're in the employ of the department, we shouldn't be discussing their personal lives. However, I do take his comments in the spirit in which they were intended, wishing them well, and we'll ensure that those comments are passed on to them, and perhaps, by way of that small act, we can renew contacts that have, for one reason or another, gone by the by over the past little while, and renew friendships and, through that activity, strengthen the relationship that we all have with each other as co-operators. So I do appreciate his comments.

Winter roads are presently, for the most part, constructed by local entrepreneurs, whether they be band, organizations or entrepreneurs in a community that hire local members to construct the winter road and, for that reason, have not really had the opportunity to be constructed by co-ops. However, if it was felt that a co-op could be formed to bring a winter road to a community - and there are ways that it might be

a logical way to proceed - then, certainly, I would be prepared to sit down and talk with those individuals, more so because most of the areas that require winter roads now that aren't presently part of the system are in my own constituency, and we're always looking for ways to improve conditions in the North and, in specific, the Churchill constituency.

So I would be prepared, as a matter of fact pleased, to talk to them about that option, and maybe the Member for Niakwa has given us a good suggestion in that area, and I hope he doesn't mind if I share with my constituents and others.

Red Sucker Lake now has its winter road for the information of the Member for Niakwa.

MR. H. PANKRATZ: I thought it would be appropriate for me to get up right away before my Member for Niakwa would get up again and absorb another 10 or 15 minutes.

So with that I'd like to move on, if I may, to the Co-op Loan and Loans Guarantee Board. I'd like to ask you on the first one, authorization, on page 10, and extension of the offer of a loan guarantee to a Weanling Improvement Sales and Service Co-op Ltd. The expiry date was March 31. Was that ever exercised, that loan?

HON. J. COWAN: No, that commitment was never finalized. The co-op itself became inactive over a period of time. However, if it's felt that there is an area there that can be served through the provision of a loan guarantee to a similar type organization in the future, we'd be more than pleased to review it.

MR. H. PANKRATZ: The next item is the Winnipeg Arts Club, and it states, "to obtain an additional \$50,000 in financing from Credit Union Central of Manitoba."

Could the Minister indicate to me what has been the total amount extended to the Arts Club?

HON. J. COWAN: Yes, we're working a bit in the past when we're working from the Annual Report, so what I'll do is provide an historical overview and then perhaps bring the member up-to-date because I'm certain he's interested in what's happening at present as well.

That reduction in our security, I believe, was negotiated at a time when the Arts Club Co-op was undergoing financial difficulties in trying to reorganize itself in order to stay afloat. So what we did, basically, was reduce the security, and I believe that's what's indicated in the report. That dealt, in large part, with leasehold improvements, equipment and furnishing.

The co-op, unfortunately, was unable to reorganize itself to the extent where it could survive, and that happens from time to time. It's not all that frequent a happening, but there are occasions when co-ops, in fact, like any other form of business enterprise, have to reorganize and sometimes don't do so successfully.

What we felt was required, as a government, considering that the Co-op Loans and Loans Guarantee Board had a financial stake in the operation of that co-op, was to ensure that our guarantee was solid, the guarantee being with the Central, I believe, directly. So we wanted to certainly, because of our association with the Central, see the loan paid back for their benefit, but as well for our own benefit.

So when the club was shut down, the co-op was shut down and adjudged bankrupt, which was in November of 1986, there was a trustee appointed. The trustee negotiated the sale of the club to a new corporation. There were some contingencies in respect to that agreement. One was that a cabaret liquor licence be provided, and the other was the continuation of the financial package, of which we were a member. The licence was granted and the new corporation opened in late March of '87.

Credit Union Central does have an agreement with the new operators in respect to the financial package and the guarantee. We believe that our security and our liability that was in place previously is in place now, as a matter of fact, we know that. We also believe that this new club has a very good chance of success, and if it is, in fact, successful - we believe it will be so - then our guarantee will expire over a period of time and we will not have lost any of the guarantee which we put up earlier to the Winnipeg Arts Club Co-op.

MR. H. PANKRATZ: Well, I understand the Winnipeg Arts Club received \$100,000 loan guarantee; am I not correct on that?

HON. J. COWAN: All we had guaranteed in that instance was \$100,000, so that's where the \$100,000 figure may be applicable in the mind of the member, because we've talked about it in this Chamber, and that was the extent of our commitment, \$100,000.00.

MR. H. PANKRATZ: Was any more money extended to the new club, which I believe the Minister indicates that a new club has taken over; has any more money been extended to this present club at the present time?

HON. J. COWAN: No, we didn't provide any direct assistance to the new club. As a matter of fact, we didn't provide direct assistance to the Winnipeg Arts Club, we provided it through a guarantee to the Credit Union Central. But it's my understanding that the Winnipeg Arts Club, before it went bankrupt, paid down \$11,000 of the loan; so the guarantee we had in place was only for \$89,000.00 That has continued.

Now I have to tell the Member for La Verendrye that given the constraints of the House, and the demands of being Minister of Cooperative Development and House Leader, I haven't had a chance to visit the new club yet. I'm looking forward to it perhaps in August or September, when we get out of here, to be able to visit the new club. I understand it's doing quite well, but I hope to be able to make a personal report to the member during the next Session.

MR. H. PANKRATZ: Well, I understand there was also a Jobs Fund grant to the club. Was there a stipulation that if it would fold like the Winnipeg Arts Club, that this grant would be repaid, or was that just a straight outward grant? Maybe you could answer that, Mr. Minister.

Also, my next question would be: has this new club received any one of those similar grants as well?

HON. J. COWAN: It would be difficult for me to answer the detail of that as I was not involved directly as

Minister responsible in respect to that particular grant or any other grants that may have been provided to the new club. But what I will do is take that question as notice on behalf of the Minister responsible for the Jobs Fund and have him report back to the Member for La Verendrye directly.

It is important to note that during the life of the co-op, approximately 25 full- and part-time jobs were created. I imagine some of those were created from the Jobs Fund grant itself, as well as from the fees that the members paid to belong to the co-op, as well as what they paid when they visited the Arts Club. So I'm not certain whether there would have been a requirement to pay back the grants if in fact the jobs had been created and there's probably every reason to believe that they were created.

Organizations have accessible to them and available to them opportunities to put grants in under the Jobs Fund. Their applications are dealt with under established criteria. I would imagine if the new club met those criteria - I'm not certain whether it does or doesn't - but if it met those criteria, it would receive a grant if money was available; if not, it wouldn't. It would be dealt with as any other organization or entity.

MR. H. PANKRATZ: I'd like to ask a few questions, if I may, in respect to the Lakeshore Metis Land Improvement Co-op Ltd., and I did ask the Minister a couple of weeks ago in the House a question whether the payments were up-to-date and he indicated they were.

At the same time, my question to the Minister would be: Have the number of acres also been cleared as I believe stipulated in the original agreement?

HON. J. COWAN: There have been some changes in the repayment schedule over time which had been discussed in the House, but they have, in fact, as of the most recent payment, prepaid part of the payment which comes due in October. So when I indicated to the Member for La Verendrye that they were ahead of the present schedule, that in fact is the case.

Now in respect to the number of acres that have been cleared, I wouldn't have that information, nor would the department have that information. We're primarily concerned with the repayment of the loan, but we could find out from the membership of the co-op themselves as to what sort of acreage they have been able to clear and report back to the member if they wished us to make that information available. Of course, it is a separate, independent entity and we have to respect their privacy. However, I don't think there would be any difficulty in providing the information to the Member for La Verendrye.

The only way that they can repay - well, I shouldn't say the only way because they can take money out of their own pocket. They can sell a cow or something in order to pay back some of the funding. But I believe the primary source of the funding for repayment was based on the acreage that they cleared. So if, in fact, they have prepaid what they were going to owe in October, it would seem to indicate that they are clearing the acreage as they had anticipated. I know in the first year they did have some problems due to weather, but in a year like the past year, they probably have been able to make up time.

MR. H. PANKRATZ: Well, I believe the Minister said also, then, maybe give them some kind of advice in regard to financing, because when the loan is an interest-free loan and then make free payments, that's also, I think, partly poor management.

But I would want to ask the Minister: It was required, I believe, and I'm just going from memory that something like 372 acres were supposed to be cleared. What class of land is being cleared? Can the Minister indicate to me what class of land is being cleared?

HON. J. COWAN: I'm going to have to seek advice from those who are more familiar with the area and more familiar with the process and report back to the Member for La Verendrye. I can't really tell him at this point in time what class of field is being cleared, but I'm certain that information is available.

MR. H. PANKRATZ: Well, actually, Mr. Chairman, I'm just trying to indicate to the Minister that there are co-ops and there are co-ops, and you can start up co-ops which don't have an opportunity to basically get off the ground. This is one which I believe needs some serious attention from the Minister personally. I believe there was an ARDA grant available, and I think the Minister maybe got overzealous at that point in time and wanted to capitalize on the federal money, which he naturally did receive for the group, but I don't believe, as a co-op as such, that's one that we can look at and that's being basically a worthwhile co-op because, first of all, when you break up land, which I believe the classification of the land is such that you wonder whether it's worth the breaking in the first place, and then you get federal monies as well into it. With that, though, I'm not determining that co-ops are bad and I hope the Minister will not construe from my remarks that is what I'm trying to say.

But I think he should get, personally, a little more involved as to the workings of that organization and maybe some of the other grants, that the monies that are being made available are not being just taken advantage of for the sake that there is federal money available.

With that, I think I'll conclude my remarks, unless he has any that he wants to make at this time in that respect.

HON. J. COWAN: I knew this time would come - the Member for La Verendrye and I disagree.

I believe in this instance, and let's not talk about the particular co-op. Let's talk about what's happening generally.

There were a group of individuals who felt that they, through a cooperative effort, could improve their quality of life, improve the economic stability of the community in which they live, and bring benefits back to themselves, their families and their neighbours by forming a co-op. It doesn't really matter what their class of land is. It doesn't really matter that there was federal money involved. It doesn't really matter whether or not this is a good, sound decision from the business perspective. What matters is these individuals felt it was important to their future.

I would agree with the Member for La Verendrye, if, in fact, the members themselves had not put up a

significant financial commitment of their own. They signed personal loans to the amount of \$2,000, \$3,000 on this loan. They signed those loans because they believed in what they were doing, and they knew that if this project failed, if it didn't succeed, their houses were at stake, their savings were at stake, their future was at stake. When you have that sort of a commitment, I feel, as a government, we should provide whatever assistance we can under the established program guidelines and that's exactly what we did in this instance.

I would like to see more groups like that come forward, quite frankly, and I would like to provide more low-interest or no-interest loans to groups like that, that need that benefit, because I think by acting together and working together, they are accomplishing what we can't accomplish as a government and they are accomplishing what the business community can't accomplish because it has different motivations; and I think the fact that we have more land cleared, no matter what the class, so that it could become productive, we, in fact, have improved the quality of life, particularly in that particular area of the province, but for the province generally. So I'm afraid we're going to have to choose to disagree on that one.

I will remember his suggestion, though, that I become more personally involved in reviewing loans like this in the future, and I will certainly hold it to him in case there's ever a criticism on my becoming too personally involved in decisions of this sort in the future.

MR. CHAIRMAN: 1.(c)(1) Financial and Administrative Services: Salaries—pass; 1.(c)(2) Other expenditures—pass.

There will be no resolutions until we pass the Minister's Salary.

Item No. 2., Cooperative and Credit Union Development and Regulation, 2.(a)(1) Cooperative and Credit Union Development: Salaries; 2.(a)(2) Other Expenditures - the Member for La Verendrye.

MR. H. PANKRATZ: Mr. Chairman, this is a field that I'd like the Minister to elaborate a little bit more on, if he would, as to . . . Maybe we could start off, first of all, by indicating to me whether the credit unions, and I'm going to jump a little bit from credit unions here to the Stabilization Board as well and possibly back and forth. But I have some concerns in this respect when this Stabilization Fund, the 29.9 for credit unions and caisses populaires, I believe that agreement expires in July.

Will that agreement be renewed now in July?

HON. J. COWAN: There will most likely be an agreement of some sort in place between the parties which are, or were party, to the 1982 agreement. It will not be the same agreement, assuredly so. It may not even bear any resemblance at all to the previous agreement, but there will be a continuation of an agreement between the government and those parties with the purpose in mind of trying to build upon the successes of the past five years under the 1982 agreement and position ourselves for a time in the near future when no such agreement is necessary.

But we feel there is a transitional period of time under which we should operate within the context of an overall agreement.

MR. H. PANKRATZ: Mr. Minister, maybe you'd like to indicate to this House: What is the amount of contribution? What is the rate of contribution that the credit unions and caisses populaires are contributing towards the Stabilization Fund at present?

HON. J. COWAN: The two systems are contributing different amounts. The credit union movement is contributing one-quarter of 1 percent, and the caisse populaire system is contributing one-quarter of 1 percent of total assets, plus a special levy of one-eighth of 1 percent of total assets.

MR. H. PANKRATZ: The Minister is speaking of possibly having a new agreement. Are you contemplating possibly increasing that rate, or what are your long-range intentions of providing that type of funding for the Stabilization Fund if you so desire to remove the interest from the 29.5 million?

HON. J. COWAN: Without wanting to get into the details of discussions which have taken place, because they are in large part negotiations and one should not negotiate in public, in respect to the new agreement, I can indicate to the Member for La Verendrye exactly what I indicated to the two movements.

If, in fact, they are going to seek assistance from the Provincial Government, I believe they should look, in the first instance, to their own house to ensure that they can provide the most self-help possible within the context of any agreement. There are different ways of doing that. It doesn't always mean increasing a levy, although in some instances that may be the preferred option.

I very clearly indicated to them, upon the initiation of the discussions with them, that we're prepared to sit down and talk about how we can work together to continue the intent of the agreement to build a stronger credit union-caisse populaire movement in the province, but, at the same time, I want them to look at themselves to see how it is they can help themselves. I think when it comes time to announce the agreement, the Member for La Verendrye will agree with me that they have done that and they've done that in good faith and, hopefully, it will have the results which are intended.

It does not in each instance - and remember, the two systems were dealt with differently - mean an increase in a special levy, but there are other ways of accomplishing self-help as well.

MR. H. PANKRATZ: When the Minister indicates that there are other ways of creating or providing that self-help, would the Minister be willing to elaborate a little more on that?

HON. J. COWAN: First, by way of a clarification, when I said it was one-quarter of 1 percent of total assets, it's actually one-quarter of 1 percent of savings and deposits and one-eighth of 1 percent of savings and deposits. I just wanted to make certain the record was clear in that regard.

There are a number of ways that the movements can help themselves, that go beyond levies. One is for them to look at how they use their cash flow to assist each other. Some credit unions are in a very good

position; some credit unions are in a stable position, but not a high-growth position; other credit unions, from time to time experience difficult times that they have to move their way through. But, as a movement, they're a family and they have to work together with each other. Just as if you or I had a brother or sister or a parent or a sibling or a close friend who needed our assistance and we were in a position to assist, we might try to find ways to help that individual and, hopefully, they would try to find ways to help us if that was required.

That's the type of cooperation among cooperators, which is one of the six principles that we see as being part of the self-help they can provide to each other. There are other ways as well through their organizations, through the Central, through the Fund and la Fonds, and through the Federation, they can provide services to each other, they can provide assistance to each other, and what we ask them to do - without telling them what we want them to do - is look at all the innovative and creative ways that they felt might be appropriate to provide for self-help. We think they've come up with some innovative and appropriate ways, but those will have to be finalized yet during the course of our discussions and negotiations with them, and I wouldn't want to comment on them specifically until that time.

But, certainly, after the agreement has been announced, and that would hopefully be the case in the very near future, given that the old agreement is running out within a matter of weeks, then I'd be more than pleased to discuss how those self-help mechanisms will build a stronger credit union-caisse populaire system.

With credit to the Member for La Verendrye, and I think one should give credit where credit is due, this is one of the areas that he's been very strong in his conversations and discussions with me, that the system itself has to look to itself for pulling the system or the movement out of difficult times. Well, sometimes you can do that, sometimes you can't, and you need some assistance. In 1982 was a period of time where they needed some assistance from some friends, and I'm certain that we're all friends of the movement within this room. There are other times when they need less assistance and there will be times when they'll need no assistance.

What we've tried to do in the transitional period is say we can be of some help, but it's much more limited than in the past. But what you have to do is look at how you help yourselves, because in the end the strength of the system - as the Member for La Verendrye has said so many times - depends on the ability of the system to sort out its own problems internally, and to ensure that the overall global membership is well served and that the individual credit unions are effective and efficient. I think that's what we're working towards with this new agreement.

MR. H. PANKRATZ: Well, I have some reservations about some of the comments that the Minister made and I'm just wondering. Are you implying that basically the credit unions that are stronger, you are just going to be demanding more from the stronger credit unions which are the ones that are doing well?

My next question will be - that's one of them which I would like to see answered - we also have credit

unions and caisses populaires possibly in which the management is maybe weak in the management side. This is why they are in this trouble. Does your organization, does your board, have the power to remove some of these members and maybe also close down some of these credit unions that are in such a position whereby they will just be using the funding of the Stabilization Board forever, where you don't see that they can function properly?

Maybe my next question to the Minister would be something of this nature: Do you allow that the credit unions themselves have a committee which can say this credit union is not functioning properly anymore; it'll have to be eliminated; it'll have to have closure or something of that nature? Is that in place that this could happen?

HON. J. COWAN: There are a number of questions contained within the comments by the Member for La Verendrye.

Should the strong credit unions and caisses populaires help the weaker credit unions and caisses populaires? Yes, I believe they should, but I believe it should be a merciful type of help. Not the type of help that prolongs an agony, if in fact there is an agony, but the type of help that allows a credit union or a caisse populaire to move its way through temporarily difficult times in order to survive those times and build for the future.

There have been credit unions that have been merged in the past number of years, a significant number of credit unions that have been merged in the past number of years, and caisses populaires as well. There will be more, although I think we're through the bulk of it now, but that's not to say that time may be such that more mergers of a more significant nature are needed. The overall intent, of course, during the time of merger has to be to protect the interest of the members who have deposits and have financial affiliation with the credit union or caisse populaire by themselves.

So when you merge, you just don't set down the credit union or caisse populaire; you try to merge the activity of that particular financial institution into the activity of another stronger caisse populaire or credit union. So that's where the weak can help the strong.

The Stabilization Board, by the way, can provide assistance, direct financial assistance, during that time of merger to assist the stronger unit to help the weaker unit. But some of the risk and some of the commitment has to take place on the part of the stronger institution. Why do we merge? Well we merge because a credit union is not a viable institution in a particular instance. It may be a matter of timing. Perhaps when it was formed, there was a different economic base in the community, there was a different level of activity and transition has taken place over a period of time, and there's no longer the need for a credit union there and they can only survive where there is a need, so you merge them with another organization in a same general area to provide the level of service; and perhaps you leave vestige behind, a bit of it behind, perhaps you don't, or perhaps even expand it through another technological innovation such as an automatic teller machine or something. Those are all options that are available, but you do pull it into another one. They merge because perhaps there was weak management.

Of course, a first and preferred solution would be to strengthen the management; and that's why we had our performance improvement programs in the early part of the agreement, that's why the Central and la Federation provide training programs, that's why the Stabilization Board monitors and tries to identify, by way of a watch list, where there might be problems so we can go in and deal with a specific manager.

Just as there have been mergers over the past number of years, there have been changes in management, senior level management, at some credit unions and caisses populaires to strengthen the management. There's also been opportunities provided to existing managers to strengthen their own skills. So you have both ways working to provide very stronger cadre of managers for those institutions. I guess they're like any other institution; they have some strong managers and some weak managers. What you try to do is strengthen where you can and change where it's necessary.

The board can do that. The board can effect a merger. It can put a credit union or caisse populaire under supervision. Now when I say it can effect a merger, it wants to do so in cooperation with the credit union and caisse populaire in which you merge in the weaker one. I mean that has to be considered as well. But, certainly, the Stabilization Fund and la Fonds de sécurité have put credit unions and caisses populaires, respectively, under supervision and will continue to do so, if that's necessary.

So they already have that power in essence. Whether or not a committee of the different credit unions should have that power is a difficult issue. I guess, in effect, because the Stabilization Fund and la Fonds de sécurité are made up of representatives that have an interest in the system, and because the Central and the Federation are made up of their members, there is a committee, in effect, which can make some very strong recommendations, but I think it has to be the Stabilization Boards themselves that make those final decisions.

The purpose, of course, would be to rationalize the system in such a way as to provide the most effective and efficient system possible, and that's happened. In the last 10 years, credit unions, by themselves, without the caisses populaires factored in, have gone from 128 to 95. Some of those are that much larger because the total assets is growing, but in fact they are rationalizing and becoming more effective and more efficient.

So I see the Member for La Verendrye looking for the numbers - from 128 to 95. I think what we've accomplished as a result of that - when I say "we," I'm not talking about the government; I'm talking about the system as a whole - is a stronger, more effective, more efficient system. We have some ways to go yet, and we have some changes to make beyond what have been made; but I, over the past five years, have learned how to make those changes and the system is now more secure and stronger than ever before.

MR. H. PANKRATZ: You indicated that the credit unions and caisses populaires were paying .25 percent on their savings and to the Credit Union Central.

My question - I didn't quite get your answer on that, Mr. Minister - and that was whether you're capping it

at that, or whether you have intentions, as of the new agreement, to possibly increase this, or whether possibly you should make it per credit union as a maximum, whereby you would not be penalizing just the good credit unions or the ones that are operating efficiently; and, on an ongoing basis, subsidizing some credit unions which, as you have already indicated, when you see the drop from 128 to 95, there are some that have to go on the wayside, some have to close down. Naturally, they have to be helped out of their financial crisis, but having done that, either they should be able to float on their own or they should have to close their doors.

I believe the Minister should give us here today some indication as to how he stands on that position.

HON. J. COWAN: Perhaps I can answer that question after Private Members' Hour and the adjournment and reconvening of the House at eight o'clock.

MR. CHAIRMAN: The hour is now 5:00 p.m. I'm interrupting the proceedings of the Committee of Supply for Private Members' Hour. Committee will return at 8:00 p.m.

Call in the Speaker.

IN SESSION

PRIVATE MEMBERS' BUSINESS

RES. NO. 14 - MANITOBA LABOUR LAW

MADAM SPEAKER: Private Members' Business. On the Proposed Resolution No. 14, the Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, I move, seconded by the Honourable Member for Pembina,

WHEREAS Manitoba labour law is frequently cited as a key negative factor in investment decisions which benefit workers in other parts of Canada, to the disadvantage of Manitoba workers; and

WHEREAS the Canadian Charter of Rights and Freedoms provides for freedom of association, thought, belief, opinion and expression; and

WHEREAS the prohibitions contained in section 6(2) of The Manitoba Labour Relations Act foster a climate of mistrust and confrontation between employers and their employees and constitute an anti-employer bias contained in Manitoba law; and

WHEREAS the certification and cancellation of certification provisions of The Manitoba Labour Relations Act are viewed by investors as a disincentive to investment in Manitoba and by workers as restricting their choice of bargaining agents; and

WHEREAS the successor rights provisions of the act discourage potential employers by forcing them to accept collective agreements to which they were not signatories; and

WHEREAS none of the above provisions of the act received the concurrence of the Labour-Management Review Committee.

THEREFORE BE IT RESOLVED that this House urge the Government of Manitoba to repeal or amend those sections of The Manitoba Labour Relations Act which

do not recognize the fundamental freedoms set out in the Canadian Charter of Rights and Freedoms; and

BE IT FURTHER RESOLVED that The Manitoba Labour Relations Act be referred to the Standing Committee on Industrial Relations for study, reception of public representations and report.

MOTION presented.

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Thank you, Madam Speaker.

You'll notice, Madam Speaker, I am wearing a new jacket today, specifically for the purpose. The Minister earlier today was kind enough to make reference to it and as soon as that happened I got worried. A compliment coming from this Minister and knowing his dress code does make me nervous in the extreme about my own wardrobe, Madam Speaker.

Madam Speaker, the resolution I have put down in this House goes to the very heart, I think, of some of the things that our forefathers have fought for over many wars and over many years. It goes to the heart of the issue of the freedom of the people of Manitoba. Freedom to choose and freedom to express themselves and freedom to associate themselves with whomever or whenever they wish. That was one key reason for my tabling this resolution in the Legislature, Madam Speaker.

The resolution says that Manitoba labour law is frequently cited as a key negative factor in investment decisions. Recently the Minister has been poking fun, as I parrot some of his own statements, the Minister pokes fun, suggesting that I would accept his statements that Manitoba has a very good labour relations climate.

Madam Speaker, the Minister is about the only one that I know of who really believes that. The fact that he does believe that, tells me that he's an incompetent Minister and should not be the Minister of Labour, given some of the circumstances that have arisen in this province since the New Democratic Party Government of this province brought in labour laws, which have basically stacked the cards in favour of organized labour and organized labour leaders in this province.

Madam Speaker, the Canadian Federation of Independent Business which surveys its members right across the country, has come to the conclusion that Manitoba is the worst place in all of Canada where one should invest, if one is looking towards making a profit and creating employment for working people.

The Charter of Rights is the fundamental document of our country. It is the document around which all other legislation must revolve. Madam Speaker, the Charter of Rights does provide for freedom of thought, belief, freedom of expression and speech. I have raised on many occasions, the issue of a number of the sections in The Manitoba Labour Relations Act, which, in my estimation, and certainly in the estimation of many others, transgresses that basic fundamental law.

The Minister of Labour has consistently refused to subject The Manitoba Labour Relations Act to the scrutiny of Charter of Rights compliance. The Attorney-General is in the same position. The Attorney-General supports this Minister of Labour in labour legislation,

which deprives average Manitoba men and women, working people, of their fundamental rights which are supposed to be guaranteed by our Constitution.

So when workers of this province need help - I've said it before, Madam Speaker, they don't have to look to the Minister of Labour, because they already know that help is not forthcoming from this Minister. If your name happens to be Christophe or Zimmer, things might go better for you, Madam Speaker.

Madam Speaker, our labour laws make it so that even we here in our own Legislature, are not able to . . . We, in this House, of which we, as members, are supposed to be the masters, are not even able to deal with our own labour relations problems due to The Manitoba Labour Relations Act.

As Your Honour will recall, there were comments made in the news media recently or a few weeks back, about some of the employees of this place, who are dissatisfied with certain working conditions. I was asked about the matter and, Madam Speaker, because of the provisions of The Manitoba Labour Relations Act, I, as a member of this Legislature, was frightened to speak out and to say anything about the issues at hand because of what we have in our labour law. I may have been subjected to charges of unfair labour practices.

Not at all unlike the plight of one Jennifer Campbell, who we now find has had the unfair labour practice charge against her dropped. We can only wonder why that is. Was it dropped because there was no evidence? If that was the case, since when have unfair labour practices charges been dropped because of lack of evidence? When did that procedure start? Because, as we know, plenty of unfair labour practice charges are laid routinely by unions in this province under The Manitoba Labour Relations Act, where no evidence whatsoever exists. Or was the charge dropped for political reasons, because we happened to bring it up in this House, and because it was reported on in the newspapers?

Is that why the charge against Jennifer Campbell was dropped? Jennifer Campbell is an 18-year-old young woman, Madam Speaker. My daughter, my oldest daughter is 17, and I shudder to think if a year from now in her working career, I shudder to think if she has to be faced with the type of circumstances Jennifer Campbell has had to face. I really am concerned for future generations of Manitobans, who may have this perhaps naive outlook on the way we do things in this province, and that we do enjoy the benefits and the rights bestowed upon us by the Charter of Rights and Freedoms.

But The Manitoba Labour Relations Act runs counter to that Charter in many, many respects. The certification and cancellation of certification clauses in The Manitoba Labour Relations Act have led to all kinds of difficulties in the recent past, Madam Speaker.

Last Thursday evening at the Standing Committee on Regulations, we were dealing with several bills. One of them was Bill No. 4, which repeals certain statutes and reenacts them. Some members of the work force at Sooter Photo Lab in Winnipeg took advantage of that opportunity to come forward and to let their thoughts on the matter be known.

Madam Speaker, another young woman by the name of Linda Simpson came forward to complain to this Legislature about her experience with the union drive

at the Sooter Photo Company on Sherbrook here in Winnipeg. I'd like, rather than using my own words, I would like to use some of the words of this witness who appeared before the committee. And I quote, Madam Speaker: "Where do we turn for help? Certainly not our employer, that wouldn't be legal. Where can we go for a fair hearing if the Labour Board, so it would seem, does whatever the union tells them to do."

Madam Speaker, whether the Labour Board does whatever the unions tell them to do or not, that is certainly the perception out there. In the minds of many, many workers, certainly the workers at Sooter and at Springhill, that appears to be the case for these workers. Where can they go if they can't go to the Labour Board, which, as this government will tell us, is a judicial body? Well, I don't know of any other judicial body which allows its members to continue to donate money to a political party as the Manitoba Labour Board does. Or is it not a judicial body?

If it's not a judicial body perhaps the Minister, if he wants to get into this discussion today, can describe for us how it is that members of the Labour Board can contribute donations to the New Democratic Party, to the Progressive Conservative Party, perhaps even to the Liberal Party, if this Minister will allow any Liberals on that board. The fact is: I don't say, I make no comment about that except to say I wouldn't be calling that a judicial arm of any government. When we see some of the decisions that have come out recently, Madam Speaker, it's a matter of some concern.

I don't like to read from these presentations at length because of the shortness of the time, Madam Speaker. But I commend reading of the Hansard for that committee to all honourable members of this House. I can't help but comment though, that the Attorney-General, as a member of that committee, was present. Just as Miss Simpson got started on her presentation, the Attorney-General was there, attempting to stifle this young woman from putting forward her opinions, and from exercising her freedom of speech before a committee of this House.

Madam Speaker, it didn't take very long before we were able to convince the Attorney-General to back down, but then he reared his head again, Madam Speaker, and he attempted to stifle this young woman once again. The Attorney-General is living proof of the attitude which exists, Madam Speaker, on the side opposite, when it comes to hearing from people who wish to exercise their hard-fought-for rights of freedom of speech in this country. I think it's an abomination, it's shameful that we should have in this democratic society, laws on our books that would attempt to stop people from exercising their rights, Madam Speaker.

MADAM SPEAKER: Order please.

Could I caution the honourable member that it is not parliamentary to impute to any member or members unworthy motives for their actions in any particular case. Could I caution the honourable member who is treading very closely to that particular citation.

MR. J. McCRAE: I leave it to others, Madam Speaker, to decide whether the motives are unworthy or not, but the evidence speaks for itself. The evidence of the close association between this Minister and his

government and certain segments of the labour movement. We certainly know in the Westfair issue, the Westfair dispute, we know where the Minister stands. He went so far in the middle of a strike to bring forward legislation to put an end to that strike and I would expect knowing this Minister's way of appointing people to selector positions, Madam Speaker, I think we know, if Mr. Christophe were able to take advantage of the provisions of Bill 61, I think we know which way the selector would select.

This Minister tells us that the Labour Board, and everyone connected with his department is totally nonpartisan and totally looking only for a fair and equitable way of doing things but why is it Bob Mayer was chosen as a selector in the case of Westfair Foods and the Manitoba Food and Commercial Workers Union a year ago. Bob Mayer - he wears two jackets, Madam Speaker, both of them have the name of the MFCW on them and their logo. And this is the man this Minister would choose to choose a final offer. This has got the member riled up I know they're close to Mr. Mayer. I know Mr. Mayer myself.

The Minister of Urban Affairs tells me that I'm offbase. I would ask any reasonable-minded person to look at that situation a year ago and ask themselves, is this Minister a fair Minister. Can he look at both sides and come down with a decision that can at least be seen to be reasonable and fair and seem to be impartial? Well, Madam Speaker, I suspect not. And if you look through every section of The Manitoba Labour Relations Act, Madam Speaker, you will see where this government stands.

The idea of having a healthy economy, Madam Speaker, is to have a level and balanced playing field where both sides have an equal opportunity and a chance to bargain freely and collectively for their rights. Everything this Minister's been doing is an intrusion on that freedom to bargain freely. What we have with this latest assault on the labour movement and on workers and on the investment climate in this province, what we have is an attempt to have the state involved in the bargaining process. We're going to have state imposed contracts from here to eternity if this government had its way.

Here's where the motives come in, Madam Speaker, and if you think they're unworthy I'm sure you'll tell me but I don't think it's right for a government to take the side of a few people on every issue that comes along. This government was elected to govern all Manitobans and it's not doing a very good job, certainly in labour relations.

Madam Speaker, very quickly on successor rights. The same principle applies on successor rights. How can someone who inherits a collective agreement live by the spirit of that agreement when there's no emotional attachment to it. Madam Speaker, you would know having some experience in these things - if you bargain, you work very hard to get the best you can for your side on one side, and the same on the other side and it's back and forth, Madam Speaker, and they finally do arrive at agreement if there's good faith on both sides. You may not like every part of the agreement that you have agreed to and the other side may not like every part of that agreement, but it's theirs. It's not imposed by some third party so therefore, carrying out that agreement becomes a much better operation

than it would be if we have a winner on one side and a loser on the other which has to be the case with successor rights provisions and certainly with Bill 61.

The other point, Madam Speaker, is that the Labour Management Review Commission is an excuse this government uses for what should be consultation. There's no doubt that consultation takes place and discussions take place, useful discussions take place at the Labour Management Review Committee. This government lets them do their thing but rarely would listen to them, and as he has admitted to us that committee has not approved much of the important legislation that we have in this province. So we've asked repeatedly that this government refer its labour legislation to the Standing Committee on Industrial Relations.

They have repeatedly turned us down, and here's where the motives come in again, Madam Speaker. We know why they keep turning us down - because of the loyalty of this government to some of their big union-boss friends and there's only a few of them. Not all of them as we found out recently. But there are a few of them that have the ear of this Minister.

I wish this government would listen to all the people of Manitoba and make the right decisions instead of standing up only for their friends.

MADAM SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: I would like to indicate, Madam Speaker, that I am not impressed by the resolution or the argument put forward by the member opposite. I have never seen such a collection of myths, of false propositions mixed in with the usual unfortunate, I think, attacks on a number of individuals coming up to a totally inaccurate and false conclusion. I haven't seen that since the last speech given by that same member who seems to have established something of a trademark in this House in terms of his speeches, most of which seem to be attacks on the labour movement, most of which fail to prove the proposition he puts forward in the beginning of the speech, and most of which are no better than what we've just seen.

What I'd like to do is deal with a number of the so-called propositions of the member opposite. Let's start with the first one, this suggestion that somehow investment is suffering in Manitoba because of our labour laws. Well, Madam Speaker, I wish I had more time to go through the exact situation in terms of investment in Manitoba. I have, for example - and I have these articles available for any member of this House that wishes to view them, an article which . . .

A MEMBER: Table them! Table them when you're done.

MR. S. ASHTON: . . . is entitled: Employers Plan to Increase Staff, from the Free Press, March 19. Manitoba's Fortunes - from the Globe and Mail, an editorial which states - and I quote: "The province with the lowest unemployment rate and the highest projected economic growth through to 1995 lies in central Canada. Its name is Manitoba."

SOME HONOURABLE MEMBERS: Oh, oh!

MR. S. ASHTON: I could read from the Toronto Star: Manitoba Drops Have-Not Tag As Other Prairie Provinces Slump. I can read it in its entirety, totally dispelling the suggestion from the members opposite. Or, from the Winnipeg Sun: Growth Predicted For Manitoba. How about: More Jobs Predicted, from the Free Press, May 29, 1987, or: Winnipeg Must Be Looking Good - once again, a glowing report on the economic prospects of the major part of this province.

I could read that but I will simply read this into the record, Madam Speaker, to totally refute the suggestion made by the member opposite. It's available from Statistics Canada. It's the Non-Residential Investment in each province in this country. I would like to table this document. It proves how false the proposition of the member opposite is. It states that Manitoba from 1983 to 1987 had the second-highest non-residential investment in Canada, Madam Speaker, totally disproving the suggestion by the member opposite - nearly double the national average. I would like to table that. So, Madam Speaker, the facts clearly disprove the suggestions made by the member opposite.

But let's move on to some of the other propositions that he's put forward. You know, what I found particularly intriguing was this attack that the member opposite made on section 6, subsection 2 of The Labour Relations Act. You know, I took the time to read it because the member did not read into the record, during his speech, what it was and did not have listed in his resolution what that is. It's a section which has been in force in Manitoba since 1976. So, Madam Speaker, when the Tories were in government they felt that it was reasonable enough, reasonable enough to keep. What is that section? Well, it states, Madam Speaker, there are certain actions deemed to be interference by an employer. It states that there are certain actions which are deemed to be unfair labour practice.

For example, an employer talking to members of the bargaining unit, or potential bargaining unit, that he objects to unions, or the union, or prefers one union over another, or that certain attitudes or policies of the employer would be changed if the potential bargaining unit was to be certified, Madam Speaker, what is so unfair about that? What is so unfair about allowing working people to make their own decision as to whether to certify without any fear of reprisals from the employer?

Madam Speaker, that's a principle that has been respected not only by the previous Conservative Government and the current NDP Government, but many jurisdictions in Canada and throughout the world. It's a major tenet of any labour legislation that I'm aware of, and I'm amazed that now the Member for Brandon West would suggest that we sweep away that protection for workers, sweep away that protection that allows them to make the decision, without fear, Madam Speaker. I'm amazed at that, and I say that I, as a member of this Legislature, and all members on this side of the House, totally reject that unfair proposal by the Member for Brandon West. That's the first section he quotes from.

Then he goes on to talk about certification and cancellation provisions being a disincentive to investment in this province. Certification provisions, Madam Speaker? He doesn't spell out what. I assume

he's referring to the provision 31(1) that states that if 45 percent or more of the employees in a unit agree to be represented by a union, that a vote is put forward, and then, if 55 percent have indicated, at that time, that they wish to be part of a union, that union will receive certification. Is the member opposite objecting to that? Surely, Madam Speaker, that's a democratic process. What is wrong with that?

Is he objecting to the provisions in this legislation that not only protect employers from undue duress - employees - pardon me, Madam Speaker - by the employers, but also from the unions, because there are provisions of this section, in terms of the certification, to protect employees against fraud or coercion on the part of unions. What is wrong with that, Madam Speaker? Does the member opposite have difficulty with that?

I, quite frankly, in researching that entire section, have been unable to find anything that would lend any credence to the argument that the member has put forward that somehow those sections are anti-business, Madam Speaker. In fact, they're quite the opposite. They're fair and balanced. They provide for what is the true intent of collective bargaining and the decision to go towards the union, Madam Speaker, and that is the democratic selection.

The member also makes reference to successor rights. This is where, perhaps, something clicked when I read this - successor rights. The member opposite is suggesting that somehow when the employees have signed a collective agreement with an employer, and that employer sells, say, the factory to another company, that collective bargaining unit is no longer valid. Well, something clicked, Madam Speaker, because I've heard a suggestion that that be wiped out in another jurisdiction, and that is in B.C. That is one of the major provisions of the current amendments to the labour relations bill in that province that is being put forward which is being so opposed by so many people in that province.

I ask you, Madam Speaker, let's talk about fairness. Is it not fair to expect that someone who buys, say, a factory from another company, will not respect all the contractual obligations that are part of that operation? I would be surprised, Madam Speaker, if the Member for Brandon West would suggest that that company should somehow not follow those contractual obligations when it came to another business which perhaps refused to pay the bills because the ownership had changed. I'd be very surprised and, quite frankly, I'm equally as surprised to see the Member for Brandon West suggest that somehow a collective bargaining agreement is not equivalent in law as a contract to any other business arrangement, any other contract. I would say it's only fair that the same obligations be made in terms of the employers and the employees when the ownership does change hands.

I could go further, Madam Speaker, in terms of dealing with some of the specifics, but since time is limited, what I wanted to deal with is I think the noticeable fact of this resolution in the debate that we've seen from that member presumably speaking on behalf of his colleagues; and that is, once again, recognizing that they shifted away from the stance they took as a government, which I will say was about as neutral as one could expect from a Tory Government - that's being

charitable, but it was about as neutral as one could expect - to a position that is clearly against the labour movement, clearly against the rights of working people who would like to see us bring in the same types of legislation as British Columbia. They would like to see us bring in the same types of legislation as we see in the United States, with right-to-work legislation which several members in this House indicated during a previous debate that they too supported.

Madam Speaker, that concerns me and it concerns me greatly. It particularly concerns me because it shows a complete ignorance of the facts. If one is to look at any jurisdiction in the world and look at the impact of working people being allowed to choose freely, democratically, whether to be unionized or not, if one looks at the countries which had the highest rates of unionization, Madam Speaker, one will find an interesting phenomena in developments, and that is that those countries also almost completely have amongst the lowest strike rates.

If one thinks about it, it makes logical sense. You know the members opposite would like to propagate this myth that somehow unions cause strikes, but if one was to analyze the causes of strikes, in many cases, it is because of an unsatisfied grievance. In this country, unfortunately, sometimes it is because the employers have refused to recognize the right of the unions to represent those employees. In fact many strikes have still been fought, in many jurisdictions, over just the basic question of recognition of unionization.

So I would suggest, Madam Speaker, that their premise is totally false, and I would go beyond that and suggest that, if they were truly to believe in the improvement of Manitoba, to increase labour harmony, to improve the investment climate, whatever, they would be working towards many of the goals that we have been working to as a government, trying to bring in innovative legislation as we did in 1984, such as the first contract legislation, which did provide an alternative to strikes in the case of first contracts. I think they would be supporting many of the other provisions of that same act. In fact, they would be standing up, reaffirming today, their support for our labour legislation because there's another fact that the members opposite have forgotten in this entire debate and that, Madam Speaker, is unequivocally, we do have the best labour-relations climate in Canada. I think it's because we have moved, as other countries have done, away - at least partially - from a system which denies working people the right to organize and accepts that instead. I think if we continue to move in that direction, then we will benefit greatly as a province. For that reason, Madam Speaker, I feel compelled to move the following amendment to this resolution.

I move, seconded by the Member for Kildonan, that the proposed resolution of the Honourable Member for Brandon West, be amended by deleting all words after the phrase, "WHEREAS Manitoba labour law is," and substituting therefor the following:

"A key positive factor in the harmonious relationship currently existing between management and labour in the province;

AND WHEREAS this is evidenced by Manitoba's low incidence of work days lost through strikes and lockouts;

AND WHEREAS measures contained in Bill 22, amending The Manitoba Labour Relations Act in 1984,

dealing with grievance mediation and expedited arbitration have resulted in faster resolution of grievances and have saved management and labour millions of dollars in arbitration fees;

AND WHEREAS First Collective Agreement legislation has fulfilled its intent to encourage the parties to reach their first agreement, evidenced by the fact that out of 26 applications since 1982, 10 reached agreement voluntarily and 12 were opposed;

THEREFORE BE IT RESOLVED THAT this House urge the Government of Manitoba to continue its policy of adopting innovative ways of ensuring an even more cooperative labour-relations climate.

MADAM SPEAKER: The Honourable Member for Pembina on a point of order.

MR. D. ORCHARD: Madam Speaker, not that you need any advice on a point of order, but that amendment is completely out of order in that it completely eliminates and changes the intent of the resolution, and you have ruled on that before. We need not further discuss this out-of-order amendment.

MADAM SPEAKER: The Honourable Minister of Labour on a point of order.

HON. A. MACKLING: Madam Speaker, the precedents of this House for many, many Sessions has been that, notwithstanding that amendments do change the intent of the resolution, the rules of this House have been interpreted over the years to allow for the amendment of resolutions deleting everything except the first WHEREAS, and such amendments have been accepted by Speakers in this House for many, many years, Madam Speaker.

I therefore want to indicate that, following those precedents, this amendment would certainly be in order.

MADAM SPEAKER: The Honourable Member for Thompson on the point of order.

MR. S. ASHTON: On a point of order, Madam Speaker, we had a case in fact a number of weeks ago in Private Members' Hour where this same issue was raised and, as was indicated at that time, quite properly by yourself, Beauchesne does allow for such amendments as is included in this particular case. In fact, this is quite clearly on the same subject matter and Beauchesne does indicate that amendments which do reach an opposite conclusion on the same subject matter are definitely in order.

MADAM SPEAKER: Order please.

It's a little difficult to contemplate with all kinds of nattering going on.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: I just want to help, Madam Speaker, by pointing out Rule No. 425 of Beauchesne, "The object of an amendment may be either to modify a

question in such a way as to increase its acceptability or to present to the House a different proposition as an alternative to the original which must, however, be relevant to the subject of the questions."

MADAM SPEAKER: Order please.

In comparing the two RESOLVED, which of course are the operative parts of any resolution regardless of the arguments presented in the WHEREASES, the two RESOLVED are not in negative contradiction of each other but are indeed a different proposition as an alternative to Citation 425 that the Deputy Speaker has just referred to. So I do suggest that the amendment to the Resolution is in order as a different proposition as an alternative. I will therefore read the amendment.

It has been moved by the Honourable Member for Thompson, seconded by the Honourable Member for Kildonan - is it the will of the House that I dispense with reading the amendment?

MADAM SPEAKER: The Honourable Member for Pembina then, on the amendment.

MR. D. ORCHARD: Madam Speaker, that amendment is a very interesting one and will be no doubt subject to scrutiny in our caucus because I can recall a number of occasions where we have attempted amendments and been ruled out of order. However, your ruling naturally is supreme in this House, Madam Speaker, so we will watch that amendment with a great deal of interest.

Madam Speaker, the resolution, as amended, does not get away from the basic problem that this province suffers under from having too many successive years of NDP government since 1969, only interrupted briefly by four years of good government under Premier Lyon.-(Interjection)-

My honourable friends over there giggle, titter and chuckle but, during the time of government, when the NDP track of socialism was temporarily interrupted, there was growth in this province, real growth in the private sector. There were firms actively seeking to locate in this province.

But what has happened in the "since" time is that all of those business plans have been thrown away. We have gone from a proposition of an aluminum smelter in the Interlake operating under a Progressive Conservative Government to no aluminum smelter. We have gone from a proposition of a potash mine in Western Manitoba, operating as a venture with the provincial government to one now involving investment in the off-shore, Asia, China, India - who knows where - but certainly no North American investment in that mine.

Madam Speaker, what the problem is - and my honourable friends opposite from time to time should listen to a former colleague of theirs who used to be the member for Inkster, a one Sidney Green. Now, Sidney Green left the New Democratic Party on the very issue of labour legislation. My honourable friend, the Member for Thompson, who couldn't shine Sid Green's shoes, claps because he never could appreciate the contribution he made to this House and to the New Democratic Party.

So, Madam Speaker, what Mr. Green used to constantly warn the New Democratic Party about is

that the more you try to legislate in favour of one side in the labour dispute - mainly the union leaders, not the workers - always remember to differentiate between what you're doing for the workers versus the union bosses. There is a substantial and large difference. Your legislation has always been predicated on benefit to the labour union leaders in this province and benefits, if it exists to the rank and file of working men and women of the union ranks, are simply not a consideration that this government has given any consideration to.

Madam Speaker, we have yet another example this Session in Bill 61 where we now have another piece of legislation brought in by this Minister of Labour, Bill 61, which is nothing but a bill to assist one Bernard Christophe in his current strike against Westfair Foods. This is the burn-out bail-out Bernie bill, not the burn-out bailey bill, the bail-out Bernie bill. That's all it is. He has more influence - Bernard Christophe - in the Cabinet of this government and in the Caucus of this government, aided and abetted by one Wilf Hudson than thousands of workers in this province, because many of those workers in CUPE and in other unions don't want to see Bill 61. But because of the inordinate influence on this Minister of Labour by Bernard Christophe, we are going to debate it in this Legislature. But it won't pass because this government will back down on it.

Madam Speaker, what are we talking about when we're talking about labour legislation. Today, in questioning from the Member for Portage la Prairie, my colleague, he pointed out that there were 11,000 fewer manufacturing jobs in the Province of Manitoba since the NDP took over in 1981. That is a significant decline in private sector employment in the Province of Manitoba. Those jobs are real wealth creating jobs and they're gone in the Province of Manitoba.

Now, one might ask, where are the jobs going in Canada? Well, they're going to Ontario, they're going to Quebec, they're going to other provinces, Saskatchewan, Alberta, B.C. They are not coming to Manitoba. Firms are not locating in Manitoba to create new jobs and to invest in this province. They are closing their doors. They are being expropriated gladly as in the case of ICG.

But no new firms are moving to this province because of the attitude of this government as expressed through its taxation policy, namely a taxation on employees through the payroll tax. Businesses are distressed with the labour climate in this province and it has been told time and time again by the Federation of Independent Business and others, that this is the most anti-labour regime in Canada - pardon me, the most anti-business regime in Canada. Bill 61 even contributes to an atmosphere of anti-labour because even the labour union movement itself is divided on Bill 61.

But, Madam Speaker, the philosophy of this government is that we can get by election after election by being predators on the businesses that are family businesses in the Province of Manitoba, that those people have their roots in this province and that they have an emotional tie to this province. Therefore, they will not leave with their major investment. They will always be here and we can take and we can put upon with legislation, taxation and any other discriminatory measure possible and we will not have those strong

family businesses leave this province, and that will be our private sector.

But in terms of encouraging new entrants and new investment from out of province to this Manitoba business community, that will not happen, that has not happened and it cannot happen as long as there is an NDP Government with its anti-business bias, its anti-business taxation policies and its anti-business labour legislation. It won't happen.

Now, Madam Speaker, my honourable friends in the government, my NDP friends say, fine, we'll get by, we'll get by with just the family businesses. We'll keep them here. We will take as much from them as we can and they will stay, but we don't need new businesses to locate in the Province of Manitoba. All we need to do is go out and borrow a billion, 1.5 billion dollars a year and we will create Limestone and that will get us by the 1986 election which it helped to do. When we get close to the next election, well, what we'll do is we will maybe start up Conawapa and hold out the new promise of more jobs in Manitoba. All with borrowed money and the bills won't come in until it's long gone and this government is long gone and some of the architects of the financial disaster in the province are long gone from government.

Madam Speaker, that's their game plan. It's worked for three elections for them, but what has happened in the meantime to the Province of Manitoba and the private sector business fabric that we used to rely on to create most of the new wealth in the Province of Manitoba? Well, the mining communities are dying. How many more times are we going to have mines close down and mining companies not expanding in this province and contemplating leaving this province before they recognize there's a problem?

Madam Speaker, we've got a very active agricultural support service industry in this province, but one by one even those are leaving, despite substantial government help; Cooperative Implements is no longer here. We have a much sized-down operation in Vicon; that isn't a replacement to what we had in Co-op Implements. Versatile would not exist in this province if it weren't for the Federal Government. This NDP Government has done all it can to get rid of Versatile.

Labour laws - labour laws in this province contributed negatively to expansion of Versatile. Madam Speaker, one feels like a voice in the wilderness trying to talk sense to these people, but what you could do if you want to listen to some sensible debate and argument on labour legislation in this province is listen to one of your former Cabinet colleagues, one Sid Green. You don't need to listen to us; listen to Mr. Green. Mr. Green probably knows more about how to achieve for the working people in Manitoba their day in the sun than any dozen members for St. James posing temporarily as Labour Ministers and their new bills that they bring in to give power to the labour unions.

Madam Speaker, let there be no mistake about there are not any members on this side of the House who are against unionized men and women seeking to better their lots and lives through active union organization. What we are against, Madam Speaker, is manipulative, powerful union bosses that have the ear of this government and this Minister of Labour and can get legislation brought into this House at a whim of a strike, as we have in Bill 61.

Madam Speaker, currently the labour legislation - there is no question - is one-sided. It is as much in favour of the labour union bosses and not in favour of all of management and doesn't even have the working men and women of this province at heart any more. I simply want to leave the Minister with this one example. Tupperware is one of the major employers in my constituency, located in Morden, Manitoba.

Tupperware was a non-union plant up until two years ago - or possibly two-and-a-half years ago. I talked to one of my neighbours who works at Tupperware. She indicated to me that one of the things she was told by the union organizer, who was organizing the Tupperware plant, that you had better sign this certification card and be part of the 51 percent necessary to gain certification, or else once we're certified, you will not have any say in the operation of the union in the plant.

Madam Speaker, that is a bald-faced lie that was told to that woman by the union organizer. Now management could not go out and say to any of those employees, that is not a factual statement, because they would have been charged with an unfair labour practice under these laws.

Madam Speaker, do you see how the workers are manipulated under this legislation? It's common and, if you want further example of manipulation that's one-sided, recall the Tan-Jay strike. The Tan-Jay strike was ongoing and was a bitter strike. The Member for Burrows wrote a letter to each and every striking member advising them that they should go along with the union and fight Tan-Jay to the end. Madam Speaker, when one of my colleagues, the Member for Turtle Mountain, simply went to a meeting at the invitation of four unionized workers, at the workers' request to discuss issues important to their jobs and their livelihood, he was threatened by the union organizer of unfair labour practices.

But what happened when the Member for Burrows wrote a letter to each and every striking employee at the Tan-Jay plant? Absolutely nothing and, if there was ever an unfair labour practice, an interference in the bargaining process, it was by an NDP MLA; but these laws protect NDP MLA's and NDP union bosses, including the one that is sitting in the back bench right now, who used to be the president of the MGEA, as NDP as you'll want to get ahold of - labour union bosses supporting this government spiritually at election time through manpower and financially - and those are the people who now drive union legislation and labour legislation in this province.

Madam Speaker, when members on this side of the House appear at worker meetings, such as at the Neepawa Hog Processing Plant, they are accused by the union bosses, the Bruno Zimmer's and others, of unfair labour practices, of interfering in the bargaining process. But the Member for Burrows can send a letter, that no doubt had the complete agreement of the Premier and the caucus of the NDP to write that letter, and there isn't unfair labour practice there, Madam Speaker.

These laws that have come to govern labour legislation in the Province of Manitoba are one-sided. They are for the NDP labour union bosses, who support this NDP group, financially, morally and, at election time, by bringing in droves of hired campaigners from across Canada, to make sure this government has good

electoral -(Interjection)- Madam Speaker, you may well have had a number of out-of-province union organizers in your constituency last election, because they were in practically every constituency in the province, out-of-province organizers, paid for by their respected union movements throughout Canada to support an NDP Government.

So, Madam Speaker, when a government is willing to sell their souls to the union bosses for financial contributions, for work at election time, then we have labour laws that are not fair to the working men and women of this province.

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Madam Speaker, if our former leader, Buzz Paulley, the late Russell Paulley, our beloved leader, was present in this Chamber today, he would have thundered across to the Opposition, "poppycock, poppycock" and "balderdash" and I guess he would have thrown in "hogwash" too, in respect to those remarks that we have heard in this Chamber in respect to the labour environment in this province.

Madam Speaker, I have indicated that in recent days there's some been some dramatic conversion in thinking on the part of some, who, up until a matter of days ago, were critical of the labour-relations environment in this province and now, with the introduction of but an alternative mechanism for a dispute resolution, say, what do you need that for? We've got the best labour-relations environment in the country. Madam Speaker, that dramatic conversion, I don't attribute to the Honourable Member for Brandon West, but I do attribute it to others . . .

MADAM SPEAKER: The Honourable Member for Brandon West on a point of order.

MR. J. McCRAE: Madam Speaker, for the second time today, I raise this same point. This Minister . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please.

MR. J. McCRAE: This Minister has repeated several times now, in this House or its precincts, that we, on this side, have made some admission that the Labour Relations climate in this province is positive.

MADAM SPEAKER: Does the honourable member have a point of order?

MR. J. McCRAE: Yes, I'm coming to it, Madam Speaker. I have repeatedly told the Chair and the member opposite that that is his opinion and certainly not ours. What does he think we've been talking about for the last number of years, if it hasn't been about the unfair labour climate we have in this province? How he can stand today and repeat again . . .

MADAM SPEAKER: Order please, order please.

MR. J. McCRAE: . . . that we would speak favourably while . . . this province is beyond me and this Minister

should know better. He's been around long enough.- (Interjection)- No, not to put words into people's mouths.

MADAM SPEAKER: Order please.

A dispute over the facts is not a point of order. The Honourable Member for Pembina on a point of order.

MR. D. ORCHARD: Madam Speaker, on a point of order.

Madam Speaker, the Minister, when he was making his remarks, recognized that the Member for Brandon West was going to get up and object, as he did during question period, for the allegation that he said there was good labour climate.

Madam Speaker, the Minister then quickly realized his problem and said "Not the member for Brandon West," alluding that other members of the House were of that opinion. I want the record to show, Madam Speaker, that I have never said the labour climate in this province is good. It's only been the Member for St. James that said that. I did never say that, Madam Speaker. I don't want me to be associated with that . . .

MADAM SPEAKER: Order please, order please.

The honourable member does not have a point of order. I would appreciate when honourable members on both sides of the House rise on a point of order, that they state what their point of order is instead of using the opportunity for a debate.

The Honourable Member for Emerson on a point of order.

MR. A. DRIEDGER: If everybody's going to get into the fray, I want to clarify the position too that the . . .

MADAM SPEAKER: Order, order please.

I only recognize people if they have a point of order. This is not . . . otherwise the Honourable Minister has the floor in the debate. If other members want to contribute they can when their turn comes.

The Honourable Member for Emerson on a point of order.

MR. A. DRIEDGER: Yes, Madam Speaker.

MADAM SPEAKER: What is your point of order?

MR. A. DRIEDGER: I have a different point of order. It is not related to the present thing. The concern that I want to express is that from time to time over the many years that I've been in this House, people get up on a point of order, to express some concern that they feel that an injustice has been done in some of the comments that have been made. Madam Speaker, I've never done that. Today I rise for the first time to clarify a position as all members in this House from time to time have done. Madam Speaker, I'm ruled out of order before I've even got my comments on the Order Paper.

MADAM SPEAKER: Order, order please.

The Honourable Member for Emerson is quite correct in that he is one of the members of the House that

does not abuse the rules, and follows the rules to the letter. I would appreciate if on this point he also does that in that this is not the time to clarify a position. The time to clarify a position is when the member who is speaking finishes or when the member wants to participate in the debate. The only way a member can be recognized on the floor is to rise on a point of order, and interrupt another member who is speaking. Right? Right.

The Honourable Minister of Labour has the floor.

The honourable member has another point of order rather than clarifying his position on this particular topic? What is the honourable member's point of order?

MR. A. DRIEDGER: Madam Speaker, I was just trying to really establish what justifies a point of order in this House. I've been following that for a long time, and it's been misused. I was trying to, for the first time really, rise on a point of order for a clarification on that. Then I rose on the second point of order, to try and establish what is a point of order. That is what I'm still trying to raise with Madam Speaker, when do we have a point of order properly? Because most members can abuse this. I don't want to abuse that privilege.

MADAM SPEAKER: May I help the honourable member.

A member rises on a point of order when something procedurally is not correct. Right? Right. There has not been any breach of procedure at this point.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order, order please.

The Honourable Minister had used up three minutes when the points of order were raised, which means that the Honourable Minister has 12 minutes remaining when this is again before the House.

The hour being six o'clock . . .

The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, on a point of order.

You have deducted points of order from the member's time. On Thursday of last week, on June 11, I was speaking on Interim Supply and a number of points of order were raised by members opposite. The Deputy Speaker was in your Chair, Madam Speaker, and ruled that the seven minutes that was wasted on points of order would not be reinstated in my time. Now, Madam Speaker, you have ruled that it is reinstated. Are there rules to apply to members of the Opposition versus members of the government? I would like that clarified, Madam Speaker, and I believe that is a legitimate point of order.

MADAM SPEAKER: That is a legitimate point of order. I will take it under advisement. I have always added on time for time loss for points of order. I will look at the situation and report back.

The hour is now 6:00 p.m.

I am leaving the Chair with the understanding that the House will reconvene at 8:00 p.m. in Committee of Supply.