

Fourth Session - Thirty-Fifth Legislature

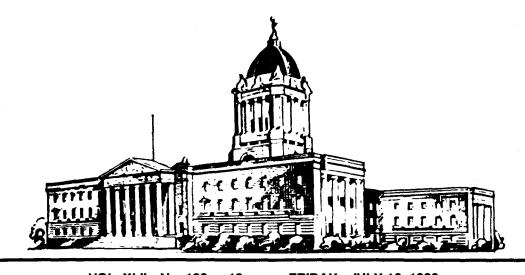
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DEBATES and PROCEEDINGS (HANSARD)

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MANITOBA LEGISLATIVE ASSEMBLY Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

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

The Maples

Vacant

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, July 16, 1993

The House met at 10 a.m.

PRAYERS ROUTINE PROCEEDINGS PRESENTING PETITIONS

Mr. Doug Martindale (Burrows): Mr. Speaker, I beg to present the petition of Doris Kriegl, Maureen Campbell, Greg Hirney and others requesting the Minister of Family Services (Mr. Gilleshammer) to consider restoring funding of the Student Social Allowances Program.

Ms. Becky Barrett (Wellington): Mr. Speaker, I beg to present the petition of Dorothy McLean, Arnie Eckberg, Linda Wayne and others requesting the Minister of Health (Mr. Orchard) consider restoring the Children's Dental Program to the level it was prior to the 1993-94 budget.

* * *

Mr. Steve Ashton (Thompson): Mr. Speaker, I beg to present the petition of Stella Linklater, Pauline Primrose, Joe H. Moose and others requesting the government of Manitoba consider reviewing the state of Highway 391 with a view towards improving the condition and safety of the road.

ORAL QUESTION PERIOD

Maple Leaf Fund Investigation

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, my question is to the Premier.

Mr. Speaker, we have asked a number of questions on the Immigrant Investor Fund, and we were to learn of a letter to Mr. Gary Lyons, managing director of the Winnipeg Canadian Maple Leaf Financial Corporation, indicating that the Canadian Maple Leaf Fund was not one of the funds that would be investigated by the RCMP.

I would like to ask the government why the Maple Leaf Fund is not being investigated and who in the Department of Justice conducted the review. Hon. Gary Filmon (Premier): Mr. Speaker, I do not have the letter in front of me, but my recollection of the letter was that it went out from the Deputy Minister of Industry, Trade and Tourism, Mr. Paul Goyan. He would have been acting on advice that he obtained from the Department of Justice.

As I have said over and over again, despite the fact that the member opposite wants to make this a political issue for his own cheap purposes, this is being done by the Department of Justice and the RCMP in accordance with all of their requirements.

Political Contribution

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, I would like to ask the Premier then—in 1990 the Canadian Maple Leaf Fund donated \$3,000 during the election year to the Progressive Conservative Party of Manitoba, the Premier's party.

We have listened carefully to the government's answers dealing with the criteria of the Immigrant Investor Fund, and the criteria allegedly is for jobs and job creation in Manitoba for the Immigrant Investor Fund.

We have also raised questions before, and the Auditor has confirmed the public allegations that the Canadian Maple Leaf Fund was in what is considered to be by the Auditor tremendous conflict, with putting money from their own solicitation in the Immigrant Investor Fund into their own specific projects that they had ownership or pecuniary title to.

I would like to ask the Premier: What is the status of the \$3,000 that was donated by the Canadian Maple Leaf Fund, one Bob Kozminski, to the Progressive Conservative Party in Manitoba? Who investigated that issue?

The government took it as notice before. We still have not heard back from the government. Does it fit the criteria of creating jobs to have a political donation to a political party?

Hon. Gary Filmon (Premier): Mr. Speaker, I did investigate the matter, and it was not the investment fund that made the donation. It was the

management corporation which derives a fee from managing the fund that made the contribution, just as the unions donate to the NDP party. It is not the union dues, but it is from the union funds that they make their donations to the NDP party. It is not an individual's contribution. It is the union management itself that makes that determination and makes its investment in the NDP party.

* (1005)

Mr. Doer: Mr. Speaker, the management fees are obtained by the Immigrant Investor Fund from immigrant investors. Immigrant investors are given a prospectus to put money into a particular fund for a particular return on their investments. The donation list clearly stated the Canadian Maple Leaf Fund donated money to the Manitoba Progressive Conservative Party of the province.

I would like to ask the Premier: Did the independent auditor investigate this donation, or was it only the Premier who investigated the donation from Bob Kozminski to the Progressive Conservative Party?

Mr. Filmon: Mr. Speaker, as a matter of fact, that has been looked at under the chief financial officer just to ensure that that was from the management corporation and not from the fund's fund.

Health Care System Reform Pediatrics

Mr. Dave Chomlak (Kildonan): Mr. Speaker, months ago when we asked the government to put the changes to the pediatric hospitals and pediatric surgery on hold while people were consulting professionals and patients were talked to, the minister and the government refused to listen.

Now that the MMA has indicated that many of the concerns we had raised such as long waiting lists, concerns about the emergency ward transfers, concerns about the 14- to 18-year-old surgery being transferred to other wards, now that those concerns have been raised by the MMA, I am asking the Premier (Mr. Filmon): Can the Premier have his minister provide him with an assessment of what has happened in pediatrics, and another look at pediatrics, given the major concerns raised by the MMA which we had raised months earlier in this House?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, my honourable friend, of course, is not

reflecting on the factual information that I provided yesterday in Question Period in answer to the Liberal Leader, who expressed concerns emanating from the doctors' union letter to myself in terms of the fact that the amount of surgery at our Winnipeg hospitals, all seven of them, had increased for the months of April, May of 1993 over a similar time period, April, May 1992, prior to the reform process.

What we are in the process of undertaking is to determine, again, the accuracy and the position taken by the president of the doctors' union regarding the Children's Hospital. I would expect, Sir, that we will be able to provide to my honourable friends a report from Dr. Bishop, head of Children's Hospital pediatric services, which will indicate what has happened since the consolidation of pediatric services at the Children's Hospital.

I would beg my honourable friend to possibly wait for that accurate information to come forward before my honourable friend concludes doom and gloom again.

Mr. Chomlak: Mr. Speaker, as usual the minister does not know the answer.

Premier's Intervention

Mr. Dave Chomlak (Kildonan): My supplementary to the Premier (Mr. Filmon): Given the inefficient way that this Health minister's reform has been handled, will the Premier step in and ensure—because the minister is going to make major announcements this summer about ophthalmology, about heart surgery, about the allocation of all of the resources around the hospital—and satisfy himself on behalf of the patients and the citizens of Manitoba that people have been listened to, that caregivers have been listened to, that proper input had been taken prior to the minister's pronouncements from on high?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I really respect my honourable friend's approach to issues. For instance, my honourable friend in his preamble said, as usual, I do not have the answer.

Well, Mr. Speaker, Wednesday of this week, I received the nine-page letter from the president of the doctors' union. Yesterday, I provided factual, accurate information, which causes a different light to be shed on the statement made by the president of the doctors' union, that as waiting lists grow

longer and services deteriorate on surgery—that has not happened. Now, as soon as I have the accurate information from the Children's Hospital, I will provide similar information.

Let me also remind my honourable friend, even though the Canadian Hospital Association seriously questions the methodologies used in the Fraser Institute survey, that Manitoba has the best record of all provinces surveyed, in that Fraser Institute survey, in decreasing the length of time on waiting lists for access to specialty surgical procedures and has decreased our waiting list more significantly than any other province in Canada, quite contrary to what my honourable friend is alleging today.

* (1010)

Mr. Chomlak: Of course the minister failed to talk about pediatric surgery and pediatrics, which is avoiding the question.

Home Care Program Regulations Tabling Request

Mr. Dave Chomlak (Kildonan): My final supplementary to the minister: Can the minister now table for the House, since his deputy minister has told the disabled committee that 3,000 people will be cut off as a result of their Home Care cutbacks, which I heard at a meeting I attended yesterday of the concerned disabled people, four months after the decision has been made, can he finally table the number of people who will be cut off as a result of his Home Care cutbacks and the regulations affecting those cutbacks, because these thousands of people are concerned?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, the one thing that is consistent with my honourable friend is the thousands that he has in terms of his complaints they received.

I remind honourable friends, and I remind the people of Manitoba who might be watching today, last week when the member for St. Johns (Ms. Wasylycia-Leis) and the member for Kildonan—

Mr. Speaker: Order, please.

Point of Order

Mr. Chomlak: Mr. Speaker, my reference to "thousands" was the deputy minister's comment, not my comment.

Mr. Speaker: Order, please. The honourable member does not have a point of order. That is a dispute over the facts.

* * *

Mr. Speaker: The honourable Minister of Health, to finish with his response.

Mr. Orchard: Mr. Speaker, all Manitobans who watch Question Period would recall that the member for St. Johns (Ms. Wasylycia-Leis) said they have received dozens and hundreds of phone calls. When I put that on the record, the member for Kildonan from his seat said, no, it is thousands of phone calls from citizens who have their home care reduced, as he has again alleged this morning.

Mr. Speaker, I have received one name last week from the member for St. Johns, and I received four names yesterday from the member for St. Johns. One concludes one of two things: either these people do not exist, or the NDP are playing the most crass game of letting them suffer while I am trying to resolve problems that may exist.

Gambling Facilities Membership Drive

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Speaker, I was interested to hear this morning an advertisement on the radio sponsored by the Manitoba Lotteries Foundation advertising the McPhillips Station gambling palace.

Mr. Speaker, that advertisement at the tail end this morning indicated that, stay tuned, watch the local papers this weekend because there is going to be a membership card advertised in the local papers.

Now my question for the Minister responsible for Lotteries: Will the minister now confirm that indeed there will be a membership drive in Winnipeg by the Lotteries Foundation and that the Lotteries Foundation is now seeking to sell Manitobans on special membership privileges to the new gambling palaces?

Hon. Bonnie Mitchelson (Minister charged with the administration of The Manitoba Lotteries Foundation Act): Mr. Speaker, we have seen over the last number of years the Shooting Star Casino advertising extensively in Manitoba to try to attract Manitobans and the \$300 million in gaming revenue that leaves our province. You know, the Liberals do complain, and they can bury their heads in the sand and say that Manitobans do not spend any money on gambling, but the fact of the matter is that there is \$300 million in Manitobans' hard-earned dollars that is leaving our province and going across the border. We have advertisements from Las Vegas for Manitobans to travel to Las Vegas.

I think Manitobans should be aware that we have facilities here in Manitoba. If they should so choose to spend their entertainment dollars on gambling, they should have the opportunity to spend them here in Manitoba.

* (1015)

Mr. Edwards: Mr. Speaker, the membership drive confirms two things. Firstly, the province is primarily interested in selling gambling to Manitobans through the membership drive here to people who will be repeat visitors. Secondly, they do not really care about addiction, the whole purpose of a membership drive being that you will have as many repeat visits as possible by the same people.

My question for the minister is: Why is the province now abandoning the statements about concern about addiction, the statements that this was primarily about attracting tourists? Why are they abandoning that and trying to sell memberships in these gambling palaces to Manitobans?

Mrs. MItchelson: Mr. Speaker, it is very interesting that we see a Liberal Party in opposition here in the province of Manitoba saying things that a Liberal government in the province of New Brunswick does. New Brunswick has video lottery terminals on every street corner. New Brunswick has done a gambling study that does indicate—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. The honourable Madam Minister is attempting to answer this question.

Mrs. Mitchelson: Mr. Speaker, Liberal New Brunswick has done a gambling study that does indicate that the incidence of compulsive gamblers in the province of New Brunswick is very similar to Manitoba. The Liberal Province of New Brunswick has not put any money in place to date to deal with the issue of compulsive gambling.

Mr. Speaker, we have acted responsibly. When we received the report we put money and resources in place, and we will continue to deal with those who have any type of compulsive behaviour into the future.

Mr. Edwards: I want to ask the minister whether or not the Lotteries Foundation will be spending the same money to advertise memberships outside of the province as inside of the province and, secondly, I want to ask the minister, Mr. Speaker, why they are selling memberships when the report they just published says that the possibility of pathological addiction to gambling dramatically increases with the frequency of attendance. That is what they are seeking to promote.

Why are they doing exactly the opposite of what they said?

Mrs. Mitchelson: Mr. Speaker, as I have indicated, we have acted responsibly. When the study was completed we put programs in place, and we will continue to ensure that those Manitobans who do have difficulty with gambling will be treated.

The Liberal Leader did indicate that possibly we should be selling memberships outside the province of Manitoba. We will take his suggestion under advisement and see. I will get some answers from the Manitoba Lotteries Foundation on whether that might be practical, because we have seen a Liberal Party, when they had a leadership drive, advocating five casinos in the province of Manitoba, an increase in the amount of gambling activity, and I notice that in the policy platform they made no mention of how they were going to deal with compulsive gambling.

* (1020)

Home Care Program First-time Clients

Ms. Judy Wasylycla-Lels (St. Johns): Mr. Speaker, we have been trying for days and weeks now to get answers from the Minister of Health about the impact of changes in the Home Care Program on those already in the home care system, but we have been getting no answers. The minister should know that the person whose name I gave to him last week has yet to receive a call or letter from his department.

Today, I want to ask about those first-time home care clients, those being discharged from hospital.

Yesterday, I met with a woman who had a major foot operation, discharged from hospital under direction from the doctor that she get home care, had a visit from the VON, was told there were no homemaking or laundry services for her, and she received no list of alternative services.

I want to ask the minister today: What is the policy of this government when it comes to first-time home care clients? Is anyone who is being discharged from hospital needing homemaking services getting such service, or has this government already eliminated that part of the Home Care Program for first-time home care clients?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, that is exactly the assessment process that has been ongoing since 1985, based on a policy of the Pawley government, my honourable friend at the cabinet table endorsing it in 1984.

The homemaking services, the domestic services of housecleaning and laundry do not automatically become the service provided by the taxpayers for newcomers into the home care system since 1985 in areas where alternative services are available. That policy is consistent, and that is what we are undertaking today as we speak.

The second question of those currently receiving those services paid by the taxpayers, which are now, Sir, the minority of home care clients, because with very few exceptions all of rural Manitoba, all of Brandon, Manitoba, a major portion of the north end of Winnipeg in the city of Winnipeg have been on the NDP policy from 1984 where they are paying for housekeeping and laundry services \$24 to \$36 per month.

Mr. Speaker, my honourable friend is correct in that, as we approach September, those individuals remaining on the program, roughly one-third of Manitobans, are being reassessed the same as the rest of Manitobans have been, and where they can be referred to alternate services as two-thirds of seniors and Manitobans are paying for, they will be.

Equipment/Supplies

Ms. Judy Wasylycla-Lels (St. Johns): This one was assessed as needing it and did not get a list of alternative services.

I want to ask the minister about the same situation, because this woman also needed a walker and was told she would have to rent or buy the walker and was given no list of safety-approved products, despite the fact that the home care staff have said that some products available in department stores do not meet safety standards.

I want to ask the Minister of Health: What is the government's policy with respect to home care equipment? Is there still a government program or is it already a privatized, free-for-all, buyer-beware system?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, as I indicated on April 6 when the budget was tabled—it was carried in at least one of the major newspapers on April 7. I have replied to questions in the House that the Home Care equipment program for items costing less than \$50 will become the responsibility of the individual Manitoban to purchase those home care supplies.

Arrangements are being made with the hospitals to do two things. Where appropriate and where desirable, the auxiliaries will facilitate that purchase of supplies for clients discharged from hospitals. As well, we are taking our remaining supplies, where appropriate, and we can make arrangements with hospitals having them available there. Sir.

Mr. Speaker, let me tell my honourable friend that the major supplies like wheelchairs, which have been alleged by the NDP to be no longer made available, are. That is not accurate. Major cost equipment supplies over \$50 are still made available to Manitobans so that they will not endure financial hardship of equipment supplies over \$50.

* (1025)

Ms. Wasylycla-Lels: Mr. Speaker, I raised a question about someone who was not given any options or told where to go, just simply said, rent or buy, whatever you have to do.

I want to ask the minister: What is the program? How do people know where to go for supplies they need? How do they pay for it? Will he acknowledge that it is a cumulative program so, in other words, you pay the first \$50 on every single piece of equipment or supply that you need as a home care client?

Mr. Orchard: Mr. Speaker, naturally if you have three or four products that may be priced from \$5 to

\$15, they are each less than \$50, the policy applies, yes. My honourable friend would have to concede, even though she is trying to create this client who needs a hundred items all priced at \$40 each, and that, hence, they would have to spend \$4,000, who does not exist. Most of the individuals discharged need modest assistance of equipment less than \$50, and it may be one or two or three items, depending on the circumstance, but usually it is one item, Sir. So let not my honourable friend create this, again, phantom individual who is going to be severely compromised financially with this change in policy.

Now, Mr. Speaker, I want to also remind my honourable friend so that my honourable friend understands that in the luxury of opposition you cannot always have it both ways. This policy is consistent with most other home care policies in Canada, including Saskatchewan's.

Social Assistance Employment Creation Strategy

Mr. Leonard Evans (Brandon East): Mr. Speaker, I have a question for the Acting Minister of Urban Affairs or perhaps the Minister of Finance (Mr. Manness) or perhaps the Premier (Mr. Filmon).

The City of Winnipeg has proposed an employment program for welfare recipients called Community Investment '93. The Winnipeg Chamber of Commerce has publicly stated its support for this program that will employ more than 2,000 welfare recipients on projects to repair and maintain streets.

I quote from a letter signed by Sandy Hopkins written to the press dated June '93. He states that the Community Investment '93 is a good employment initiative because it will create jobs for people who want to work and the work they will be doing is long overdue. Most of the people on social assistance are willing to work, so why not pay them for doing work that needs to be done? He goes on to say, the infrastructure renewal program will save money in the long run.

Mr. Speaker, my question to the government is: When will the Province of Manitoba conclude an agreement with the City of Winnipeg to provide an employment program for welfare recipients? Hon. Gerald Ducharme (Acting Minister of Urban Affairs): Mr. Speaker, I will take that as notice for the Minister of Urban Affairs (Mr. Ernst).

Social Assistance Employment Creation Strategy

Mr. Leonard Evans (Brandon East): My supplementary question then, Mr. Speaker, is: Will the government make an effort to expedite this matter and give it the priority it deserves, because I note that we have an astronomical increase in welfare recipients in the province and especially in Winnipeg, and considering that Winnipeg now has an 11.6 percent unemployment rate, the worst in western Canada?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, we will take the question as notice, but I find it very interesting that the member would get up and call upon this government to spend more on the capital side. As we have said on several occasions, no government in Canada has maintained its level of expenditure on the capital side, trying to maintain the level of employment, more so than the Province of Manitoba.

Every time that we have brought forward a budget that maintained the capital expenditure the member opposite stood up and voted against it. So I say to him, I see a lack of consistency with respect to his approach on employment in capital works.

Mr. Leonard Evans: The minister knows I voted against the last budget because they reduced property tax credits for people of Manitoba.

Mr. Speaker, my supplementary question to the minister: Would the government seriously consider developing a similar program for other municipalities in the province that might be interested, including the City of Brandon, the City of Portage, Dauphin, and other municipalities who, together with the province, could work on this problem of creating jobs, using the welfare money in a productive way?

As is noted by a lot of economists, productivity growth depends on investment in infrastructure, and this is an excellent way to do it.

Mr. Manness: Mr. Speaker, all governments across the land are trying to find better ways to take the money that is directed now for social assistance

and to put it towards a more meaningful contribution to society.

As a matter of fact, I notice how the member's views have changed considerably over the last two years. He now is saying, maybe there should be a place for work for welfare. I can tell him that all governments across the land are trying to find a better approach, a more stimulative approach, a less passive approach to the manner in which we provide support to those in need.

* (1025)

PMU Industry NDP News Release

Mr. Brian Pallister (Portage la Prairie): Mr. Speaker, in the past week it has come to the attention of this House that the New Democratic Party, through the work of their Environment critic, has been at work in opposition to an emerging and vitally important industry in rural Manitoba.

I have in my hand a news release from the New Democratic Party, and I will quote from it. It says: Our caucus has always supported the PMU industry in this province. The industry was fostered in the late '60s under the Schreyer government.

Mr. Speaker, for the Premier, I would like some clarification on this. That was not my understanding of the background of the PMU industry in this province.

Hon. Gary Filmon (Premier): I thank the member for—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please.

Mr. Filmon: I can appreciate the sensitivity of New Democrats, Mr. Speaker, but I thank the member for Portage la Prairie for his incisive question.

This continues the attempt of the New Democrats to misrepresent totally this issue and every other issue in this House, Mr. Speaker. That is the greatest disservice to the people of western Manitoba that I have ever heard, to suggest that this happened under the Schreyer administration.

In 1965, Reg Forbes and Harold Clement led a group of five people who brought the PMU industry to Manitoba—1965 under the Duff Roblin administration. To have the member for Swan River (Ms. Wowchuk) try and take credit for the

Schreyer government is totally, totally dishonest, Mr. Speaker. She ought to be ashamed of herself.

Mr. PallIster: Mr. Speaker, the news release goes on to further flights of fancy. I will quote from it. It says: It is utterly dishonest of Premier Filmon and his government to suggest that the NDP is anything but supportive of PMU farmers.

Given the reality of a signed letter from the member for Radisson (Ms. Cerilli), the Environment critic for the NDP, which compares PMU product Premarin to thalidomide, might I ask the Premier if he feels that is an appropriate supportive comment to encourage the PMU industry—

Mr. Speaker: Order, please. The honourable member's question is out of order. The honourable member's question seeks an opinion. Would the honourable member like to rephrase your question, please?

Mr. Pallister: I would like the Premier to assure us, the members of this House and the PMU producers of Manitoba and those who depend on this industry, of this government's continued support for this vital industry.

Mr. Filmon: Mr. Speaker, not only do we totally support an industry that will, at the end of this expansion, have more than 400 family farms dependent on this particular industry for a cash crop in excess of \$100 million annually and more than a thousand jobs throughout rural Manitoba, but we are very concerned with the paper that the member for Radisson circulated, under a signed letter, her letterhead from the Legislature, in which she is not only critical of the project on environmental grounds, on animal cruelty grounds, on women's health grounds, but she is alleging that government funds were not well spent on the project.

Those government funds that were put into that project in the '60s, that her colleague for Swan River is taking credit for, she is suggesting were not well spent, and she is suggesting that it does not bring benefits to Manitoba farmers to the extent that it was intended, Mr. Speaker.

She criticized the product as being unsafe for women, comparing it to thalidomide, Mr. Speaker—a product that has been in use for more than 25 years, that has been thoroughly tested. We will fight against that kind of misrepresentation and

misinformation and that attempt to destroy an industry in Manitoba.

* (1030)

Mr. Pallister: That news release, Mr. Speaker, further goes on to accuse the Premier, in an obvious attempt to cover tracks here I think, of looking especially hypocritical since, quote, he only recently asked Manitobans to accept his word that he had never authorized Michael Gobuty to use his name as a reference for an immigrant investment project in Gimli.

I ask the Premier: Did he do that?

Mr. Filmon: That is yet again another falsehood, Mr. Speaker. I did not ask Manitobans to take my word. I tabled a letter from the lawyer for Mr. Gobuty in which he apologized for having used my name without my permission and said that he would withdraw it immediately from the prospectus.

The New Democrats, again, are spreading falsehoods on the record. They are totally, totally culpable in this issue and they know it, Mr. Speaker.

Home Care Program Client Assessment Criteria

Ms. Avis Gray (Crescentwood): Mr. Speaker, several times over the last number of weeks opposition members have asked the Minister of Health to table information about the criteria that is currently being used to assess individuals who might require home support services. It is important for all parties and all members in this House to understand that criteria so that we can impart that information to Manitobans.

Will the Minister of Health share that information with us today?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I will again have a copy of the assessment criteria for the home care provided to my honourable friend. It was provided to my honourable friend in Estimates as well as to the member for Kildonan (Mr. Chomiak).

The three key components of assessment are first and foremost—the Home Care Program states that it is not a guaranteed program for all Manitobans, it will be assessed by professional assessment of need and it prioritizes those able to provide need.

First and foremost, the government taxpayer-supported program will not be accessed if family resources are available. That, Sir, is a criteria that has been in place since 1975.

Ms. Gray: Can the minister then tell us what do the criteria say, since he seems to be well versed on it, about those individuals who are assessed as needing a home support service but in fact cannot afford to purchase any type of service? What do the criteria say?

Mr. Orchard: Well, this is a very interesting area. I will remind honourable friends in the House, because a lot of people forget the history of this. Four years ago this same issue came up about housecleaning. As a matter of fact, the member for St. Johns (Ms. Wasylycia-Leis) tabled a four-year-old letter again to reinvent this issue.

Now, the last time, four years ago, that this issue came up, the then-member for The Maples, and I forget what constituency Mark Minenko represented, but the Liberal Party, who were the official opposition in those days, recommended that home care be means-tested and that all Manitobans be means-tested before they accessed the Home Care Program.

We rejected that and we still do, because we rely on the professional judgment of our staff to make those kinds of judgment calls.

Would my honourable friend care to clarify whether that position of the Liberal Party—

Mr. Speaker: Order, please.

Ms. Gray: With a final supplementary for the Minister of Health: Can he then tell us, do the case co-ordinators do a financial assessment as well as a physical and social and emotional assessment on those individuals? Do they do a financial assessment, and if so, could he table the information that shows what they take into consideration in that financial assessment?

Mr. Orchard: Mr. Speaker, again I hear my honourable friend advocating a means test for home care as the member for Maples and Mark Minenko did some three and a half, four years ago.

Now, it is, as my honourable friend well knows, because my honourable friend was involved in her interlude both before and after her election and unelection to the House with the Home Care Program, that the assessment is made by the judgment of professionals, Sir.

Let me give my honourable friend and those consumers of home care this assurance, that since the NDP brought the policy in of seniors paying for housecleaning and laundry, there has not been one example of a Manitoban who has been required to be institutionalized because of lack of service provision around laundry and housekeeping.

That is since 1985 under the NDP. That is since 1988 under our government and will continue, Sir.

Wine Boutiques Licensing Criteria

Mr. Jerry Storie (Film Flon): Mr. Speaker, my question is to the Minister responsible for the Manitoba Liquor Commission.

Some days ago, I asked the minister about the criteria that were published in the paper governing who could apply and under what conditions they would be granted by cabinet a licence to sell wine.

My specific question to the minister responsible is: Who developed the criteria? Who established the \$250,000-minimum liquid asset limit? Who was involved in those discussions?

Hon. Linda McIntosh (Minister charged with the administration of The Liquor Control Act): Mr. Speaker, I appreciate the member's interest and look forward to him referring this bill to committee so that we can have full discussion, as we would like to have and the public would like to have.

I should indicate to the member that final criteria are still being developed for this particular project. The \$250,000 is based upon experience in other jurisdictions across Canada as to the amount of financing that might be required to set up that particular kind of industry in the province. Based upon the experience in other provinces, that was determined as a figure that people should try to have if they plan to be one of the ones setting up a store in Manitoba.

* (1040)

Mr. Storie: Mr. Speaker, there are many Manitobans, including a coalition, who are now expressing concern over the privatization—[interjection] The member for Pembina (Mr. Orchard) and the member for Morris (Mr. Manness) may find it quite interesting when they find out actually who is involved in this from southern Manitoba.

Mr. Speaker, my question to the minister is: There are many people who believe that this is a limit that has been established to assist some influential friends of the government of the day and who have suggested that this limit is unreasonable.

My question to the minister is: Will she establish a committee to review the criteria, independent of the Liquor Commission and independent of her office?

Mrs. McIntosh: Mr. Speaker, I have a two-part response to the two-part question he asked. He made a preamble and he made a question. I will respond to them both.

In his preamble, he made reference to the fact that many concerned Manitobans, including a new coalition—I have not met with that coalition. It is indeed a brand new coalition that was simply formed about a week ago. I know very little about the coalition, but I can tell you they have never requested to meet with me.

I can also tell you that at least one Manitoban phoning the number was referred to the Union Centre to speak to the official spokesman for the party, one Mr. Bruce Buckley, who was a former special assistant to the Premier of Manitoba under the NDP administration.

I can also tell you that one Manitoban, Mr. Speaker, going down to the Union Centre where she was instructed to go to pick up her kit of propaganda full of misinformation, was handed that information by a gentleman named Peter Olfert, who happens to be president of the MGEU. So I understand that this is a spontaneous getting together of Manitobans to fight the NDP cause on this issue.

The second part of the question, Mr. Speaker, I am pleased to provide the answer to and that is in terms of the criteria that have been established. I should indicate that we have had—

Mr. Speaker: Order, please. Time for Oral Questions has expired.

Speaker's Ruling

Mr. Speaker: I have a ruling for the House.

On July 14, 1993, I took under advisement a matter of privilege raised by the Minister of Justice (Mr. McCrae). He moved a motion that the subject matter of yesterday's exchange in Question Period, including the comment to the honourable member

for Radisson (Ms. Cerilli), be referred to the Standing Committee on Privileges and Elections.

In his remarks, the Minister of Justice stated that in the House the honourable member for Radisson had stated she had not sent out petitions on a particular issue. The Minister of Justice tabled a document from the Manitoba Animal Rights Coalition, which, in his opinion, indicated that the honourable member was involved with the circulation of a petition on the issue.

The Minister of Justice (Mr. McCrae) alleged that, and I quote: "Her remarks led honourable members in this House to believe that she had no involvement with a petition or work being done against the operations of Ayerst Organics in the city of Brandon." He also used the phrase, and I quote: "... whether we have been lied to in this House...." So I gather his matter of privilege was a charge that the honourable member for Radisson had misled the House or had deliberately done so.

Have the conditions of privilege been met?

- 1. I believe the matter was raised at the earliest opportunity as the minister awaited a printed copy of the Question Period exchange in question.
- 2. The minister, in raising the matter, did conclude his remarks with a motion proposing a reparation or remedy.
- 3. Was sufficient evidence presented to suggest that a breach of privilege occurred?

In my opinion, no. The Minister of Justice (Mr. McCrae) did not furnish evidence that the honourable member for Radisson (Ms. Cerilli) had intentionally or deliberately tried or set out to mislead this House.

What the honourable member for Radisson said in Question Period on July 13 was that she did not send out petitions; the material tabled by the Minister of Justice does not prove that she did.

As I have explained in several past rulings on privilege, proof of intent must be provided. Further, as the authority Joseph Maingot states, and I will quote: An allegation of misleading the House is not out of order or unparliamentary; nor does it amount to a question of privilege. Also, Beauchesne Citation 494 indicates that "... statements by Members respecting themselves and particularly within their own knowledge must be accepted."

The motion of the honourable Minister of Justice (Mr. McCrae) is therefore out of order.

Nonpolitical Statements

Mr. Speaker: Does the honourable member for Portage la Prairie have leave to make a nonpolitical statement? [agreed]

Mr. Brian Pallister (Portage la Prairie): Thank you, Mr. Speaker and fellow members of the Legislature.

In 1980, a small group of people from Portage la Prairie, believing that the community had a lot to offer and wanting to promote that fact, decided to start their own festival, and that became the Strawberry Festival, the idea being to market the community with everything that it had to offer.

This festival became a family event which was increasingly attended over the years. Five years ago, it was determined that the festival must be expanded to include the entire community. Originally, the festival was run by the Chamber of Commerce in Portage la Prairie, but as it grew, it became necessary to involve other players in the community and community leaders in the operation of the festival. The result is the Strawberry Festival as it is today.

The festival was a tremendous success in 1992. Over 30,000 people attended, and this year's festival promises to be even better with a little help from the weatherman. This year's festival will feature nightly street dances. It will have world-class musicians, children's events, many performers. There will be a Kinsmen parade on Saturday, and, of course, as you are sampling today, the best strawberries in the world.

I would like to congratulate the many volunteers and board members. My community is indeed very fortunate to have so many citizens who choose to involve themselves in these types of projects. Without their efforts such events as the Strawberry Festival could not succeed as they do.

On behalf of the organizers and the entire community of Portage la Prairie, I would like to extend a personal invitation to all my colleagues and their families to come out to Portage this weekend and enjoy the hospitality that we have to offer. We would like to see you out there as we join in the celebration that is the Strawberry Festival, July 16, 17 and 18. Thank you, Mr. Speaker.

Mr. Speaker: Does the honourable member for Osborne have leave to make a nonpolitical statement? [agreed]

Mr. Reg Alcock (Osborne): Mr. Speaker, I would simply like to thank the member for Portage. I was beginning to wonder whether my strawberries were coming this year. There are certainly no strawberries like those grown in Portage Ia Prairie, and I think the community should be congratulated. I am going out there with my family to pick this weekend, and I expect to see the member out there.

* (1050)

Mr. Speaker: Does the honourable member for Flin Flon have leave to make a nonpolitical statement? [agreed]

Mr. Jerry Storle (Flin Flon): Mr. Speaker, I simply wanted to join with the member for Portage in expressing our support for the Strawberry Festival in Portage la Prairie.

I speak for all members of the caucus when I say that the Strawberry Festival has turned into a marketing phenomena. The people who initiated the Portage Strawberry Festival many years ago are to be congratulated, as are the people who have been involved in the Strawberry Festival over the past many years, including, Mr. Speaker, the former member for Portage la Prairie, who is still a board member, I understand, of the Strawberry Festival.

Mr. Speaker, other than the Flin Flon Trout Festival, this is probably the second most important festival in the province.

ORDERS OF THE DAY

Hon. Clayton Manness (Government House Leader): Mr. Speaker, would you call Bill 24 followed by 37. If those bills pass, I will give instruction as to committee following.

* (1050)

DEBATE ON SECOND READINGS

Bill 24—The Taxicab Amendment and Consequential Amendments Act

Mr. Speaker: On the proposed motion of the honourable Minister of Highways and Transportation (Mr. Driedger), Bill 24, The Taxicab Amendment and Consequential Amendments Act;

Loi modifiant la Loi sur les taxis et apportant des modifications corrélatives à d'autres lois, standing in the name of the honourable member for St. Johns.

Ms. Judy Wasylycla-Lels (St. Johns): Mr. Speaker, thank you for the opportunity to speak on second reading of Bill 24, The Taxicab Amendment and Consequential Amendments Act. I am pleased with this opportunity to express our concerns as did our critic for Highways and Transportation yesterday with this legislation.

Mr. Speaker, at the outset let me reiterate the concerns being expressed by many around the process involving this piece of legislation. We have, from the beginning of this issue and at the first knowledge that this legislation was going to be introduced, expressed concern about consultation with those in the industry.

Yesterday, the NDP critic responsible for this issue raised that concern as well. In so doing he said the Minister of Highways and Transportation had either indicated from his seat or at some place that he was consulting with the industry. We would like to know, when he has consulted with the industry, what steps he has put in place, and I hope he will elaborate on that process, and what is the end product, the result of those discussions. Up until very recently, it was our clear understanding that, in fact, very few in the industry among the independent individual operators and drivers in the taxicab industry had been consulted.

Perhaps those in the more recently established, elite Tuxedo Taxi company had been consulted. Perhaps those who are driving this agenda for the government of Manitoba had been consulted. Perhaps those in the corporate sector who for a number of years tried to move governments to have greater control and exercise greater authority over the taxicab industry, maybe they had the ear of this government, but to the best of our abilities, we have been able to ascertain that very few individual operators and/or drivers had been consulted by the minister, by this government, leading up to the preparation of this legislation and the introduction of Bill 24.

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

We have met over the past number of months with some of those individuals and heard their concerns, and the concerns are very real. Their concerns are generally about the fairness of this government when it comes to the taxicab industry. That, Madam Deputy Speaker, is the basis for our analysis of this legislation.

Does it meet any kind of standard of fairness? Does it ensure equal treatment of those in the field in the industry? Does it apply the same set of rules and standards across the board? Does it ensure that everyone in the industry can work, can contribute, without being placed under conditions of duress? Can they lead meaningful, productive working lives without feeling they are forever trying to meet an endless array of regulations and new changes and new requirements and new standards for some undefined purpose?

It is our view, Madam Deputy Speaker, that this legislation does not meet our standard of fairness, the standard of fairness as portrayed to us by the industry or, in fact, any standard of fairness. This is an industry that has been hit hard by this government, by the Conservative government, over the last number of years. It has been left feeling abandoned by the government of the day as it tries to bring in changes, regulations and legislation to control, in a very upper-handed, high-handed, undemocratic way, this industry.

This bill is an attempt to further regulate the taxicab industry and give more powers to a government-appointed board, to give more authority to a group of individuals who seem to have an agenda of hurting the individual taxicab drivers and owners.

Madam Deputy Speaker, this bill not only attempts to further regulate the industry, which seems to fly in the face of everything this government talks about. The whole emphasis on deregulation, on privatization, on abdicating responsibility, has been a major thrust of this government. So in one way this legislation seems to fly in the face of that philosophical trend.

However, perhaps, Madam Deputy Speaker, on reflection, there may not be so much inconsistency as it appears on first blush, because, in fact, through this kind of legislation and unprecedented powers going to a government-appointed board, this government is achieving perhaps the same objective of privatizing along the lines it sees as the ideal world. Privatizing, deregulating, giving power to a particular sector, a particular group of people within a private industry.

So perhaps it is achieving the same ends by going this route. Certainly it is not only a piece of legislation that gives more power, more authority, more control to government and over its appointed board members, but it also exacts a very painful economic price from the industry itself.

This general principle of Bill 24 which follows on the heels of previous actions by this government over the last number of years to obtain full cost recovery from the industry is causing a great deal of anxiety and worry and fear in the community, in the taxicab industry itself.

That is not new. That has been happening now for a number of years as the industry became more aware of the intentions of this government, beginning back in 1990 and in 1991 when it was drawn to our attention and became knowledge generally in the public that this government was intent on establishing a very elite taxicab company in the city of Winnipeg.

The whole issue of issuing licences for luxury cabs and giving special provisions to the Tuxedo Taxi company has been a long-standing issue and many have expressed concerns about that.

As was stated in a letter to the Premier (Mr. Filmon) on December 23, 1991, by one individual taxi owner/driver in the city of Winnipeg, and I quote from that letter: The concept of luxury cabs only may be right, but the approach is certainly wrong and undemocratic. It is a dictatorship of just a one-man board. Let me say that was the reason the taxi industry took the Taxicab Board to the court.

In other letters, I quote, Madam Deputy Speaker, from a letter of December 1991 by the manager of Unicity Taxi who indicates, and I quote from that letter: The recession has placed our 1,500 city-wide drivers in a very low-earning situation. More erosion of our market could easily place those drivers on the welfare rolls. The Transport minister and Taxicab Board chairman are refusing to consider anything other than the 60 more cars. The industry agrees that this approach will cause great hardship to us and the drivers will be hurt the most.

To use a final quote from this letter, Madam Deputy Speaker: We really are at our wits' ends with this government. We have few options except to park 400 cars on the Legislature until the minister talks to us.

So that letter gives us both an indication of the economic difficulties created by this—[interjection]

Mr. Marcel Laurendeau (St. Norbert): What is the date on that letter?

Ms. Wasylycla-Lels: The member for St. Norbert wants to know the date on that letter. That was December 11, 1991.

Mr. Laurendeau: Oh, 1991.

* (1100)

Ms. Wasylycla-Lels: Yes, Madam Deputy Speaker, I am giving the members a little bit of history for present-day concerns with this government and with this legislation, and that letter clearly indicates concerns both with the impact of government decisions on the economic livelihoods of these individuals, but also clearly indicates the trouble this industry has had in trying to get the ear of the minister and the government. There is a long-standing history of lack of co-operation and consultation on the part of this government with the industry.

Madam Deputy Speaker, the struggle continued since 1991. In 1992, the Manitoba taxi association responded to the government's changes and arbitrary decisions up to that point by writing to the provincial Ombudsman on June 29, 1982, and indicated the following concerns.

In terms of an economical front, they indicate that due to high unemployment, the poor economy in Manitoba, people have had to relocate out of the province. Ridership has dropped by approximately 40 percent. Tourist travel has decreased causing airport traffic to slow down. Unicity has been forced to eliminate 40 seasonal cars due to a slump in the economy at the beginning of 1992. Bankruptcies are increasing daily, and the number of welfare recipients is increasing daily.

In terms of operating costs, this letter goes on to state that the high cost of Autopac has doubled with an increase of over \$2,500 in the last four years. The high cost of upgrading our cars is a factor. Our high operating costs including gas, water, hydro, et cetera, is a factor, and, finally, there are increased costs in terms of vehicle repair.

Yes, Madam Deputy Speaker, clearly, in terms of this legislation and past actions of this government which is about a government intent on full recovery of costs, you pay a price when you go down the road of full recovery of costs. It is certainly a direction, a theme that is present in many aspects of this government's work, but it is unique in terms of this particular situation. No other industry or board is expected to achieve full recovery of cost. So it is a unique situation. It is unusual, and it clearly indicates that this particular industry has been singled out by this government for some reason, a reason which we are still not sure of, but we have our ideas.

Madam Deputy Speaker, there have been many concerns expressed about the intentions of this government through this legislation and through previous changes in the fee structure and in the introduction of the Tuxedo taxi industry. Many have questioned whether or not this government and those whom it listens to in the industry are intent upon creating a uniform, monolithic face to the industry. There are real concerns about whether or not there are some underlying tones with respect to the multicultural fabric of our society.

I am not suggesting, Madam Deputy Speaker, in any way, shape or form, racism on the part of any member of this government, but there clearly appears to be indication from comments made by those in the industry and questions raised with us that someone with power in terms of controlling the taxicab industry is determined to eliminate the multicultural face of our taxicab industry.

Maybe there is a lack of understanding and appreciation of the make-up of our community. Perhaps there is unawareness about those individuals who are involved in this business. Perhaps this government is not aware of those who actually make decisions and make statements. Perhaps this government is not aware what kinds of statements are being made, which clearly cast aspersions upon individuals and groups, ethnocultural groups in our community today. So while we are not trying to suggest that this government has made itself determined to give the industry one face, one look, there are signs that somewhere in this whole operation that is the intention.

I want to refer the Minister of Highways and Transportation (Mr. Driedger), and anyone who is listening, to a memorandum that went from Terry Smythe, chief administrator of the Motor Transport Board to file about a trip that was taken to Calgary in April of 1990. Clearly, the purpose of the trip was

to monitor first-hand the taxi industry in Calgary and bring back information and ideas to Manitoba. Well, some of the observations give us a great deal of concern and are the cause of our questioning today about the motives behind some of the changes that have happened over the years and the legislation with us today.

I want to cite particularly one observation on the second page of that memorandum under a section titled Departure Level Review, point No. 6. I am quoting, so I want to put this exactly as it is in the memo on record: Most of the drivers were dressed in either a two-piece black suit or a uniform, white shirt and tie, polished leather shoes, no headdress of any kind, were in visibly fit physical condition, were well-groomed, no beards, hair cut short, were neat and clean.

Well, Madam Deputy Speaker, needless to say, that kind of observation and how that is being used by this government causes us a great deal of concern and causes us to question the very motives of this government for some of the changes that are being made. That kind of observation suggests that the ideal situation in the taxicab industry is one where we do not allow for cultural diversity to be reflected in the business and economic activity of this province. That kind of observation suggests that the ideal is no individual of Sikh origins wearing a turban while on duty driving a taxi and providing that service to Manitobans.

That observation in that memorandum suggests that there should be no respect for religious requirements, whether it be wearing a turban or having a beard. That observation suggests that our industry should be one colour, one mode of dress and no account for the cultural, religious differences in our province today, something that is a reality in our society, something that is a reality in the taxicab industry and something that will not go away.

Any kind of observation like this causes great concern and causes us to question whether or not there is racial tolerance among the powers that be in terms of regulating the taxicab industry, what the long-term agenda of the Taxicab Board is with respect to the makeup of our industry and whether or not there is in effect an attempt to rid the industry of individuals of different cultural and ethnic and religious background who choose, who want, who

have to practise their cultural and religious heritage.

That kind of observation has been noted by members of the Sikh community, certainly in my constituency and other parts of the province. Those same individuals often get remarks that smack of racism which all add up to make them very uneasy about the attitude of the government of the day and the direction in which they are headed.

* (1110)

So if the intention of this government or the intention of the Taxicab Board, who will now have total power, is to require people to foresake their heritage, then we are very concerned and the community of Manitoba is very concerned.

If the concern of this government and of the Taxicab Board is to improve the appearance of the industry as it is presented to the public and to the industry, then there are certainly ways through consultation and collaboration and co-operative efforts to achieve that goal.

We have not heard from a single individual who is not prepared to sit down and talk with this government about what their concerns are with respect to the shape of the cars or the dress of the individual or the manner in which they deal with customers, quite willing to sit down and talk, but unfortunately there is no environment now for talking and discussing and achieving some kind of common agenda and plan of action around any concerns that there might be.

Instead, what is rampant in the whole field is hostility, conflict, tension and a refusal to actually sit down and mutually talk about these issues and arrive at a solution.

So if the government is serious and that is their concern, there are ways to achieve it without coming in with the most dictatorial, autocratic, authoritarian piece of legislation imaginable, and that is precisely what this legislation is.

It takes away any kind of mechanisms for individual taxicab drivers and owners to have input into the decision-making process. It takes away virtually any hope of appealing decisions of the Taxicab Board.

One of the issues we have raised persistently with respect to this legislation has to do with its attempt to by-pass the decision by Judge Monnin in the Court of Appeal which clearly indicated that the

Taxicab Board had no authority to implement a partial decision.

Well, the government, upon receipt of that decision, did nothing, did not address the concerns, did not try to rectify the situation, and now has in fact chosen to find a way to by-pass that judicial decision, to circumvent the process, to go around the direction offered in that decision.

This legislation in fact indicates that anyone who wants to challenge a decision of the Taxicab Board can only go to court and challenge that decision on a question of jurisdiction or law.

So, in effect, through this legislation, this government has decided to totally ignore and by-pass Judge Monnin's decision and create its own set of laws, its own dictatorship, its own way of achieving anything it wants to with respect to the taxicab industry.

That, Madam Deputy Speaker, to say the least, is undemocratic. It is totally undemocratic, and it is consistent with so many of the other pieces of legislation that this government has been bringing in this session.

There has been a real attempt to try to concentrate power in the hands of its own ministers or in its own appointed boards, many of whom are clearly politically appointed boards, or many of whom are clearly political appointees.

Madam Deputy Speaker, there is reason, in addition to the motives around multiculturalism and concerns about what this means for the mosaic that is Winnipeg and Manitoba, real concerns in addition to that with respect to the by-passing of the courts, the by-passing of Judge Monnin's decision and giving all power to the Taxicab Board.

Madam Deputy Speaker, those are but a few of our concerns with respect to this legislation. We appreciate that we will have opportunity in committee to hear from members of the taxicab industry, to hear from the minister what this new consultation is that he says he has had with the industry, to hear how members in the industry will have opportunity to have a say in decisions, to be able to appeal decisions they do not think are fair. We will have an opportunity, each and every one of us, to judge more thoroughly this legislation from the principle of fairness and judge it according to standards of fairness and justice and equality for all

of our citizens, no matter what their ethnic, cultural or religious background.

Madam Deputy Speaker, we look forward to answers on many of these concerns and questions. We look forward to the input of Manitobans who are involved in this industry. We look forward to hearing from those individual drivers and operators and owners who are struggling very hard to meet the needs of their families, who work very hard in this industry, who work 16-hour days, who work seven days a week.

The number we are talking about—I think what has been said is 400 individual drivers in Winnipeg—really means more like 2,000 or 3,000 individuals when one considers the families involved.

So we have to keep remembering that whatever we do in terms of affecting the livelihoods of individual members of the taxicab industry has much broader ramifications, much more serious consequences if that places in fact the economic security of their families in jeopardy and only contributes to the fear and worry and concern among Manitobans today because of the current economic situation, the lack of hope for any kind of training and redeployment, the feelings among Manitobans, certainly in my constituency and in the north end of Winnipeg, that this government is not listening to their concerns or doing anything to ensure some kind of economic hope for the future, hope for their children, some kind of way to be able to contribute using one's talents for the economy and well-being and future of this province.

This issue is very broad in terms of its impact and has to be looked at in terms of the economy of Manitoba, the impact on families and certainly the question of fairness and defence of our democratic underpinnings of our society.

Madam Deputy Speaker, what I am suggesting to the government of the day is that, as we go through committee and they hear from individuals in the industry, they keep an open mind and they take into account several broad principles and ask themselves whether or not those principles are being maintained.

* (1120)

The first principle, as I started at the outset indicating, is that of democracy, of participatory democracy, and we have to ask the question, is this

legislation democratic? Does it allow for individuals with concerns to have a mechanism to have those concerns addressed in a real way?

Is it participatory? Does it encourage participation? Does it encourage advice and input and feedback?—because, Madam Deputy Speaker, so much is at stake today when we consider the ideal and the principle of participatory democracy.

So many democratic aspects of our society are being eroded, and so many people are losing faith in democratic institutions that it causes everyone great fear and concern about where that leads us, where that takes us, what kind of situation do we end up with if people lose faith and hope in democratic institutions and refuse to participate because they see no role, because they see they are not listened to, because they are not accepted.

So that is the first principle that has to be addressed in terms of a piece of legislation like this.

The second is the question of fairness. Is it fair? Does it treat all members of that industry fairly? Is everyone treated equally, with justice and dignity? Is there a double standard or is it a level playing field?

Past experience has caused this to be a real concern, especially with the formation of the Tuxedo taxicab industry and furthermore the increase in fees and now the provisions of this bill to move toward full cost recovery. Is that fair? Does it mean that everyone will be able to survive in the industry, or will people fall through the cracks?

So that is a principle that has to be recognized.

The third principle is, does this bill respect and enhance our multicultural diversity, or is there, in fact, a hidden agenda somewhere to ignore the diversity that is Manitoba and to require people to abandon their ethnic heritage?

Those are three concerns, three principles, three issues that must be addressed in this bill. We look forward to committee and I thank you, Madam Deputy Speaker, for this opportunity.

Mr. Reg Alcock (Osborne): Madam Deputy Speaker, I would just like to put a few remarks, very brief remarks, on the record on this particular bill.

I want to take this opportunity just to comment on something that I witnessed in committee the other

night, and I wish to congratulate the member for Transcona (Mr. Reid) and the Minister of Transportation (Mr. Driedger), because I saw something take place in committee that one does not often see in this Chamber.

I saw a bill before the committee. I saw a member of the opposition proposing some very reasonable amendments, making some thoughtful suggestions for amendments to the bill, and I saw the minister, rather than just rejecting those amendments outright, considering them carefully and where he thought they had merit, referring them back to his staff and offering to negotiate with the member to bring them in at report stage.

The result was an informed discussion from both sides of the House about the nature of the bill and what it was intending to do on behalf of all Manitobans, and I think, as a result, it will produce a better bill. I think the Minister of Transportation and the member for Transcona are to be congratulated for that.

I hope, because of the nature of this bill—and I expect we are going to see the same process. I know the former member for The Maples, the current M.P. for Winnipeg North, the member for Inkster (Mr. Lamoureux) have all been working with the minister on some amendments to this bill, and I think we will see, if we adhere to that same process of reasonable discussion and negotiation, the kinds of amendments that are going to improve the quality of this bill.

I did not want to leave this House without putting on the record that at least once in five years, I saw the committee system work rather well.

Thank you.

Madam Deputy Speaker: Is the House ready for the question? The question before the House is second reading of Bill 24, The Taxicab Amendment and Consequential Amendments Act (Loi modifiant la Loi sur les taxis et apportant des modifications corrélatives à d'autres lois).

Is it the pleasure of the House to adopt the motion? No? All those in favour, please say Yea.

Some Honourable Members: Yea.

Madam Deputy Speaker: All those opposed, please say Nay.

Some Honourable Members: Nay.

Madam Deputy Speaker: In my opinion, the Yeas have it.

Mr. Kevin Lamoureux (Second Opposition House Leader): Madam Deputy Speaker, on division.

Madam Deputy Speaker: On division? Agreed? [agreed]

Bill 37—The Manitoba Public Insurance Corporation Amendment and Consequential Amendments Act

Madam Deputy Speaker: To resume debate on second reading of Bill 37 (The Manitoba Public Insurance Corporation Amendment and Consequential Amendments Act; Loi modifiant la Loi sur la Société d'assurance publique du Manitoba et apportant des modifications corrélatives à d'autres lois), on the proposed motion of the honourable Minister responsible for the Manitoba Public Insurance Corporation (Mr. Cummings), standing in the name of the honourable member for Osborne.

Mr. Reg Alcock (Osborne): Madam Deputy Speaker, I suspect that if you consult your records, you will see there is a letter on file granting me the Leader's designation on this particular bill. Can you confirm that?

Madam Deputy Speaker: I have been duly informed by the Clerk that, indeed, he has been made aware that it does exist. However, I currently cannot find a copy of it on this desk. So the assumption is that, indeed, the honourable member for Osborne, at this time, unless I hear differently from the Speaker, indeed, has been given the authority to be the designated speaker for the Liberal Party.

Mr. Alcock: It was a bit of a moot point, given that we have just a little over an hour left in debate for today, and I have indicated that I would be prepared to bring my remarks to a close so this bill could pass and go forward to committee today.

But I did not want to see the bill pass without standing and speaking a little bit about what I have learned as the critic for MPIC about the intentions of the government as we move toward this very radical change in the way in which we provide protection to people in Manitoba.

It is interesting to me to reflect back on 1988 when I first ran for government. At that time, as

most members will recall, there was tremendous dissatisfaction with the management of the Manitoba Public Insurance Corporation under the former government.

There was a belief, and I think a substantiated belief, that the former government had been manipulating the rate-setting structure in order to provide a pattern of low rates coming up to an election, and then they would make up the monies that were lost in the years following an election, so they would receive the benefit of what was apparent good management coming into the election cycle.

They were caught a little bit by the fall of the government. They were caught in mid-cycle at a time when the corporation was in some trouble and in which we had to go through a relatively healthy rate increase, and that, itself, became an issue during the election. Certainly, as I went door to door, I heard an awful lot about that.

At that time, Madam Deputy Speaker, we argued that the fix to this was to remove the rate setting, to remove the overview on the management of MPIC from the political side of the government and pass it to the PUB as we do with other monopolies, but let the rate setting reflect the costs incurred by the corporation and the services provided to the people of Manitoba, and let it be done in some nonpolitical way that will in essence act on behalf of all people who live in the province.

The government at the time said that it was impossible to do that, and approximately six months later, in October of '88, agreed with us and did in fact refer MPIC rate setting to the PUB.

Now we are faced with a much, much more significant change, and we have to ask ourselves why. Why are we going to undertake a change in this corporation at this time? There are a number of possibilities, I suspect. I am rather struck by the fact that there is a maxim that gets repeated at this House every now and again and it is attributed to farmers, but the statement often is by the members opposite: If it ain't broke, why fix it.

So, part of the discussion, I think, has to be to determine whether or not it is broke. Is there such a fundamental problem with the services offered by MPIC that we must do away with the way in which it does business in order to replace it with something that comes closer to meeting the goals

for which it was originally established? I think we have to look carefully at that question.

The original intention—and I have gone back and read the debates by Premier Pawley and former Premier Schreyer in 1970 as they spoke on the introduction of MPIC—was to put in place an efficient public corporation that would return to Manitobans some 85 percent of the monies it collected in the form of benefits, either through automobile repair or protection for losses suffered as a result of personal injury.

The corporation has functioned fairly well over that period of time. It became a political issue, as I have mentioned, in the '88 election, and I think if I have a concern about what the government has done subsequent to that, is that it seems to have abrogated its leadership. I mean, surely government has a role to play in educating the public, and if the facts that are before the public are in error, if there is a misunderstanding in the public, surely the government has a responsibility to correct that misunderstanding.

I would simply like to look at the first side of this question. Is the corporation broke? Are the fees that Manitobans are paying out of line with what is being proffered in other parts of the country? I asked the Canadian Automobile Association to provide me with some figures looking at the comparative insurance rates across the country, with specific reference to Ontario, which has a limited form of no-fault, and Quebec, which seems to be the plan upon which our current no-fault plan is predicated.

* (1130)

Let me cite a couple of examples. A 1991 Ford Taurus, driven for pleasure only, female owner, over 25, not had an at-fault claim. In 1992, in territory 1, which would be down here, that driver would pay \$634 a year for her coverage. In Ontario, in Toronto, she would have paid \$1,045 and in rural Ontario she would have paid \$689. In rural Manitoba she would have paid \$519. In Quebec, in Montreal, she would have paid \$1,136 and in rural Quebec, \$644. By every comparison, Manitoba's rates are below that of the two other provinces that offer some form of no-fault. But that is for a driver who has a relatively good driving record. Let us look at a male driver: 1989 Mazda, MPIC, 1992, territory 1, \$768; Ontario, \$1,103;

Quebec, \$1,252; rural Manitoba, \$587; rural Ontario, \$706; rural Quebec, \$789.

So where is the evidence that our rate setting is out of line with what is being paid in other provinces now?

Point of Order

Hon. Glen Cummings (Minister of Environment): Madam Deputy Speaker, on a point of order, I would encourage the member not to confuse mixed systems where there is both private auto insurance and public no-fault with the system that we have in Manitoba, Saskatchewan, and B.C., which is a publicly run system totally for bodily injury and automobile.

Madam Deputy Speaker: Order, please. The honourable Minister of Environment (Mr. Cummings) does not have a point of order. It is a dispute over the facts.

Mr. Alcock: Thank you, Madam Deputy Speaker. Of course there is no dispute. Had the minister been listening to my comments when I began my discussion, he would have understood the references I was making. [interjection]

Well, I can understand the minister's disquiet, because the grounds upon which he is undertaking this change are shaky ones at very best. He is having a great deal of difficulty justifying for any public service, or public good reasons, the reasons behind this particular change.

Let us just examine it a little bit. The minister makes the case in his pre-election campaign piece on public auto insurance that bodily injury claims are running out control. In fact, they made a submission to the Public Utilities Board that argued that, and that this was a reason why they had to move to a no-fault system in order to get them under control.

At the same time, they had to make a submission to the Public Utilities Board which provided some factual support for this claim. They produced in that a number of analyses at the request of the Public Utilities Board, one of which is produced from the June 16, '93 application, page 6, at which they examine the bodily injury percent change in pure premium.

Now, they make the case that what is happening is bodily injury pure premiums are escalating out of control, and that this is the reason why there is a belief that premiums could double by the turn of the century. But, in fact, their own information suggests a declining rate of increase. It suggests a flattening of the rate of increase, not the exponential increase that they produce in the very next graph on the next page.

In fact, they produce a piece of information here that I would say is fraudulent. You cannot reproduce this chart mathematically. You cannot reproduce this chart analytically. They have drawn this in an attempt to bolster their argument, but it is factually in error.

Now, why is it if rates are substantially below other provinces, if there does not seem to be this absolute out-of-control rate escalation that the minister would have us believe there is, why is it that we are choosing to deprive people of the very substantial benefits that are open to them today under the current MPIC system?

But let us just look a little further. Let us just have another little look here. Let us look at the annual reports for MPIC and let us go back through the term of this government. Claims incurred have increased during the term of this government 26.2 percent, claims cost for claims incurred. Claims expenses have increased 41 percent, a substantial increase. Administrative expenses in the corporation have increased 156 percent.

Madam Deputy Speaker, if there is an out-of-control aspect of this corporation, it seems to be very heavily on the administrative side. Perhaps this minister, rather than depriving the people of Manitoba for the benefits that are available to them under the current system, should be working with this corporation to hold down the tremendous escalation in the cost of running the corporation. Perhaps they should be going to the board and holding them accountable to the same kind of cost containment that they are the rest of government, because certainly the evidence that one can find by looking at the PUB submissions, the rate setting, the internal operations of MPIC, do not support an argument that the corporation is out of control.

In fact, the corporation, in its October 31, 1991, statement, was in such good shape that it was able to return to the Province of Manitoba some \$32 million that the province had previously committed to fund. So we have a corporation that has low

rates, relatively modest increases in costs over the six years and an ability to return rather substantial funds to the Province of Manitoba. What are we doing? Why are we proposing then to fix what ain't broke? Could it be—

An Honourable Member: I cannot believe that you are putting this on the record.

Mr. Alcock: I note that the minister, from his seat, expresses a little nervousness about the fact that there is some concern about the government's decision to move in this direction. I also note, and I am surprised, frankly, at the decisions taken by the New Democratic Party. I am surprised by their willingness to support the government on this.

I would like just to read a few things, a few quotes from a paper prepared by one Vic Schroeder, who makes some comments here that Bill 37 is designed either intentionally or unintentionally to destroy this system, meaning the Autopac system. It immediately commences privatization and, through very rapid erosion of public support when its impact is felt, will allow for the total elimination of the public insurance system within a decade of its implementation. Bill 37 proposes that if a Manitoban is involved in an accident, we will no longer be able to recover all of the losses suffered even though the accident was caused by the negligence or bad driving of someone else. This may well save some insurance premiums, but there are a number of identifiable groups who will, as a whole, be net losers in this system which is geared to make the victim pay.

He goes on, and I am not going to read the entire document, although I do want to return to a couple of discussions relative to it, but I would like to look at one other piece of it. Let us just take a very macro view of this. Let us not try to get into the details of it at this point. Let us just look at what has been the experience in Quebec, the province upon which the minister has modelled this program.

The Canadian Automobile Association presents information that says the Quebec plan has amassed a surplus of in the order of \$2 billion since the introduction of no-fault. Ask yourself this very simple question. Their rates are higher than Manitobans' and they are able to extract a relatively large amount of money.

^{* (1140)}

Now, Manitoba, of course, is about one-sixth the size of Quebec, so we could adjust things proportionately, but, nonetheless, there seems to be an enormous profit that comes out of this change. Exactly the same thing happened when they moved to the modified no-fault in Ontario—again, a very large level of profit.

You have to ask yourself, where do those profits come from? The answer is very simple. Those profits come out of the benefits previously paid to people who are receiving compensation. So this is not a no-fault system. This is a reduction in benefits system. In fact, I noticed with some interest that the member for Thompson (Mr. Ashton), when he spoke on this yesterday, made exactly that point. He said this is a system that will significantly reduce the benefits available for Manitobans.

I would just like to ask people in this Chamber. I do not know whether people are even aware of this. Any member of this Chamber who receives any outside additional income over and above the basic stipend and car allowance that is paid here, but if you receive any funds for teaching elsewhere or on the farm or through the operation of, shall we say, an insurance business, you will have to purchase private insurance in order to have the same benefit that you currently enjoy.

Anyone making above \$55,000 gross in this province will have to purchase private insurance. The private insurance company is being reintroduced, and that may explain why this has the support of the member for Elmwood (Mr. Maloway), who has the opportunity to be the agent for such insurance.

We have to come back to this question of why are we allowing that. What is it that we are gaining from doing this? What is it that is going to make Manitobans better off as a result of this? Is it, as the member for Broadway (Mr. Santos) argues, that this is a make-the-rich-pay program, that simply what was happening prior to the current circumstance was that poor people who could not afford to go to court and who could not therefore avail themselves of the benefits, under this scheme they will be able to do that because they have a less litigious environment?

Well, let me quote from Mr. Schroeder's paper. Let us not use my arguments. Let us look at his: I believe another factor driving up costs is the fact that more people on average on lower incomes are now able to afford to hire a lawyer because of the prevalence of contingency agreements. So his own former member makes the argument that under the current system, more people are able to access the court system, and, as a result, that is one of the factors that is pushing costs.

I think at this point, maybe what we should do is just come back for a moment to what is happening in other quarters. One of the very simplistic arguments this government is trying to make is that this is simply a lawyer's bill, that somehow what we are doing here is we are putting in their place a bunch of rambunctious lawyers who are, in effect, pushing or somehow manipulating the court system into providing benefits or settlements that are far above what would, quote, reasonably be expected, and therefore that is driving costs.

Well, I want to digress on that one for a moment because I have to tell you I think that is a relatively cheap argument. There is a feeling, I think, that when they survey as to the popularity of various professions, lawyers and politicians seem to run somewhat neck and neck. There is this sense that lawyers are not necessarily the most popular people in the community, and, as a result, if you can make them the victims of this, if you can make them the villains in this piece, the public will jump onside and you will have great support for any attempt to reduce the impact or the involvement of lawyers in any system.

I think we have to consider what we would want, what our own circumstances are. If we can just step aside—I am the son of a policeman, and my father hated lawyers. My father hated lawyers because when he went and arrested somebody, he had to go to court and justify what he had done, and lawyers for the defendant would stand up and would criticize him and would attack his presentation. So I grew up hearing about the evils of lawyers. But that, fundamentally, is our system. That is the way in which we provide rights to people. That is the way we provide an opportunity for people to be considered, their individual circumstances to be considered before the law.

I am always bemused at how quick the press and the public are to pass judgment on a very complex legal question when they see on the basis of very superficial information that the decision that was rendered was somehow inconsistent with what they believe justice would have provided.

We do spend an awful lot of resources, time, energy, and we employ an awful lot of very bright people to allow us exactly that opportunity to have our personal circumstances considered when we are in conflict with a system. That is what we do here.

I do not think, and when I look at it, I am not going to read through or repeat the work that has been done by the legal rights network or Mr. Rodin or others. They have produced very lengthy, very detailed and, I think, very high quality briefs on alternatives. They have not just criticized the system. They have said: Here are some ways in which you can address some of the cost escalations that you are talking about without ultimately depriving Manitobans, particularly those Manitobans who are severely disabled as a result of an accident, of the rights they currently enjoy. That fundamental right is the right to have your circumstances, your individual circumstances considered in detail when there is a decision being made about your compensation.

Again, I would just like to ask people here, what would you prefer? What would you prefer, Madam Deputy Speaker, if you were in an accident? Would you enjoy or would you prefer to go before some bureaucrat who is going to make the decision on a narrowly drawn, politically imposed schedule of fees and benefits, or would you prefer to go before a judge and lay out your personal circumstances in some detail and have that considered in the establishment of an award?

I do not think there is a person who would not rather take their chances before a judge, because one of the things that we have seen over time with the actions of governments, and here I am not going to criticize the current government, I am going to criticize all governments. When the political interests of the moment are the ones that are up for consideration, governments tend to move. If that means the reduction or the denial of a benefit to people, that is, unfortunately, what seems to occur.

We have seen that, and I look for a minute at the changes that were introduced in the funding of health care federally. A significant change, a change that was introduced to move from shared funding to block funding in the late '70s, that was

maintained with an escalator at the rate of inflation until we got into problems with the deficit in '85. Then that principle of federal government participation in the support for medicare in this country was very carefully, very insidiously reduced.

We saw a reduction of the escalator from one point to one point below inflation, to two points below inflation, to the point where in another few years the federal government will be completely out of the provision of cash to the health care system in this province.

So I wonder about that. I wonder about that now when I look at this provision. Here we say, well, we are going to provide a benefit that, if you have a gross income of \$55,000, you will receive 90 percent of your net income as a result of compensation for wages lost, et cetera.

Right now the minister makes the case that would cover 90 percent of all Manitobans. I am not even going to dispute that. He may well be right. I have not checked the figure, but I do not see any particular reason to dispute that, except what comes into play, then, is the ability of the government to squeeze this figure down. They could keep it at \$55,000 and let inflation simply overtake it.

They say they are going to escalate it at the rate of inflation, but other governments have said that. In other circumstances, that provision has been made and, in fact, not followed.

So one does not have to march very far down the road before that \$55,000 is the average income in Manitoba. One does not have to go very far into the future before it becomes below average. I think that is what Vic Schroeder is referring to when he talks about the destruction of the system, that as the proportion of Manitobans who require private-sector, top-up insurance grows from—even if we accept the minister's figures—10 percent of the population, to 15 to 20 to 40 percent. But pretty soon you reach a point where the efficacy of the public no-fault system is in some serious question.

* (1150)

I wonder if that is not part of the real motivation for this government in making this move. I wonder if they are not simply trying to revisit an argument that they lost in 1970—doing it cleverly, doing it carefully. But I note another provision, and I asked the minister a question in the House about this: as Quebec began to amass relatively large profits under their version of no-fault, the government began to look over there longingly. Two years ago it took \$250 million into general revenues from that profit in their Autopac system, and last year it took \$275 million into general government revenues.

That raises two questions, but the first is that the minister when I asked him that question in the House said, well no, that will never happen. I guarantee that will never happen because there is a provision in the legislation that prevents the transfer of funds.

That same provision sits in the Quebec act. That same provision is there, and it is that same kind of invidious change. It is a small change to change that provision; it is a small change to alter that. Pretty soon we have what should be a low-cost public insurance system becoming a part of the tax base.

The public insurance becomes not the accumulation of sufficient funds to provide adequate protection to Manitobans who require it, but becomes another source, a nondirect taxation source of revenue to the government. I think that is clearly improper.

So I am not satisfied and I am not reassured at all by the assurances of the minister that this provision that exists within the act will prevent them from availing themselves of the funds that will come out of the benefits previously allowed Manitobans.

Madam Deputy Speaker, there are a number of alternatives. There are a number of ways in which we could have dealt with this. We are going to go into committee this afternoon, and we are going to hear, I think, some very detailed submissions on why or how the system could be fixed, could be amended.

I note within the minister's own brief to cabinet, within the minister's own option paper, he examined a number of them. He provided ways in which the area he is most concerned about, and that is the escalation of these costs in the \$5,000 to \$10,000 range, the impact of that could be reduced. This would produce some savings for the corporation, and this would also leave in place the thing I think most concerns me. It is not the access to tort for a \$1,500 claim or a \$2,000 claim. It is the access to tort for those people who are most

severely impaired, severely disabled and most in need of support who I am concerned about.

I do not know if members here have had much in the way of accidents or know people who have had much in the way of accidents. As the MPIC critic, I am constantly being called by people who are in conflict with the corporation around the repair of the tin, leaving aside the personal injury for a minute. There we have a form of no-fault and we have a schedule.

Inevitably what happens is the person who has had the accident goes to the corporation. They receive some kind of offer, particularly if it is an older vehicle or there is a consideration about writing it off. Almost inevitably, if they are dissatisfied with that, the corporation will provide them with a response, their first offer, if you like.

Their supposed chart of accounts will provide one offer which, if one gets in and pushes on it a little bit, gets into conversations with the corporation, one applies some pressure, one questions what they are doing, there will always be a second offer. That is because one is able to go in and put a little pressure on the corporation. One is able to go in and challenge what they do. Now we are talking about nonpersonal injury, relatively small items.

The scary thing is, we will experience that same kind of capricious administrative rate setting or benefit setting in the case of bodily injury. Those people who are unsophisticated in dealing with the system, those people whom the member for Broadway (Mr. Santos) pretends to be concerned about will go to the corporation and through perhaps a difficulty with language or an unfamiliarity with dealing with a large corporation, will receive a particular offer which may be well below any kind of real consideration of what they are entitled to or what they need in order to adequately compensate themselves for the losses they have incurred.

(Mr. Speaker in the Chair)

We are depriving them of any kind of advocacy system, and we are depriving them of any kind of support for their personal circumstances. We are depriving them of the ability that somebody go in and speak on their behalf, and to say there are a number of very unique personal circumstances at play here that need to be considered before we simply apply the proposed meat chart.

Now, Mr. Speaker, I would like to come back just for a second to this question of lawyers. Because every time—I note that I am probably the only member in the House who currently has spoken in opposition to this bill—but every time I have mentioned that I might be in opposition to the bill, I get all sorts of comments from the other members in the House that I am speaking on behalf of the lawyers, which I find rather surprising.

So I would like to quote—[interjection] well, there the member for Burrows (Mr. Martindale) takes another relatively cheap comment—the Canadian Automobile Association, which is a group which represents drivers, not lawyers, in this country, has put forward a report on this, has examined in detail—this is their business, is to look out on behalf of the best interests of drivers—they have examined in detail the impact of this change on the rights and benefits available to drivers in Manitoba.

They say they are deeply concerned about rate increases in Autopac premiums—and that is having examined them across the country, having examined the balance sheets of MPIC—but they do not advocate switching to a pure no-fault plan as recommended. They do not.

Now, when we go on, they have done a couple of things that I think are very interesting. They have looked at, in detail, the PUB recommendations, and ways in which the corporation could be made more efficient, ways in which costs could be saved, ways in which bodily injuries could be reduced in order to leave us with a lean and efficient corporation providing benefits to those who need it, but also addressing some of the rate changes. That is exactly the impact or the effect that we had hoped would come out of the decision to bring the corporation before the Public Utilities Board.

But let me just read a couple of their findings. One of the first ones is this—they are sort of speaking about their desire to move to no-fault—they believe that changing to pure no-fault would not prove to be a simple solution to a complex set of problems. Indeed, it would amount to a little more than trading one set of problems for another's, and motorists—not lawyers—could lose more than they gained.

They have reviewed the no-fault programs in Quebec and Ontario, and they indicate that adopting a similar system would not result in reduced premiums for Manitoba motorists. They

note that most drivers in Quebec and Ontario pay substantially higher insurance premiums than Manitoba drivers.

But they make the case—these are the motorists—that there are other issues that must be considered such as the price paid for relinquishing the right to sue for injuries suffered in an auto accident. They note that in Ontario that when the OMPP began its program, they saved private auto insurers 10 to 15 percent, and that the companies posted a profit of nearly \$750 million in the first year of implementation.

Accident victims—and I am quoting from their report—who were compensated with preset amounts, did not of course benefit from the insurer's increased profits.

* (1200)

So, Mr. Speaker, I shall not go on and quote the problems at great length. I am sure that the CAA will be before committee and they can make a case for it also. They did make some recommendations. They do not just say leave the existing system intact. Do not act. They say: but the corporation should press for tougher year round enforcement of laws pertaining to speeding, wearing motorcycle helmets and proper use of seat belts and child restraints—a rather novel recommendation.

Let us try to reduce the level of personal injuries. Let us try to solve this whole problem by having fewer personal injuries rather than more. There are a number of recommendations that both the PUB and the CAA have made. Call for increased penalties for traffic code violations concerning the above. Let us be more stringent. Let us get the bad drivers off the road. Let us do the things that we can to ensure that we have done everything that we can to prevent injuries. Let us take the preventative approach to this.

Increase educational efforts for all classes of road users. Advocate graduated and conditional licensing systems. Revise the merit point system. Actively promote initiatives for the prevention of vehicle-related crime. They even go on to some details in terms of better snow clearing. They point out in their report that the government has before it, the corporation has before it, a large number of options that will produce better safety, fewer accidents, without depriving Manitobans of the benefits that they currently enjoy under MPIC.

Mr. Speaker, I want to help members of the Chamber understand just a little bit what this is going to mean for some people. I am going to use a couple of examples again from Mr. Schroeder's presentation, as well as a few of my own.

Mr. Schroeder asked the question, who is going to lose? Who is going to specifically be deprived as a result of this legislation?

The first class he mentions is pedestrians. Pedestrians very seldom, if ever, cause bodily injury to an occupant of a motor vehicle. All too often some motorist running a light or a crosswalk or a sidewalk manages to injure a pedestrian. That victim will now pay for the reduction in insurance premiums enjoyed by the driver who hit her, because she cannot be fully compensated for the loss suffered. This scheme is again premised on the victim paying.

A second group of losers will be children under 16 and those who do not have a driver's licence. Nondrivers include a fairly substantial proportion of our population including many of our elderly, people with physical handicaps, many immigrants and others, those who take taxicabs, buses or are passengers in motor vehicles. Each of these persons will be required to sacrifice when injured, each of them will have to give up their right in order to allow this political benefit to arrive for the government.

It is interesting, and he makes a point in here that there are nearly 20,000 personal injuries a year in Manitoba. That is almost a thousand per member in this House. It is an enormous number, and we are asking them to give up, we are taxing them if you like, asking them to contribute something, a right that they currently enjoy. For what? For what benefit, what real benefit to the corporation or to the general public's good?

Students and people just entering the job market or awaiting a promotion will be hard hit. An apprentice earns far less than what he would shortly be earning. Farmers coming off a crop failure have difficulties.

It is interesting that when you set a chart as they are proposing to do, you do not allow any way for the unique circumstances of individuals to be considered. That is really what the question is here. What about an apprentice who is deprived of the opportunity to become a journeyman, who loses that income stream that he or she was

working towards? Is it fair that we deprive that person of the right to have that considered in the establishment of the benefit due that individual?

What about seniors? Here is an interesting one. I was interested in the comments of the member for Brandon East (Mr. Leonard Evans) on this one who talked about seniors 75 years of age and older. He makes the comment: "Let us say you are a physician working at the age of 75, and you had an accident and are entitled to income replacement within the guidelines." In a previous sentence he makes the statement, this is from July 13, 1993: "I believe there is some misunderstanding on this because I believe you do get compensated if you are working beyond 65." The fact is that you do not. The fact is that in the first year after 65 you get only 75 percent of the benefit that you would be entitled to. You get 50 percent the following year, 25 percent the following year, and after that you get zero.

So for only one reason, by virtue of the fact that you are a certain age, not only are you deprived of the ability to have your personal circumstances, but you are deprived of a very real benefit that is attainable under this plan. For what reason? I believe and I have certainly been advised by a number of people that there may be some opportunity for a court challenge to this. In fact, I have even seen the minister and others nod their heads when that gets raised.

Why are we legislating something that so clearly hurts residents of this province? Why are we legislating something that treats someone—I mean, we note from the various attacks on compulsory retirement legislation and we note from any demographic study in the country that people are working longer and longer.

In fact, there is a lot of information coming out on retirement that it is to one's personal benefit to be working to an older age, not just financially but in terms of one's vitality and energy. People do not want to retire when they are 65. We have seen lots of evidence of that, so why are we saying that someone who is 66 is entitled to less of a benefit than someone who is 64? Why are we, on the basis of their age, depriving them of a benefit that someone else might be entitled to? I think it is a question that the government is going to have to deal with, and I would expect that if they do not,

there is going to be a relatively lengthy discussion before the courts on that particular one.

I think, rather than take up a lot of time on the details, when I reflect on why we are doing this I have to ask myself what is it that the government is going to gain from this particular action. What is it that is behind their desire to see this change? I think there are three things. I think the first and most important, and I think that is why we are seeing such haste, there was no movement. It has been five years since the Kopstein case came out, five years that the government kind of sat and worried about it, talked about it and took no action and, in fact, benefited from the operations of the corporation and, all of a sudden, just post-Christmas a desire to begin to move quickly to see the introduction of no-fault insurance.

* (1210)

I mean, in fact, in discussions with the minister and others, they talk about the speed with which they had to move in order to get the bill before the House for this session. All of a sudden it became a matter of great urgency, something of a panic. Why is that? Why are they attempting to make this change at this time?

I think there is one very clear reason for it. I think they want to go into the election cycle next spring and be able to offer to Manitobans a reduced or at least a flat insurance premium coming into that cycle. I think they have every intention to-they know they are coming into their fourth year. They are getting ready for it. It was a big issue in '88. It is in their political interest and certainly would be politically popular, there is no question about that, if they could offer a 5 or 10 percent reduction in MPIC rates. Those people who have to go to the existing agents for that private insurance are relatively small in number at the current time, and unfortunately with insurance, it is one of those things that unless you are required to, people all too often forget to do it.

One of the reasons why we moved into MPIC in the first place was because we began to require drivers to have public liability insurance. One of the reasons why people buy insurance on their house is because your mortgage companies require it. People all too often are prepared to sacrifice a benefit that is forward looking in favour of a few dollars saved today. That is particularly true of those people on lower and more marginal incomes.

So we are putting people back into that position of either those people at the high end will pay in fact more, because while they may receive a bit of a benefit from the reduction in MPIC costs, they are going to have to offset that reduction by the purchase of private insurance. There is no doubt it will be popular. The government will be able to run its election having said that it has produced for the public lower rates.

I think it is exactly that kind of very cynical political action that leads to the very low regard that people have for people in this Chamber, the very low regard people have for politicians, because what you are saying is that in order to put the government on a more competitive position in the next election, you are going to deprive every Manitoban of a right that they currently enjoy, not to save the corporation, not to produce better insurance, to produce lower insurance, less benefits. The only beneficiary is the government's election timing.

The second reason I think they are doing it is the reintroduction of private insurance. I think through the manipulation of the rate schedule that they can in fact increase the share of private insurance that the private companies will enjoy, and frankly, I think they can accelerate that change according to their own planning until such time as it becomes a reasonable decision to bring the private insurance companies back into full competition with MPIC. I think that will do exactly as Mr. Schroeder suggests, eliminate MPIC.

The final reason why I think they are doing this is that they look over at MPIC, they look at the experience in Ontario, they look at the experience in Quebec and they see MPIC as a significant cash cow, the same way that they have seen the Lotteries corporation as a way in which to derive nontax revenues for the government.

Again, that is not why the company was established. That is not what the intention was when they set up the corporation. I do not think it is a proper use of what should be a lean public sector corporation providing some direct benefit to the people in this province. Mr. Speaker, I am saddened by it.

I have no doubt that the bill will pass. I do want to thank the minister. I think the minister has been forthcoming, not perhaps open to changing much but certainly has been willing to share information and to attempt to defend his position.

I note in closing, in the province of Ontario at the current time 69 percent of the residents in that province are dissatisfied with the insurance that they receive, 69 percent. No-fault, instead of being a boon or a benefit to drivers in that province, has hurt them, and I think we are going to embark upon that here. I think it is sad, because I think we all lose.

I am going to ask the government to consider some amendments and some changes on the small claims side. There are a number of models, whether it be deductibility or a verbal limit. I am going to ask them to consider that and to leave open the access to tort at the high end, to leave open the opportunity for individual circumstances to be considered in the designing of benefits for those people who are most severely injured in this province.

Thank you, Mr. Speaker.

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

An Honourable Member: Question.

Mr. Speaker: The question before the House is second reading of Bill 37, The Manitoba Public Insurance Corporation Amendment and Consequential Amendments Act; Loi modifiant la Loi sur la Société d'assurance publique du Manitoba et apportant des modifications corrélatives à d'autres lois. Is it the pleasure of the House to adopt the motion? [agreed]

Committee Changes

Mr. Speaker: Prior to recognizing the honourable deputy government House leader, I will recognize the honourable member for Burrows with his committee changes.

Mr. Doug Martindale (Burrows): Mr. Speaker, I move, seconded by the member for St. Johns (Ms. Wasylycia-Leis), that the composition of the Standing Committee on Economic Development be amended as follows: Elmwood (Mr. Maloway) for Burrows (Mr. Martindale); Brandon East (Mr. Leonard Evans) for Transcona (Mr. Reid).

Mr. Speaker, I move, seconded by the member for St. Johns (Ms. Wasylycia-Leis), that the composition of the Standing Commission on Law Amendments be amended as follows: Selkirk (Mr. Dewar) for Radisson (Ms. Cerilli).

Motions agreed to.

Mr. Edward Helwer (Gimil): Mr. Speaker, I move, seconded by the member for St. Vital (Mrs. Render), that the composition of the Standing Committee on Economic Development be amended as follows: the member for Ste. Rose (Mr. Cummings) for the member for Steinbach (Mr. Driedger); the member for Sturgeon Creek (Mr. McAlpine) for the member for Minnedosa (Mr. Gilleshammer); the member for Arthur-Virden (Mr. Downey) for the member for Pembina (Mr. Orchard); the member for St. Norbert (Mr. Laurendeau) for the member for Portage la Prairie (Mr. Pallister); and the member for Gimili (Mr. Helwer) for the member for Emerson (Mr. Penner).

I move, seconded by the member for Niakwa (Mr. Reimer), that the composition of the Standing Committee on Economic Development for Monday, 9 a.m. session, be amended as follows: the member for Assiniboia (Mrs. McIntosh) for the member for St. Norbert (Mr. Laurendeau); the member for Lac du Bonnet (Mr. Praznik) for the member for Gimli (Mr. Helwer); and the member for Emerson (Mr. Penner) for the member for St. Vital (Mrs. Render).

I move, seconded by the member for St. Vital, that the composition of the Standing Committee on Law Amendments, this is for the Monday, 9 a.m. session, be amended as follows: the member for River East (Mrs. Mitchelson) for the member for Seine River (Mrs. Dacquay); and the member for St. Norbert (Mr. Laurendeau) for the member for Lac du Bonnet (Mr. Praznik).

Motions agreed to.

House Business

Hon. Darren Praznik (Deputy Government House Leader): Mr. Speaker, on House business. First of all, I would like to announce that the Standing Committee on Economic Development will sit at 1 p.m. this afternoon to consider Bill 37, the amendments to The Manitoba Public Insurance Corporation. I am also calling that committee for 9 a.m. on Monday to continue their consideration of the same bill.

I would also like to announce that the Standing Committee on Law Amendments will also be called for 9 a.m. Monday to consider Bills 24, 43 and 46. With respect to rooms, the Standing Committee on Economic Development will meet in Room 255 both today and on Monday. The Standing Committee on Law Amendments will meet, I believe, in Room 254.

I would also now ask, Mr. Speaker, if you could please call Bill 26, The Expropriation Amendment Act.

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

BIII 26—The Expropriation Amendment Act

Mr. Speaker: On the proposed motion of the honourable Minister of Justice (Mr. McCrae), Bill 26, The Expropriation Amendment Act; Loi modifiant Ia Loi sur l'expropriation, standing in the name of the honourable member for Burrows.

Mr. Doug Martindale (Burrows): Mr. Speaker, I think this is a very interesting and very important bill, because it has to do with property rights and it has to do with individual rights and the rights of appeal by individuals to the courts, which this Conservative government does not believe in, in the case of this bill.

I am very surprised at that, because there were a great many Conservatives in this country who supported property rights in the Constitution. They were disappointed that property rights were not included in constitutional amendments in some of the packages of the federal government. So I think they are alienating some of their natural supporters who believe that property rights and individual rights are the be-all and end-all of all rights, and they are ignoring these people. So we have some great difficulty with this bill, particularly regarding the right to appeal to the courts.

(Mr. Bob Rose, Acting Speaker, in the Chair)

Now, there are some very interesting examples in the history of Manitoba regarding expropriations. For example, Mr. Acting Speaker, after the great Winnipeg flood of 1950 I believe it was, there was a consensus that something needed to be done to protect the city of Winnipeg from flooding and indeed to protect small towns in southern Manitoba from flooding, and that is why a number of diversions were built and the biggest diversion of all was the Red River Floodway.

* (1220)

It is my understanding, I could be wrong, I could be corrected, but I understand that farmland was expropriated to build the floodway. I believe that the government of the day, the government of Duff Roblin, had public support for this because there was, first of all, a great understanding amongst Manitobans of the devastating effects of the flooding of 1950 and the tremendous cost to the City of Winnipeg and the Province of Manitoba and, indeed, to individuals who were in many cases located on the Red River Floodway in Winnipeg and elsewhere, so there was great cost to these individuals and to government as a result of this flood.

In fact, a book has been written about the flood. I look forward to reading it because I did not live in Winnipeg at the time, and if I had I would have been too young to remember. So I think there was general agreement that, if there was going to be a floodway and if the government had to expropriate land in order to build the floodway, the government had support in doing that, even though it may have harmed some individuals. I do not know what kind of compensation they got and whether they thought that compensation was fair or not, but the aphorism that I think applied in that situation was that the government was doing it for the greater good of the greater number.

Really, it is an ethical statement people support, because even though one or two individuals or even a handful of individuals or even if it is 100 individuals, that the rights and the interests and the greater good of hundreds of thousands of people prevails or takes precedence over a small number of individuals who may have had their livelihood interrupted or their farms interrupted or their property taken away from them, presumably with compensation. So it went ahead, became I think affectionately known as Duff's Ditch after the Premier, and enjoyed wide public support.

Another example that I had some personal involvement with was the expropriation by the Core Area Initiative of land on the north side of Logan Avenue in Winnipeg. Now, this was begun when there was a federal Liberal government, and the lead cabinet minister for the federal Liberal government of the day was Mr. Lloyd Axworthy. It was represented by the Province of Manitoba by the Minister of Urban Affairs—and I have forgotten

who the Minister of Urban Affairs was in 1980, I am sure that members opposite could remind me—

An Honourable Member: Bob Banman.

Mr. Martindale: Never heard of him, and also by the mayor of the city of Winnipeg, Mayor Norrie.

They had public hearings to decide what should be part of the Core Area Initiative, but ultimately decisions had to be made in cabinet by the Province of Manitoba and possibly in camera at the City of Winnipeg, I am not sure, and in cabinet at the federal level to decide how much money and what projects should be approved. The decisions and recommendations to the three levels of government were made by the policy committee of the three individuals that I named.

As is often the case, some decisions have to be made in private. Other decisions can be made in public, but they are not always done that way. But certainly a decision about expropriation, for I think obvious reasons, must be made by cabinet in secret and by city councillors, probably Executive Policy Committee meeting in camera.

The reason is that if you have a press conference and the three levels of governments announce that they are going to expropriate a certain property, then the value of that property is going to go up immediately, or people will buy the property hoping that they can sell it at a higher price to government. So there is, I believe, a rationale and a certain logic to making expropriation decisions in private, in camera, or in cabinet. Then the expropriation is announced, the land is frozen, the governments buy it, and they negotiate with the individuals involved.

When this happened with the Logan neighbourhood, they started to fight back. The first person who publicly took a stand against it was Mr. John Wachniak, my wife's great-uncle. There was a wonderful picture in the paper of him standing in the corner of his yard close to Logan Avenue on Patrick Street with his hands on his fence saying, I am not going to move, or something to that effect.

So then the fight began, and the residents of this very run-down neighbourhood began to organize and began to fight the government of the day, which was a Conservative government. But a very interesting thing happened, which was fortuitous for them, and that is that there was an election in

November of 1981, and we all know what happened, the government changed.

So we had a much more enlightened NDP government take office, and I think it is was the Minister of Urban Affairs, Mr. Kostyra at the time, he appointed a commission of inquiry. The commissioner's name was Evelyn Shapiro and she held public hearings. In fact, they were in that neighbourhood, and I attended those public hearings and presented a brief.

That started a very long process which eventually resulted in Mr. Axworthy changing his mind and the Province of Manitoba cabinet changing their position on the expropriation.

Mr. Acting Speaker, the most difficult group to change was City Council because we had to lobby 29 city councillors. There were a lot of delegations to City Council, a lot of phone calls to city councillors and those city councillors who are now in provincial cabinet will remember some of the lobbying that took place.

Eventually all three levels of government decided on what was basically a compromise. They said we will expropriate the land west of the Salter Bridge for industrial land, and the land east of the Salter Bridge we will maintain as a residential neighbourhood. In fact, they decided to spend a lot of money on infrastructure renewal. They put a new sewer system in, a new water system, new streets, new sidewalks.

(Mr. Speaker in the Chair)

In fact, I think it was the current Minister of Urban Affairs (Mr. Ernst) who called it Logan Heights in derision, because he was opposed to this. Now, that is a very successful residential neighbourhood. The Logan community committee represents the people in that area and they rent some houses and they rent apartments.

Committee Changes

Mr. Martindale: Mr. Speaker, I would like to ask if there is leave to make a committee change.

Mr. Speaker: Would there be leave of the House right now to allow a couple of the members to make some committee changes and then go back to the honourable member for Burrows? [agreed]

Ms. Becky Barrett (Wellington): Mr. Speaker, I move, seconded by the member for Thompson (Mr. Ashton), that the composition of the Standing

Committee on Law Amendments be amended as follows: St. Johns (Ms. Wasylycia-Leis) for Selkirk (Mr. Dewar) for Monday, July 19 at 9 a.m.

Motion agreed to.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I move, seconded by the member for Osborne (Mr. Alcock), that the composition of the Standing Committee on Law Amendments be amended as follows: Inkster (Mr. Lamoureux) for Crescentwood (Ms. Gray).

I also move, seconded by the member for Osborne (Mr. Alcock), that the composition of the Standing Committee on Economic Development be amended as follows: Osborne (Mr. Alcock) for St. James (Mr. Edwards).

Motions agreed to.

Mr. Speaker: Sorry for that interruption.

Mr. Martindale: Mr. Speaker, I remember the individuals whose homes were expropriated and the negotiations that they had with the three levels of government because they were in a neighbourhood of very low property values.

Some of those houses were probably only worth \$20,000 or \$30,000, and no matter where they

moved in the city of Winnipeg, they would have to spend more money to buy a house. What they were saying to the mayor, Mayor Norrie at the time, was we want a house for a house.

In other words, if our house is only worth \$30,000, but it costs \$60,000 to buy a house in another neighbourhood, we want \$60,000 for our existing house regardless of its appraised property value. I do not remember the eventual outcome, but I do know that at that time they had the right to appeal to the courts. My understanding of this bill is that that right is being taken away.

Mr. Speaker: Order, please. When this matter is again before the House, the honourable member for Burrows will have 30 minutes remaining.

Mr. Speaker: The hour being 12:30, this House now adjourns and stands adjourned until 1:30 p.m. Monday.

Erratum

On Monday, July 12, Volume No. 99A, pages 5376 and 5377, the comments attributed to Mr. Jim Maloway (Elmwood) should have been attributed to Hon. James McCrae (Minister of Justice and Attorney General).

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, July 16, 1993

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