



Second Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Members, Constituencies and Political Affiliation

Name	Constituency	Party
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert, Hon.	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim, Hon.	Charleswood	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David	Riel	P.C.
PALLISTER, Brian, Hon.	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupertsland	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, June 4, 1996

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Home Care Services

Mr. Conrad Santos (Broadway): Madam Speaker, I beg to present the petition of Violet Brooks, B. Flye and Janette Chapman requesting the Premier (Mr. Filmon) and the Minister of Health (Mr. McCrae) to consider reversing their plan to privatize home care services.

Ms. Becky Barrett (Wellington): Madam Speaker, I beg to present the petition of Bob Wall, Jane Morrison, M. Bondener and others requesting the Premier and the Minister of Health to consider reversing their plan to privatize home care services.

Retention of Hogs Single-Desk Selling

Mr. Stan Struthers (Dauphin): Madam Speaker, I beg to present the petition of Trudy Gonia, Ed Lewicky, Arthur Doering and others requesting that the Minister of Agriculture (Mr. Enns) consider reversing his decision and retain a system for orderly marketing of hogs in Manitoba under Manitoba Pork.

Teachers—Collective Bargaining and Compensation Review

Mr. Gary Kowalski (The Maples): Madam Speaker, I beg to present the petition of Tim Haverhick, Christine Bravar, Joan Peters and others urging the Minister of Education (Mrs. McIntosh) to recognize the true value of teachers and reject the recommendations made in the May 1996 paper entitled a report of the Teacher Collective Bargaining and Compensation Review Committee.

Home Care Services

Mr. George Hickes (Point Douglas): I beg to present the petition of Boris Romanow, Charles Kileny, J.

Lethbridge and others requesting the Premier (Mr. Filmon) and the Minister of Health (Mr. McCrae) to consider reversing their plan to privatize home care services.

READING AND RECEIVING PETITIONS

Teachers—Collective Bargaining and Compensation Review

Madam Speaker: I have reviewed the petition of the honourable member for The Maples (Mr. Kowalski). It complies with the rules and practices of the House. Is it the will of the House to have the petition read.

An Honourable Member: Dispense.

Madam Speaker: Dispense.

THAT the May 1996 report of the Collective Bargaining and Compensation Review Committee is a direct attack on the collective rights of all teachers and consequently will negatively affect the quality of education in Manitoba; and

THAT by pursuing the direction and recommendations suggested by this report teachers will be stripped of any powers they have with regard to collective bargaining; and

THAT teachers by educating our youth to compete successfully in the knowledge based economy of the 1990s are generators of wealth; and

THAT any changes to the teachers' compensation process only be undertaken with the idea of improving the present system and not by attacking teachers' ability to bargain.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba urge the Minister of Education (Mrs. McIntosh) to recognize the true value of teachers and reject the recommendations made in the May 1996 paper entitled Report of the Teacher Collective Bargaining and Compensation Review Committee.

Home Care Services

Madam Speaker: I have reviewed the petition of the honourable member for Burrows (Mr. Martindale). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Madam Speaker: Dispense.

THAT on at least six occasions during the 1995 provincial election, the Premier promised not to cut health services; and

THAT on December 16, 1995, a plan to privatize home care services was presented to Treasury Board; and

THAT this plan calls for the complete divestiture of all service delivery to nongovernment organizations, mainly private for-profit companies as well as the implementation of a user-pay system of home care; and

THAT previous cuts to the Home Care program have resulted in services being cut and people's health being compromised; and

THAT thousands of caring front-line service providers will lose their jobs as a result of this change; and

THAT profit has no place in the provision of vital health services.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to request the Premier (Mr. Filmon) and the Minister of Health (Mr. McCrae) to consider reversing their plan to privatize home care services.

Madam Speaker: I have reviewed the petition for the honourable member for Broadway (Mr. Santos). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Madam Speaker: Dispense.

THAT on at least six occasions during the 1995 provincial election, the Premier promised not to cut health services; and

THAT on December 16, 1995, a plan to privatize home care services was presented to Treasury Board; and

THAT this plan calls for the complete divestiture of all service delivery to nongovernment organizations, mainly private for-profit companies as well as the implementation of a user-pay system of home care; and

THAT previous cuts to the Home Care program have resulted in services being cut and people's health being compromised; and

THAT thousands of caring front-line service providers will lose their jobs as a result of this change; and

THAT profit has no place in the provision of vital health services.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to request the Premier (Mr. Filmon) and the Minister of Health (Mr. McCrae) to consider reversing their plan to privatize home care services.

Madam Speaker: I have reviewed the petition of the honourable member for Wellington (Ms. Barrett). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Madam Speaker: Dispense.

THAT on at least six occasions during the 1995 provincial election, the Premier promised not to cut health services; and

THAT on December 16, 1995, a plan to privatize home care services was presented to Treasury Board; and

THAT this plan calls for the complete divestiture of all service delivery to nongovernment organizations, mainly private for-profit companies as well as the implementation of a user-pay system of home care; and

THAT previous cuts to the Home Care program have resulted in services being cut and people's health being compromised; and

THAT thousands of caring front-line service providers will lose their jobs as a result of this change; and

THAT profit has no place in the provision of vital health services.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to request the Premier (Mr. Filmon) and the Minister of Health (Mr. McCrae) to consider reversing their plan to privatize home care services.

Madam Speaker: I have reviewed the petition of the honourable member for Interlake (Mr. Clif Evans). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Madam Speaker: Dispense.

THAT on at least six occasions during the 1995 provincial election, the Premier promised not to cut health services; and

THAT on December 16, 1995, a plan to privatize home care services was presented to Treasury Board; and

THAT this plan calls for the complete divestiture of all service delivery to nongovernment organizations, mainly private for-profit companies as well as the implementation of a user-pay system of home care; and

THAT previous cuts to the Home Care program have resulted in services being cut and people's health being compromised; and

THAT thousands of caring front-line service providers will lose their jobs as a result of this change; and

THAT profit has no place in the provision of vital health services.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to

request the Premier (Mr. Filmon) and the Minister of Health (Mr. McCrae) to consider reversing their plan to privatize home care services

* (1335)

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Committee of Supply

Mr. Marcel Laurendeau (Chairperson of Committees): Madam Speaker, the Committee of Supply has considered certain resolutions, directs me to report progress and asks leave to sit again.

I move, seconded by the honourable member for Emerson (Mr. Penner), that the report of the committee be received.

Motion agreed to.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the gallery where we have this afternoon thirty-two Grade 8 students from Red Lake Madsen Public School under the direction of Liz Sidor. This school is located in northwestern Ontario.

And, we have twenty-five Grades 5 and 6 students from Mafeking Elementary School under the direction of Gladice Wyatt. This school is located in the constituency of the honourable member for Swan River (Ms. Wowchuk).

On behalf of all honourable members, I welcome you this afternoon.

ORAL QUESTION PERIOD

Faneuil Corporation Public Subsidy

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

In August of 1994, the government signed an agreement with Faneuil which had no mention of the

arrangements between the government of Manitoba, the Manitoba Trading Corporation and the Faneuil corporation of a \$3-million subsidy. We asked the Premier (Mr. Filmon) in December of 1995 about the subsidy and he rejected that a subsidy had been made. Subsequent to that, the Auditor has confirmed in Hansard that a \$3-million subsidy was made to the Faneuil corporation through the Manitoba Trading Corporation.

I would like to ask the Acting Premier: Who has been telling us the truth, the Provincial Auditor or the government of the day?

Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act): Madam Speaker, we do not see where there is a \$3-million subsidy in the offer that brought Faneuil here. The Manitoba Trading Corporation acts as a go-between between MTS and Faneuil, and MTS pays to Faneuil over the course of five years some \$16 million. At the same time, \$16 million worth of debt is written down on MTS's books with the government of Manitoba and \$19 million is then paid by Faneuil back to the government.

So that is a gain of \$3 million, not a subsidy of \$3 million, and it represents the interest on the money over the course of time. So it is a basic wash. It is a zero-balance process; \$16 million flows, \$19 comes back. That is plus \$3 million, not minus \$3 million.

Mr. Doer: Madam Speaker, I would like to ask the Acting Premier how on May 10, 1996, the Auditor can say that there is a \$3-million subsidy which has been reflected in the '94-95 Public Accounts through a provision against that account—it went through the Department of Industry, Trade and Tourism.

I would like to ask the Deputy Premier, how can the Auditor say that there is a \$3-million public subsidy and the government claim that they are making a \$3-million profit? Whom should the public believe, the Provincial Auditor or the Conservatives who have withheld information time and time again about deals they have made with private corporations?

Hon. James Downey (Deputy Premier): Madam Speaker, the facts are as have been stated by the Minister responsible for the Manitoba Telephone System.

What I have a little bit of trouble with is the opposition being so opposed to a company coming to this province who will be paying off major debt on behalf of the people of Manitoba through the Manitoba Telephone System, with the projection of some, the creation of some 1,000 jobs over a period of time in this province. I continue to have a hard time understanding the opposition. The people of Manitoba last April spoke as it relates to the opposition members and where they should be, and I think that will hold for a long time.

* (1340)

Manitoba Telephone System Customer Database—Legal Opinion

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, if all we are asking the government for is honesty and integrity in the discrepancy between the government's word and Auditor's word, I would think it would cause an Acting Premier and a minister responsible for the Trading Corporation some discomfort.

The Auditor went further to say, Madam Speaker, that the Trading Corporation purchased the database, which was transferred to it for some \$10, and that was sublicensed over to Faneuil from the Trading Corporation from the Manitoba Telephone System.

I would like to ask the Acting Premier, could he table today any legal opinion he has on the transfer and utilization of the database from the telephone company through the Trading Corporation to Faneuil, a private corporation?

Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act): The database that is leased from Manitoba Telephone System to Faneuil is for use by Faneuil only in MTS programs or MTS campaigns. Those campaigns have been exceptionally successful in winning back customers who have left MTS, but that database is leased and only for use in MTS programs.

Manitoba Telephone System Customer Database—Legal Opinion

Mr. Tim Sale (Crescentwood): Madam Speaker, the Minister responsible for MTS may wish to correct his

numbers. He has them exactly backwards. It was \$19 million worth of debt assumed and \$16 million worth of preferred shares received. The Auditor is right; the minister is wrong.

MTS's customer database contains highly confidential personal and corporate information. Technically, the ability is there now for every call, whether long distance or local, that has been made to be recorded and extracted from that database for whatever purposes. Prior to entering into a contract such as the deal with Faneuil, is the minister saying that there was no legal opinion as to the use of MTS's data for Faneuil's so-called precision marketing or targeted marketing purposes?

Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act): MTS signed a contract with Faneuil, an initial contract and then a bigger contract, totalling some \$47 million to retain revenue expected to be in excess of \$200 million in this competitive environment we are in. It has had exceptional success in winning back customers. Faneuil has the highest success rate of winning back customers of any phone company right across Canada—highly, highly successful—with the leased database that is used by Faneuil from MTS to do that.

If I remember rightly, the industry average for winning back customers is about 75 percent and Faneuil, on behalf of MTS, is in excess of 85 percent customer win-back. That is very successful, supplying an existing 320 jobs in the province and moving over the seven years up to 1,000 jobs, so it is a win-win all the way around, particularly for MTS in terms of winning customers. MTS's business right now with Faneuil is about 30 percent of the total contracts they have. Some of those contracts come from outside of the country, bringing jobs to Manitoba, bringing revenue flow on the MTS system to Manitoba.

Mr. Sale: I want to table advice received from the legal and regulatory affairs department, signed by the senior associate counsel of MTS which states: The provision of the type of customer information identified in Faneuil's proposal raises serious and, in our opinion, insurmountable issues relating to the confidentiality of customer information, subscriber privacy and service listing requirements as established by the CRTC.

Madam Speaker, will the minister explain to Manitobans why his government never even bothered to get a legal opinion on a deal that can obviously seriously compromise the privacy of every single MTS subscriber in this province?

Mr. Findlay: In the many, many months preceding the signing of this agreement—I believe it was August '94—exceptional due diligence was done by the government, by MTS, by the Manitoba Trading Corporation, to be sure that the agreement signed covered all the aspects that were essential to be covered in the process of signing the agreement for the better economic development of MTS and Manitoba.

Mr. Sale: When you hire a painter to paint your house, you do not charge for the key to get in. Why did MTS charge Faneuil \$16 million for a database to do MTS's own marketing? If that is all it is doing with the database, why in the world would they charge them \$16 million to get it? It makes no sense.

Mr. Findlay: Madam Speaker, what makes an awful lot of sense for MTS and the province of Manitoba is winning back customers that chose an alternate provider of service, winning them back with the best success record anywhere in Canada. That means that MTS and Faneuil are both very successful in what they do and how they do it, and the jobs created in the province supplies employment for, as I said earlier, 320 people currently and growing. The proportion of the total Faneuil contract carried out in Manitoba, MTS is only 30 percent of that activity. So there is success all the way around.

No matter how that member wants to denigrate things that Manitobans do, they are going to do it in order to be successful despite him.

* (1345)

Health Sciences Centre Operating Facilities

Mr. Dave Chomiak (Kildonan): Madam Speaker, I just returned from a visit to a patient at the operating rooms at the Health Sciences Centre where that patient was forced to remain in the operating room because there was no room in the recovery room because that room was full of extended care patients, and therefore the surgery in

the operating room was backed up because the anesthetist and the patient were sitting in the operating room and operating could not be done there—and this after four years of Tory reform. Spare us more reform.

My question to the minister is, why can the minister not live up to his election promise to upgrade the unsafe conditions at Health Sciences Centre and still have room for a role and function of our community hospitals in the city of Winnipeg?

Hon. James McCrae (Minister of Health): Madam Speaker, the trouble with the approach being used by the honourable member and his Leader is that it betrays a serious rift within the New Democratic Party respecting where they stand on hospitals in the city of Winnipeg. On the one hand, I believe the honourable member for Kildonan when he talks about support for an integrated hospital system, but his Leader comes along and torpedoed his whole approach yesterday when he goes on the bandwagon for one particular institution. It is important that honourable members opposite get their act together.

Mr. Chomiak: Can the minister explain to me what staff told me at the Health Sciences Centre when I was there this morning, that in one operating room they have to put buckets around the operating table to catch the water falling from the ceiling and in another room there are fruit flies? There is an infestation of fruit flies in an operating room, a safety hazard as a result of this government's broken promises and constant cutbacks.

Mr. McCrae: It is somewhat hypocritical, I suggest, for the honourable member to speak the way he does, because it is clear that requirements at Health Sciences Centre go back many years, including all of the years of the Doer-Pawley administration. Let us get it in that kind of a context.

Now we are contemplating an integrated hospital system in the city of Winnipeg. As part of that integrated system, there will be capital requirements in some places. If we listen to the Leader of the Opposition (Mr. Doer), we would torpedo the Seven Oaks Hospital, and that works at cross-purposes to what the honourable member for Kildonan is talking about, although today he is trying to sound a little bit like his Leader did yesterday.

Capital Projects

Mr. Dave Chomiak (Kildonan): Madam Speaker, how can the public have any confidence in this minister's ability to plan an integrated system when four months ago they told the hospitals they would have \$10 million in capital to replace equipment? Four months later now they cannot have that capital, maybe they will have it later on.

How many bake sales can these hospitals have to try to replace the deteriorating equipment that this government has failed to replace the past eight years?

Hon. James McCrae (Minister of Health): You see, Madam Speaker, it is okay for the honourable member to have the strategy that he has because it has nothing to do with responsible stewardship of the health system in the province of Manitoba. It has to do with targeting a different topic each day as part of your Question Period strategy. I accept that. That is all right, but the honourable member must keep in mind that we are trying to build a health system for the city of Winnipeg and also for the whole province of Manitoba. By talking about one institution at any given time, we defeat our own purpose.

The honourable member claims to be in support of an integrated and well-run hospital system in the city of Winnipeg and yet his comments betray that because now his Leader has put him in an impossible kind of position. I feel badly for the honourable member for Kildonan because he has tried, certainly during the Estimates process, to play a meaningful and constructive role, but his Leader is undermining his efforts.

Regional Health Boards Appointments

Ms. Rosann Wowchuk (Swan River): Madam Speaker, when the Minister of Health made his announcement to move towards regional health boards Manitobans were given the impression that they would have a say in who would represent them, but we have no assurance that that will happen.

Can the minister tell this House where the guarantees are that he will not continue to make appointments and Manitobans will be given a right to vote on the regional

health boards? Where are the guarantees and when are we going to have a vote?

* (1350)

Hon. James McCrae (Minister of Health): There has been no final decision about that. The Northern and Rural Health Advisory Council talked about ultimately, at some point in the future, electing these boards and that remains a possibility, but there is no hard and fast policy that is the direction that we are taking. We look at the experience in other jurisdictions, notably Saskatchewan, and we would like to see their systems develop a little further so we can learn from some of their mistakes before we get too far down the road. At the present time we are using a process of nomination from the public and from interested organizations and making board appointments from that, as well as ministerial and direct board appointments to the boards.

Ms. Wowchuk: This is absolutely appalling. Is the minister saying that he is going back on his word and there is no guarantee that rural people are going to have the opportunity to have an election on who will represent them on the board and he is going to continue to make these appointments? Shame on you. That is not what you said you would do.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Mr. McCrae: Madam Speaker, after such a stinging rebuke, I am left at a loss to know just how I can respond to the honourable member for Swan River.

An Honourable Member: Sit down.

Mr. McCrae: Did you say, sit down?

An Honourable Member: No.

Mr. McCrae: No. I thought I heard someone over there at the front bench say, sit down, and I thought the question was a serious one and was really wanting to have an answer which I would like to give.

It was the honourable member for Swan River who suggested publicly, put out a press release, that we ought to extend the time for nominations.

An Honourable Member: Obviously, you should have.

Mr. McCrae: Madam Speaker, because she is concerned about something going on in Parkland, that area that nominated more people than any other area in the province of Manitoba, because of that, in an area where there are more nominations than anywhere else, the honourable member says there are not enough and so therefore we should extend the time. That is the kind of leadership we get from the honourable members opposite, but the honourable member is more interested in politics than she is in health care. That is obvious by her question.

Madam Speaker: The honourable member for Swan River, with a final supplementary question.

Core Services

Ms. Rosann Wowchuk (Swan River): I would like to ask the minister if he could guarantee rural Manitobans that there will be core services provided for them in the hospital and that there will be no user fees charged in Manitoba for health services and services delivered under these regional health boards.

Hon. James McCrae (Minister of Health): Unlike New Democratic provinces to the west where user fees are a fact of everyday life, we do not operate that way here in the province of Manitoba. We do recognize the principles of the Canada Health Act and we do our best as a government, like other governments across the country, to live up to the principles enunciated by the Canada Health Act. But the honourable member ought not to pretend by her question that the reality of the federal Liberal cutbacks does not exist, because it does. Madam Speaker, the longer honourable members opposite go around with their blinders on, the more people in Manitoba see them for what they are and that is a bunch of hidebound politicians whose useful life as politicians is past.

* (1355)

Health Sciences Centre Capital Funding

Mr. Kevin Lamoureux (Inkster): Madam Speaker, the urban health board came up with recommendations a

while back, in January, suggesting that community hospitals and particularly the Seven Oaks and Misericordia would not have any role to play in terms of acute care services. It would appear as if the government is in fact seriously looking at the role, in particular the Seven Oaks Hospital, and it appears again that the public and those individuals that were involved in trying to influence the minister might have had some impact.

Madam Speaker, we have always believed that the tertiary hospital, the Health Sciences Centre, is absolutely critical. It is a world-class health care facility. My question to the minister is, is the Minister of Health prepared to make a commitment that the capital dollars that are necessary in order for the Health Sciences Centre to remain a first-class world teaching hospital will be there in the future?

Hon. James McCrae (Minister of Health): Madam Speaker, I think the record of the last eight years of administration in this province should be ample demonstration to the honourable member that we are committed to the health of Manitobans. Whatever structures, bricks and mortar are required to look after the health care needs of Manitobans is something we take as a serious responsibility and will continue to do so.

Mr. Lamoureux: Will the minister concur with the Liberal Party when we say that yes, there is a vital role for our community hospitals but also acknowledge that there is the need for strong tertiary hospitals? To that end, again to ask the Minister of Health, is he prepared to make the commitment that the Health Sciences Centre will be receiving capital dollars to improve their infrastructure?

Mr. McCrae: In spite of the fact that the honourable member for Inkster too seems to be changing his tune today, I can give that undertaking, that whatever programs we approve for the future are obviously programs we will have to support, not only with operating dollars but with whatever capital dollars are required as well.

However, I should point out that we have made the point that the Manitoba Cancer Treatment and Research Foundation is an important matter deserving of some priority, which I do believe honourable members in this House will agree with, but then they quickly follow up by

saying, but everything else has to be a priority one item too.

An Honourable Member: No, just your promise.

Mr. McCrae: Well, the honourable member for Concordia (Mr. Doer) likes to harp away about promises, but he has no responsibility for priorities and his demeanour in this House demonstrates that every single day, Madam Speaker.

Mr. Lamoureux: Madam Speaker, would the minister acknowledge that the capital equipment freeze that the minister has put on will put severe limitations on emergency equipment that is in fact quite necessary to have, and will the minister agree today that the moment the strategy has been brought to the public's attention, that freeze will be lifted?

Mr. McCrae: No, and the capital requirements of the health of Manitobans is something that we will take up on an ongoing basis.

Youth Unemployment Rate Increase

Ms. Jean Friesen (Wolseley): Madam Speaker, the Minister of Education's usual answer to questions about declining post-secondary enrollments is that the good news is that all those young people must have found jobs. I want the minister to explain today why this month we have in fact both increases in youth unemployment according to Stats Canada—compared to last year, the unemployment rate for young men has gone from 15 percent to 17.4 percent, considerable increase over a month. Could she tell us why we have an increase in youth unemployment and at the same time post-secondary education enrollment has continued to decline?

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, I will take a look at the statistics that are available in my office and get back to the member with a response to her question as soon as I have the figures that she is indicating confirmed.

Ms. Friesen: The minister will find them in the Manitoba—

Madam Speaker: Order, please.

Post-Secondary Education Fee Increase

Ms. Jean Friesen (Wolseley): Would the minister confirm that her broken promise, her refusal to institute a fee policy for post-secondary education this year has led directly to fee increases of up to 20 percent in Manitoba institutions? Will she confirm that what she is doing is further reducing the opportunities for young Manitobans?

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, I believe there were a couple of questions there. Basically, the member I think has asked me to confirm something and I will not confirm it. I will indicate that I find it ironic that she is even asking a question on this when she absolutely deplored and found absolutely abhorrent the cap on university fees that we imposed for a couple of years, that that was very objectionable to her. I find it rather amusing that she would even deign to ask the question, but, then, chutzpa is alive and well in this House.

I would indicate, Madam Speaker, that we have a tuition fee policy study under review, as the member knows, because it was announced quite clearly and quite publicly some time ago. That tuition fee policy will be an overview policy for the entire province. It has students on the committee as well. It has members of the interim transition committee on it as well. It will be reporting to the post-secondary council on education which was announced earlier today. The member was there for that announcement. I am sure she has already heard this answer, but I appreciate the opportunity to inform the people that that tuition fee policy recommendation will soon be ready for the council.

* (1400)

Public Housing Property Sales

Ms. Marianne Cerilli (Radisson): Madam Speaker, yesterday I asked the Minister of Housing about the sale of 20 units of public housing at 390 Behnke Road in St. Vital. He said that no decision had been made about the sale of those units.

I want to ask the minister to explain why 20 families have been ordered to move by September 1, to remove

their children from school against their will because there is no other available public housing in St. Vital, if no decision has been made regarding that property.

Hon. Jack Reimer (Minister of Housing): What I had indicated to the member was that negotiations are ongoing regarding the proposal that was put forth by Home Depot for the purchase of that property. It was an offer to purchase. There were conditions that were outlined in it. The conditions are still within negotiations and no decision has been made as to whether that property has been sold.

Ms. Cerilli: I am going to table a list of the approximate waiting periods for new family applicants for public housing from the Manitoba Housing Authority. In St. Vital, the wait is at least one year. I want to ask the minister, how can his department even contemplate destroying this public housing, given that there are waiting lists and a shortage for social housing here in Manitoba?

Mr. Reimer: Madam Speaker, I should point out to the member for Radisson that overall in Winnipeg the vacancy rate for public housing hovers around 10 percent year around. It fluctuates from various portions of the city from time to time but overall there is more housing space available that is underutilized. If there is any type of movement of any individuals, they will be done at the Housing's expenses. The people will not be inconvenienced in any way for any type of moving.

Fleet Vehicles Agency Board Membership

Mr. Jim Maloway (Elmwood): Madam Speaker, my question is to the Minister of Government Services.

Yesterday the minister was about to provide us with a list of the members of the board of the Fleet Vehicles Special Operating Agency. Would the minister provide us with the list and confirm that it includes people from the automotive industry and tell us how many of these board members are from his constituency of Portage la Prairie?

Hon. Brian Pallister (Minister of Government Services): I appreciate the question from the member, though we were not able to cover this in the short time

that was allocated by the New Democratic Party to Government Services Estimates. That being said, the advisory board that advises Fleet Vehicles Agency is one that gives us support and offers us advice on a number of issues, short and long term, assists us with strategic planning initiatives and contributes very significant advice and input to our special operating agency.

Let me say, though, that I think it is important to note that given the term of the New Democratic Party in the 1980s, there was a real reluctance to engage in any kind of creative efforts in the area of business organization to achieve better delivery of government services to client departments. The special operating agencies are doing that to the tune of a reduction of 20 percent in terms of the number of vehicles.

Now, in terms of the board memberships specifically—

Madam Speaker: Order, please.

Point of Order

Mr. Steve Ashton (Opposition House Leader): Madam Speaker, I rise on, I think this is the third point of order on the same minister. He was asked the same question twice yesterday. In fact, on my second point of order yesterday, you admonished him for not following our rules, Beauchesne Citation 417. Since he is being asked the question again and he is again evading answering it, I would like to ask that you again call him to order and answer the very straightforward question, who is on this body and how many are from his constituency. It does not take much to answer that question.

Madam Speaker: Order, please. On the point of order raised by the honourable member for Thompson, I would remind the honourable minister that he should respond to the question asked and keep his answers as brief as possible.

* * *

* (1410)

Mr. Maloway: Does the minister not agree that it is a conflict of interest to have car dealers sitting on the board supporting a plan to privatize the fleet which would

directly benefit their dealership? Is that not like putting the fox in with the chickens, and will he provide us with a list of the members of the board?

Mr. Pallister: I gather the member speaks from personal experience in terms of foxes and chickens. I would agree it would be a conflict, yes, and there are no car dealers on the advisory board, the special operating agency, none at all.

Mr. Maloway: My final supplementary to the same minister is this: Can the minister explain why in Hansard, June 7, 1995—that is one year ago—the Minister of Consumer Affairs (Mr. Ernst) stated that: “Fleet Vehicles Operating Agency which has people from the automotive industry sitting on that as members of the board providing expertise.”

Could he explain this conflict, when one year ago the Minister of Consumer Affairs confirmed that these people are on the board?

Mr. Pallister: I recognize the members opposite are futilely trying to attack the credibility of this side of the House with issues such as this today and on other days past.

Let me just read for the edification of the members—if they are interested, they would be quiet and listen to the answer—the members of the Fleet Vehicles Agency advisory board, for their interest. The chair is Hugh Eliasson who is the deputy minister of Government Services. The two private sector representatives, I will save for last. The client representatives: John Hosang is assistant deputy minister of Highways and Transportation, Kathryn Bernhardt is a staff representative. She is the manager of Materials and Safety at the Fleet Vehicles Agency. Ex-officio members include Gerry Berezuk who is an assistant deputy minister with my department and Dennis Ducharme who is the chief operating officer of the Fleet Vehicles Agency.

Now we do have, yes, we have two private sector representatives, much to the disdain of members opposite, it appears. Norm Fiske, who is a respected member of the accounting community in this province and has been for many years, is a private sector representative, as is Raymond West who is the past-president of the A.E. McKenzie Co. Ltd. There is your

board. They need to be encouraged in their efforts, and I do that.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Sheriff's Office Bailiff Duties—Privatization

Mr. Gord Mackintosh (St. Johns): Madam Speaker, my question is to the Minister of Justice. In addition to the Sheriff's Office's function of providing prisoner escort and court security, that office, of course, is also responsible for bailiff functions, for seizing and selling property and evictions, for example.

My question to the minister is, would the minister confirm our understanding that this bailiff function has now been privatized effective April 1? What is driving this privatization, given a departmental report recommending against this privatization?

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Madam Speaker, yes, I can confirm that in the city of Winnipeg there has been a privatization of bailiff services and that in the rural area this is still being done by sheriffs.

The issues that have been driving this are, No. 1, the time that it takes to deal with this particular service. There is also an amount of risk and liability required. Some of the storage issues are particularly concerning since the storage required are for items such as cattle or tanks of oil. So there have been a number of issues which were well considered which led to the decision in the city of Winnipeg.

Mr. Mackintosh: Would the minister then explain the cost impact of her privatization, especially on users like the Maintenance Enforcement Program, which Saskatchewan, for example, concluded would result in higher costs to government and to taxpayers?

Mrs. Vodrey: Madam Speaker, I think a starting point is to say that, first of all, when sheriffs were doing this, there was a loss in revenue to the Province of Manitoba. The loss, I am informed, was for '94-'95, approximately \$188,180. Therefore, it simply cost us significantly more

for sheriffs to do this work, and we were in fact losing money in carrying out this work. That is a significant amount of money, and we believe that there are a number of places across this province where that money is also needed. So that was another reason, the loss of dollars. It was more expensive in fact to run so that was another reason which drove the changes.

Garment Industry Employment Opportunities

Ms. Diane McGifford (Osborne): About two weeks ago the Minister of Culture, Heritage and Citizenship (Mr. Gilleshammer) said that 200 immigrant workers were coming to Manitoba to work in the garment industry but apparently the Nygard International plant at St. Malo, which opened in September '95 and enjoyed funded training from January to March 31, 1996, closed on April 14, 1996, laying off 22 trained workers.

I want to ask the Minister of Industry, Trade and Tourism to tell the House if there really are full-time continuing jobs available in the garment industry and, if so, where are they?

Hon. James Downey (Minister of Industry, Trade and Tourism): Madam Speaker, it is my understanding that there are considerable jobs available in the garment industry. That information has been communicated to us. We have been working on two fronts, one is to identify Canadians who in fact could qualify for those jobs and develop training programs with the industry to make sure that they are in fact filled by Canadians. We are also working with the Canadian Immigration. My colleague the Minister of Culture, Heritage and Citizenship has been working with the federal government trying to clear the way to accommodate some people from outside of this country to come and fill the need of an industry that, quite frankly, is doing well but needs the support of a workforce to carry out the work that is needed to be done.

Nygard International Training Program—Funding

Ms. Diane McGifford (Osborne): Can the minister tell this House who paid for the job training at the St. Malo Nygard plant and if it is true that some of the workers moved to the Steinbach plant and, once again, began funded training?

Hon. James Downey (Minister of Industry, Trade and Tourism): As strange as it may sound to the member opposite, I believe that that training activity was carried out by the owners of the company that had the work being done.

Provincial Parks Entrance Fees

Mr. Stan Struthers (Dauphin): This winter this government travelled the province attempting to foster support for its provincial parks system plan. On all of these occasions the government had ample opportunity to inform Manitobans about this government's intent of not only raising park fees but also placing the onus on visitors to have to go out of their way to buy park entrance passes. This government however, in fear of the negative publicity, failed to inform Manitobans about this change.

Can the Minister of Natural Resources explain why, after spending hundreds of thousands of dollars on advertising, he neglected to tell Manitobans about the new permit schedule and attached fines?

Hon. Albert Driedger (Minister of Natural Resources): Yes, Madam Speaker, while I have the opportunity to have the floor, I think we want to compliment the Manitoba Forestry Association for the trees that we have here today. I hope everybody will plant those trees and that they will grow.

I am a little, I guess, amazed that the member would raise the question from the Fred Cleverley column. I always was a strong supporter of Fred Cleverley over the years. I am reviewing that right now because Fred Cleverley normally is certain of his facts. In this case, he did not and neither did the member for Dauphin really when he is raising the question here today. I just have to tell him that the consultation that my Parks people have been doing related to the proclamation of The Parks Act is totally unrelated to the issue of the park fees. Incidentally, we did have a press release that went out stating that we were raising the fees.

Mr. Struthers: Can the minister confirm then that in accordance with the new park entrance fee changes that visitors to Manitoba's provincial parks will no longer be

able to purchase daily passes but instead will be forced to either buy yearly or three-day passes?

Mr. Driedger: Madam Speaker, anybody who enters our parks will have to buy a three-day pass. In the case of some of our parks where we have always made a provision if people wanted to go and had business to do with the commercial establishments, they had a two-hour time limit that is still in effect and would still remain in effect.

Mathias Colomb First Nation Health Concerns

Mr. Gerard Jennissen (Flin Flon): Yesterday several of my colleagues and I were privileged to discuss various issues with the chief and council of the Mathias Colomb First Nation at Pukatawagan. One major health issue raised by the chief and council was hydrocarbon contamination of the soil. According to Chief Caribou, the old Hydro site at Pukatawagan has contaminated approximately one-third of the town and that involves 60 houses, a nursing station, the band office and formerly the site of the school.

My question to the Minister of Health is, could the minister update the House as to what degree his department is involved with the federal government in dealing with this health hazard?

Hon. James McCrae (Minister of Health): I will report back to the honourable member, Madam Speaker.

Madam Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Independent Schools

Mr. David Newman (Riel): I wish to inform the House of three events I had the opportunity of attending this past weekend.

On May 30, I attended what was intended to be an education forum organized by the River East Teachers Association. I was struck by the negative emotion of the audience, encouraged by the honourable member for Wolseley (Ms. Friesen) and the honourable member for The Maples (Mr. Kowalski). It is apparent to me that

effective dialogue about change in the education system depends primarily on small-group discussion on substantive matters where individual feelings can be expressed without grandstanding, intimidation and political positioning. Effective two-way communication like this will take time, but it is well worth it for the sake of students, parents and taxpayers.

On Saturday, I had the pleasure of attending the Catholic Women's League Eucharistic Celebration and Banquet at St. Gerard Church. I came to appreciate more than ever before the importance of independent schools and of nongovernmental organizations founded on strong value systems. The numerous independent schools surrounding St. Gerard Parish, funded in part by this government, allow non-Catholics not only to become students but also to serve as trustees. Full advantage is taken of this opportunity. Independent schools are certainly not exclusive schools for the privileged and well-to-do as is repeatedly suggested by the honourable member for Wolseley. Our diverse Manitoba society benefits greatly from the support of religious organizations and individuals who support independent schools.

Finally, I had the pleasure of participating in the Save Our Seine tree-planting initiative near Provencher along the Seine River. I worked side by side with a group of volunteers from the Church of Latter-Day Saints from Charleswood, consisting of teenagers and adults. All joyfully participated in the fellowship enhancement of the Seine River environment and shared the sense of personal achievement which is always associated with working together and achieving positive results.

I am reinforced in my view that our initiatives as a government, supporting personal initiative, personal responsibility and community-based initiatives, are well-founded and working.

Philippine Heritage Week

Mr. Conrad Santos (Broadway): Madam Speaker, the Philippine Heritage Week's schedule of events is starting with the motorcade from the Philippine Centre at 88 Juno to the City of Winnipeg quadrangle at 510 Main Street for an opening flag-raising ceremony, with many organizations and groups displaying their respective banners and participating in cultural variety shows.

The 1996 Heritage Week is being co-ordinated by three sponsoring organizations: the Knights and Ladies of Rizal, the United Filipino-Canadian Seniors and the Philippine Association of Manitoba, and many other groups, such as the original Filipino seniors, Timpuyog Ti Ilocano Dito Manitoba, Filipino seniors groups of Euclid Street, Filipino Veterans Association and so on.

Around 5 p.m., Sunday, the 9th of June, 1996, at Rainbow Stage at Kildonan Park on Main Street north will be a celebration of our faith, which is a concert of the various churches led by the Winnipeg Filipino Alliance Church to offer prayers to God for three levels of Canadian government as well as to the country of origin, the Philippines.

* (1420)

On Tuesday, June 10, at 6 p.m., are the cultural awareness workshops on the Philippines, its country and its people.

The highlight of the week-long series of events is the Philippine Independence Commemoration Ball scheduled for Friday, June 14, at 375 York Avenue, Winnipeg Convention Centre, to start about 6 p.m.

On Saturday, June 15, at 10 a.m., at Main Street, Glen Eden Memorial Garden will be the celebration of the 100th anniversary of the martyrdom of our national hero.

The Filipino-Canadians will be joined by many other Canadians represented by all political parties, for this group is truly becoming an integral part of our total Manitoba cultural heritage.

Pembina Valley Water Co-op

Mr. Jack Penner (Emerson): Madam Speaker, I have the same concern that you do; I found it very difficult to hear the honourable member when he made his member's statement. I thought that this part of the afternoon was designated to those private members so they could bring an issue before this Assembly. I would ask that courtesy be extended to those people who do this.

I want to stand today to congratulate 16 municipalities and communities in the Red River Valley west of the Red River and some of them east of the Red River for jointly

initiating a process called the Pembina Valley Water Co-op.

These communities joined forces a number of years ago, eight years ago, and jointly put together a proposal that would bring a good potable water supply in the most efficient manner to all the communities in the Red River Valley. That process has led to an environmental assessment and approval of an environmental licence to extend water to all the communities including Carman, Morden, Winkler, Altona, Morris, St. Jean and Emerson and all the other communities that are within the Red River Valley.

I would suggest that the province has recognized that effort, and the Province of Manitoba has indicated its willingness to support a new project of pipelines and water treatment plants to ensure water to those communities up to the extent of \$6.7 million. The municipalities have also put that amount of money on the table. It is imperative that the federal government also meet its commitment, and that we ask this House to support the federal government and lobby the federal government—all of the House to lobby the federal government—that they also put \$6.7 million on the table that would allow good potable water to be brought to all the citizens of the Red River and the Pembina Valley.

National Transportation Week

Mr. Gerard Jennissen (Flin Flon): Madam Speaker, June 2 to June 8 is designated country-wide as National Transportation Week. The Minister of Transport and honorary chairman for National Transportation Week 1996, David Anderson, signed the proclamation whose theme this year is The Urban Connection.

I notice that in the proclamation the minister talks about updating Canada's transport policies, and he talks glowingly about competitive, people-friendly, commercialized affordable transportation systems. Nowhere does the minister mention the historical context wherein Canadians built transportation systems that were accessible to the vast majority of Canadians and accessible even to the rural, remote and northern areas. These systems were part of a vision of uniting Canada, of removing regional disparities, of nation building. Now our ports, our airports, our railroads are increasingly at the mercy of the highest bidder, and now we have a user-

pay philosophy, and Canadians and Manitobans, specifically, are expected to accept this as inevitable.

The same Liberal government that talks about people-friendly transportation systems is the one which eliminated the Crow rate. That is certainly not being farmer-friendly in the West, and there was nothing people-friendly about laying off thousands of CN workers. In fact, both the government in Ottawa and the government in Winnipeg failed to admit that there is a dark side to deregulation and privatization. Several of the large trucking firms that were headquartered in Winnipeg are no longer here. Federal offloading and specifically the loss of the Crow will cost millions for upgrading rural roads. That, combined with decreased funding for road maintenance, can only lead to poorer quality roads. That type of offloading has placed the future of the bayline and the Port of Churchill in temporary limbo.

Yes, we want to be positive about National Transportation Week but we also want to be realistic. Manitoba is strategically located in North America. That has been the case historically as we move from canoe, York boat and Red River cart to trains, cars, trucks and airplanes. Geographically, we are poised strategically and we can do well.

Transportation is the lifeblood of our economic development, but we should not be blinded by the ideology that this growth can only take place if we use the user-pay competitive model. That goes against the Canadian tradition and history, and that increases regional disparity and further jeopardizes—

Madam Speaker: Order, please. The honourable member's time has expired.

Does the honourable member for Flin Flon have leave to continue his comments?

Some Honourable Members: No.

Madam Speaker: No? Leave has been denied.

Philippine Heritage Week

Mr. Kevin Lamoureux (Inkster): I wanted to just pick up on a point that the member for Broadway (Mr.

Santos) brought up and that, of course, being the Philippine Heritage Week which is very quickly approaching, Madam Speaker. It is starting, as pointed out, on June 9, and I know I along with other members of the Liberal caucus will no doubt be participating in many of the ongoing events. In the letter that was provided to me, it is quite impressive in terms of the different organizations that are getting involved in this year's activities. One of the things that the Filipino community does have is a number of organizations that participate, that not only are on the steering committee or the organizing committee, but organize all of the events throughout the week.

Those who are on the organizing committee, or at least in part, range in terms of age groups to different types of associations, and just to list off a few of them. You have the United Filipino-Canadian Seniors of Manitoba, the Philippine Association of Winnipeg, Inc., Quezon Province Association of Manitoba, Radio 27, the Filcasa, Philippine Veterans Winnipeg Chapter, the Order of Knights of Rizal, the Philippine Association of Manitoba, Timpuyog Ti Ilocano, the Pangasinan group of Manitoba—the honorary consul general is participating, always does in virtually every event that I attend—the Filipino seniors group of Winnipeg.

This is just to name a few of the different groups that are out there that participate in making this week very successful. On that note, I would appeal to all members of the Chamber, if they can make the time, to participate in one of these events. You will find, as I have found in the past, that it is time very well spent. You get a better appreciation of a wonderful culture and heritage and I would make that strong recommendation to all members. Thank you, Madam Speaker.

* (1430)

ORDERS OF THE DAY

House Business

Hon. Jim Ernst (Government House Leader): Madam Speaker, inadvertently during the first reading process on three separate bills, the message from the Lieutenant Governor was not provided. With respect to Bill 39, The Pari-Mutuel Levy and Consequential

Amendments Act, the Lieutenant Governor recommends the bill.

Madam Speaker: Order, please. Does the honourable government House leader have leave?

Some Honourable Members: Leave.

Mr. Ernst: Madam Speaker, continuing then, Bill 49, The Regional Health Authorities and Consequential Amendments Act is also recommended by the Lieutenant Governor, and Bill 55, The Financial Administration and Consequential Amendments Act is also recommended by the Lieutenant Governor. I would like to table the three messages respecting those bills.

Madam Speaker: Does the honourable government House leader have leave to table the three messages by the Lieutenant Governor?

Some Honourable Members: Leave.

Madam Speaker: Leave has been granted.

Mr. Ernst: Madam Speaker, would you please call the bills in the following order for second reading: Bills 36, 50, 51, 30, 31, 68, 70, 62, 37, 38, 39, 41, 42, 43, 47, 71, 67, 58, 59, 60, 61, 74, 28, 29, 46, 55, 63, 66 and 69. I have provided a copy of that list to the Clerk in case you missed any of the numbers.

SECOND READINGS

Bill 36—The Social Allowances Amendment and Consequential Amendments Act

Hon. Bonnie Mitchelson (Minister of Family Services): Madam Speaker, I move, seconded by the Minister of Natural Resources (Mr. Driedger), that Bill 36, The Social Allowances Amendment and Consequential Amendments Act (Loi modifiant la Loi sur l'aide sociale et apportant des modifications corrélatives), be now read a second time and referred to a committee of this House.

Motion presented.

Mrs. Mitchelson: Our government has announced and is developing a business case for a one-tier welfare

system in Winnipeg. We had two goals in making this decision, to improve services to clients and to reduce administrative duplication.

Now we are amending The Social Allowances Act in three ways, first, to provide for the one-tier system in the city of Winnipeg, second, to provide more clearly for the new direction we introduced in our welfare reform, third, to update the act in housekeeping matters such as the elimination of the Canada Assistance Plan.

In introducing Bill 36, I will outline the changes in the order I have just given. We are expecting significant benefits both to clients and in cost-savings from a one-tier welfare system in Winnipeg which has about 90 percent of Manitoba's municipal assistance clients. We expect to reduce costs through elimination of duplicate administration in the system. We will improve efficiency by introducing an integrated one-stop service to assist clients. In addition, with a one-tier system it will be easier to avoid situations of fraud and abuse. As part of the change to the one-tier system, Madam Speaker, we have included provisions in this bill for the changes to be on a relatively cost-neutral basis for both levels of government, plus a number of transitional provisions concerning administrative and legal matters.

In our eight years in office, we have developed a new approach to government programs. A prime example is our welfare reform. Here we have changed Manitoba's social assistance to emphasize employment. In other words, jobs will be the No. 1 priority for welfare clients who are able to work and my staff will actively help and encourage clients to create and execute job search plans. With this change of emphasis, we are tackling the problems of the former system. That system fostered dependence and reliance on government. With the very best of intentions of helping the most needy, we were encouraging a cycle that created generation after generation of families on welfare. We are also changing the name of the act to reflect the new emphasis. It will now be called The Employment and Income Assistance Act and will no longer use the words "social allowances."

Madam Speaker, we know Manitobans want to work. We also know that both citizens and businesses want an environment that encourages work and enterprise. So we have been working to build an environment that will help

people become independent. We want to invest in people's futures and make it possible for Manitobans to do the same for themselves. We are building a future that will break the cycle of welfare dependency and allow Manitobans to reach their full potential.

Madam Speaker, in the course of reaching our targets, we have also changed the way the world looks at the Manitoba economy. Our efforts to improve the economic climate of Manitoba are paying off. We believe doors are open to new opportunities for people on assistance and our welfare programs are geared to helping people on assistance take advantage of these opportunities. The Conference Board of Canada, the Royal Bank of Canada and the Bank of Montreal are forecasting real growth in our province. That growth means more jobs for Manitobans. As my colleague the Minister of Finance (Mr. Stefanson) promised in his budget speech, the government will continue to work with Manitobans to develop the maximum potential of our economy so that more young Manitobans can pursue their careers right here at home. We have done this with our welfare clients.

In recent years, we have helped people find work through programs like the Rural Jobs Project, Taking Charge! and the City of Winnipeg's Community Services program. We are strengthening our efforts through two new pilot partnership programs. Opportunities Manitoba, designed to move people into permanent jobs, is a partnership with the Mennonite Central Committee and associated agencies. The Manitoba Conservation Corps will employ about a hundred people through Manitoba Natural Resources in environmental improvement projects and conservation. We have also developed partnerships with industry for people to gain jobs in areas such as the apparel industry, call centres and transportation. We are confident that this pattern will be strengthened as our welfare reform settles firmly into place.

Besides the changes I have just discussed, we are proposing housekeeping amendments concerning cost-sharing. As members of this House know, since April 1, the Canada Assistance Plan is no longer in place. This means references in the act to cost-sharing with Canada have to be updated. Finally, this bill repeals sections of The Municipal Act that refer to Winnipeg providing assistance.

Madam Speaker, I am confident that all these changes will produce an improved, more efficient assistance program for Manitobans in need, and I recommend this bill to the House for unanimous support. Thank you.

Mr. George Hickes (Point Douglas): I move, seconded by the member for Burrows (Mr. Martindale), that debate be adjourned.

Motion agreed to.

* (1440)

Bill 50—The Remembrance Day Amendment Act

Hon. Vic Toews (Minister of Labour): Madam Speaker, I move, seconded by the Minister of Agriculture (Mr. Enns), that Bill 50, The Remembrance Day Amendment Act (Loi modifiant la Loi sur le jour du souvenir), be now read a second time and referred to a committee of this House.

Motion presented.

Mr. Toews: As Minister of Labour, I am pleased today to introduce Bill 50, an act to amend The Remembrance Day Act. The reason for the amendment stems from the fact that the current Remembrance Day Act was established in 1951 and consequently has become somewhat outdated over time.

Consumers, employees and business owners have been expressing their dissatisfaction with the lack of precise guidelines on how and why the act affects the public and the operation of certain businesses and services. The changing nature of work and working families has created more public demand for various services on Remembrance Day. We must also consider that in answer to the needs of the public, there now exist retail businesses and services that were not even thought of 45 years ago.

Efforts to apply the act to these companies have created several operational and administrative problems. Some that should stay open must close, while others that should close have the ability to operate on Remembrance Day. It is no surprise that these inconsistencies have resulted in criticism of the act by the general public. There has also been a great deal of confusion between the restrictions imposed on retail activities by The

Remembrance Day Act and those under The Retail Businesses Holiday Closing Act.

To address these concerns and criticisms, a review committee composed of various stakeholders was established. The committee was chaired by His Honour Provincial Court Judge John Enns and included representatives of various veterans' organizations, the Manitoba Federation of Labour and both the Winnipeg and Manitoba Chamber of Commerce. Through the efforts of the Judge Enns committee, the final report is unanimous and his recommendations respecting changes to the act.

I am pleased to state that the proposed amendments constitute all of the recommendations of Judge Enns' review committee. The proposed amendments to the act re-emphasize that Remembrance Day is not a holiday. It is day of commemoration to honour, observe and reflect on the contribution made by Manitobans, Canadians and others who sacrificed health, limb and life through war and international conflict.

It is for this reason that The Remembrance Day Act remains separate from all other holiday closings. The amendment updates the wording of the preamble to The Remembrance Day Act to include the Korean War, the Gulf War and international peacekeeping activities. By doing so Manitoba will be the first jurisdiction in North America to honour the contributions of those who offer their services for peacekeeping duties.

In essence, the amendments provide for retaining the status quo for nonretail operations, easing considerably the closure requirements applicable to retail operations by establishing closure from 9 a.m. to 1 p.m. to encourage more focused attention on commemorative services and allowing performances such as games, sports, movies and exhibitions, except between 9 a.m. and 1 p.m., and ensuring greater consistency between The Remembrance Day Act and The Retail Business Holiday Closing Act in terms of both closure requirements and penalties. The amendments also include an employee's right to refuse work on Remembrance Day and at the same time ensure that those who must work receive fair and adequate compensation as set out in The Employment Standards Act for work performed on a general holiday. Thank you.

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I move, seconded by the member for Broadway (Mr. Santos), that debate be adjourned.

Motion agreed to.

**Bill 51—The Civil Service Superannuation
Amendment, Public Servants Insurance
Amendment and Teachers' Pensions
Amendment Act**

Hon. Vic Toews (Minister of Labour): I move, seconded by the Minister of Environment (Mr. Cummings), that Bill 51, The Civil Service Superannuation Amendment, Public Servants Insurance Amendment and Teachers' Pensions Amendment Act (Loi modifiant la Loi sur la pension de la fonction publique, la Loi sur l'assurance des employés du gouvernement et la Loi sur la pension de retraite des enseignants), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Toews: Madam Speaker, I am pleased to introduce Bill 51, The Civil Service Superannuation Amendment, Public Servants Insurance Amendment and Teachers' Pensions Amendment Act.

The three acts being amended provide pension and life insurance benefits for civil servants and employees of Crown corporations, boards and agencies and pension benefits for public school teachers.

There are essentially four types of changes being made to the acts. The first type of amendments are to the two pension plans to allow days off without pay under reduced work week programs to qualify as pensionable service by agreement with employee representatives for the two years covered by The Public Sector Reduced Work Week and Compensation Management Act. The employee cost of this will be paid out of surplus employee contributions in the two funds. Following that, employees will pay their share as part of their regular pension contribution.

The second type of amendments are those necessary to implement changes agreed to with employee representatives. Under The Civil Service Superannuation

Act, the Employee Liaison Committee and Employer Advisory Committee recommended several changes which are being incorporated in these amendments. They will allow employees to purchase service in respect of several types of leave. These are maternity and parental leave service, periods of seasonal layoff when employees are converted from year-round to seasonal and equivalent to full-time service for employees who choose to reduce their hours to less than full time and who are within five years of retirement.

In addition, as agreed to with the Manitoba Government Employees' Union, correctional officers will be permitted to retire up to five years earlier than normal. The full cost of this change will be paid for by a one percentage point increase in the contributions of correctional officers. Under the federal Income Tax Act this earlier retirement is only available to public safety occupations such as correctional officers.

The final change agreed to with the MGEU in the '94-96 agreement is a transfer of \$7.95 million of surplus in the group life insurance fund to the province. The change will allow similar transfers by agreement between other employers and employee groups participating in the plan.

A third category of changes are those required by Revenue Canada to ensure the pension plans remain registered for income tax purposes. These changes do not significantly affect the benefits payable under the two plans.

Finally, there are a number of amendments of an administrative or housekeeping nature that were recommended by the boards of the two pension plans. These amendments serve to clarify the meaning of various sections and provide for more streamlined and responsive administration of the plan. All of these changes have been reviewed by the actuaries for the plans to ensure they are financially sound. As the changes that impact benefits are being made on a 100 percent employee-paid basis, there will also be no increase in the province's or any employer's liabilities with respect to these changes. Thank you.

Ms. Rosann Wowchuk (Swan River): I move, seconded by the member for Rupertsland (Mr. Robinson), that debate on this bill be adjourned.

Motion agreed to.

* (1450)

Bill 30—The Dairy Act

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, I move, seconded by the honourable Minister of Labour (Mr. Toews), that Bill 30, The Dairy Act (Loi sur les produits laitiers), be now read a second time and referred to a committee of this House.

Motion presented.

Mr. Enns: Madam Speaker, the purpose of the amendments to The Dairy Act at this time is to provide the dairy production and processing industries in Manitoba with the framework which addresses the future needs and demands of the local, national and international marketplace while ensuring the high standards of dairy product safety and that quality are maintained. A brief summary of the amendments contained in the act provide for a more business-oriented structure for the operation for the development of the dairy industry in Manitoba.

Under the new Dairy Act, Manitoba is positioned to adopt a harmonized Canada-wide system of dairy product production, processing and inspection standards. On a national level this will serve to remove some of the interprovincial trade barriers. The adoption of harmonized Canadian standards will pave the way for the implementation of a more efficient streamlined dairy inspection system to reduce duplication and inefficiencies of effort between different levels of government.

It is worthwhile to use this kind of an occasion to remind all honourable members that Canada's food system is ranked among the best in the world providing safe and wholesome food. Food inspection programs provided by the province and the federal government remain committed to ensuring that food standards and inspection systems continue to require the highest levels of food safety.

Provincial food inspection programs such as we have in the Manitoba dairy sector, in particular, have over the years evolved into a highly respected, multifaceted service to the industry and the consuming public ensuring food safety.

As the increasingly competitive global market develops, it is necessary to ensure that our efforts in supplying a wholesome and safe food supply are recognized not only by Manitobans and Canadians but by our export customers, as well. It is also necessary to recognize current national objectives which have been established to have one set of Canadian harmonized food safety standards and an efficient, streamlined food inspection service recognized across the country. Recognition and achievement of national objectives will lead to the removal of barriers to interprovincial trade that are now in place. The amendments that I am presenting before the House in this dairy act are designed to address aspects related to national harmonization, food safety quality and demands of the international marketplace.

I might say that these recommendations are the result of several years of work by the different dairy organizations, not just in Manitoba but across Canada. It was back in 1994 that the federal and provincial and territorial ministers of Agriculture endorsed the blueprint document for the Canadian food inspection system, which called for the national standards setting of many of our processing regulations and, of course, perhaps the most regulated in that sense are the food products relative to the dairy industry.

I can indicate to honourable members of the House that these amendments are strongly supported by Manitoba dairy producers and the Manitoba dairy marketing board, and I look forward to their representations and their explanations and support for the bill at the committee stage when next we meet. Thank you, Madam Speaker.

Ms. Rosann Wowchuk (Swan River): I move, seconded by the member for Broadway (Mr. Santos), that debate be adjourned on this bill.

Motion agreed to.**Bill 31—The Livestock Industry Diversification and Consequential Amendments Act**

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, I am privileged to move, seconded by the Minister of Rural Development (Mr. Derkach), that Bill 31, The Livestock Industry Diversification and Consequential Amendments Act (Loi sur la

diversification de l'industrie du bétail et apportant des modifications corrélatives), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Enns: Madam Speaker, I am very privileged to provide further introduction to this bill, whose purpose is to provide agricultural diversification opportunities to Manitoba farmers. This is the bill whose intent is to allow Manitobans to game farm and ranch native wildlife species such as elk in a licensed, controlled manner. The act will allow the sale of game production animals, meat and nonmeat products from approved, licensed sources. Value-added opportunity through the establishment of a processing industry will also develop, which will provide economic opportunities to Manitoba communities.

The Livestock Industry Diversification and Consequential Amendments Act has been developed to differentiate between wild populations of animals and those raised by producers. Manitoba Agriculture will be responsible for ranches or farmed animals.

The Manitoba Department of Natural Resources will continue their responsibility for the animals in the wild. Both departments will work co-operatively in the development of game farming in Manitoba.

Madam Speaker, game farming will come to Manitoba under the jurisdiction of the Department of Agriculture on a licensed basis on private land only. Game production animals must originate from approved sources in Manitoba or other areas of Canada. Animals and their progeny will be registered and identified. Standards will be established for the health and genetic requirements of game production animals. Record keeping and reports will be an important component of the game farming program.

These criteria are all designed and regulations will make it clearer to protect native species and the clear distinction between the ability to game farm domestic elk and at the same time maintain healthy herds in the wild.

Although slaughter and meat value of these animals is not foreseen as an immediate result of this, primarily because of the value of the animals from a breeding point of view, nonetheless, some provisions for the appropriate

manner and way the meat products of these animals can be handled will be contained in the act.

Just a little bit of background, in Canada livestock species other than our traditional livestock, cattle, swine, poultry, sheep, goats, horses, are being raised by producers on farms and ranches. Producers are raising both non-native and native livestock species. Non-native species such as fallow deer, wild boar, ostrich, emu, can be raised in Manitoba without a licence or a permit. Bison, a native American species, can be farmed without a permit or a licence.

Different world cultures domesticate and raise different livestock species. It is only recently in North America that members of the deer family are being raised.

Elk are a species that are being raised by producers in seven provinces of Canada. Manitoba, as members will know, had experimented with elk ranching earlier on in the mid-'80s but then placed a moratorium on further game farming in the year 1986. There are some elk held in captivity by some five or six operators. Those are issues of policy that the government certainly will have to deal with in a fair and equitable manner to the satisfaction of all.

In Canada in 1995, approximately 19,000 elk are being ranches. Game farming is an industry valued in excess of 158 millions of dollars in 1994. Game farming is a livestock diversification opportunity and The Livestock Industry Diversification and Consequential Amendments Act will allow Manitobans to participate in its development.

Among the particular notes of interest in the introduction of this act is the opportunity that I believe it provides for members of the aboriginal community to participate in this type and form of agriculture diversification. I have had the privilege of having several representatives from the aboriginal community speak to us directly about their interest.

I should report to the House that one of the aboriginal bands is currently assisting my colleague the Minister of Natural Resources (Mr. Driedger) in the housing of some of the captured animal that were captured in the last winter season and, quite frankly, I hold out this as a tremendous opportunity for some real economic

opportunities to be realized by aboriginal future elk ranchers and farmers who have, in my opinion, an excellent opportunity.

They are well situated in terms of their land base. There is a tremendous opportunity in terms of the type of management required to engage in this opportunity. It is a hope that I have that the Manitoba Department of Agriculture will be able to work co-operatively with any and all Manitobans interested in this form of future agriculture diversification and, in particular, with any of our aboriginal members who have indicated an interest in elk ranching in the province of Manitoba.

I look forward to active discussion and participation by all members at committee stage in this House. I am sure that when next we meet in the fall, this bill will be one of the bills that will receive considerable attention by all members of this House and members of the general public. Thank you, Madam Speaker.

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I move, seconded by the member for Broadway (Mr. Santos), that debate on Bill 31 be adjourned.

Motion agreed to.

* (1500)

**Bill 68—The Farm Lands Ownership Amendment,
Real Property Amendment and Registry
Amendment Act**

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, I move, seconded by the honourable Minister of Environment (Mr. Cummings), that Bill 68, The Farm Lands Ownership Amendment, Real Property Amendment and Registry Amendment Act (Loi modifiant la Loi sur la propriété agricole, la Loi sur les biens réels et la Loi sur l'enregistrement foncier), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Enns: Madam Speaker, concern for ownership of Manitoba farmland began in earnest in the mid-1970s, which resulted in the then government passing what is known as The Farm Lands Protection Act of 1977. That

act has been in force since 1984, with only relatively few amendments.

However, at this time, there has been little evidence to indicate that the nonresident or nonfamily farm corporations, in particular Canadians or corporations owned by Canadians, have created serious or undue restrictions for Manitoba farmers wishing to purchase Manitoba farmland, and it is principally for that reason that I am making the following amendments, a number of amendments, to The Farm Lands Ownership Act.

Among them will be to recognize Canadians and corporations owned solely by Canadians and Canadian-landed immigrants to purchase land in Manitoba without exemption from the Farm Lands Ownership Board. In other words, whether you are living in Saskatchewan, Alberta, British Columbia or Nova Scotia, you are a Canadian and you can buy farmland in Manitoba. That is a fairly major diversion from the original act, and I am sure that will catch some attention by honourable members opposite.

We will increase the amount of land that any non-Canadian individual or organization can own from the current 10 acres to 40 acres. That is more of a kind of a housekeeping change because the honourable member who is familiar with rural Manitoba understands that the 40 acre often does not require a subdivision. Ten acres does and it has proved to be an onerous clause in the bill.

We will eliminate the discrepancy which allows a transfer of land to foreign interest through inheritances. There has been some tightening up of the act in that sense. We will limit the land that farmers can transfer to relatives that are not otherwise eligible to the land that they have farmed themselves for at least 10 years. We will allow spouses to take joint interest in land in Manitoba with an eligible person.

We will expand the definition of farming to include horticulture and game farming. We will eliminate the need for declaration forms one and two for individuals and corporations respectively by including the pertinent questions on the appropriate land titles instrument, for example, the transfer document. My colleague the Minister of Government Services (Mr. Pallister) is always encouraging us to reduce wherever possible forms, additional regulatory requirements.

We will set out the time for divestiture and will provide an option for the board to extend the time allowed. We will allow the Lieutenant-Governor-in-Council to establish limits on maximum amounts of farmland held or size in terms of shareholders of qualified Canadian organizations.

We will provide the board with the power to require reporting of interests in farmland in order to establish a database of foreign holdings. Quite frankly, at this particular point in time, we do not know how much of our farmland is indeed owned by foreigners. We will allow the board the option of assessing a foreign purchase fee in cases where the benefit to the province of a particular transaction is not obvious and to deter foreign speculation. We want to maintain the force of the act to be able to use it to the benefit of Manitoba and Manitobans. It will still be used to deter straight land speculation where foreign interests are sometimes interested in purchasing Manitoba farmland and then simply having it stay in dormancy as a speculative land venture.

Madam Speaker, these are but some of the amendments to the act. Again, I look for active debate on this issue. When the next bill appears before the committee, I recommend its passage to the House.

Ms. Rosann Wowchuk (Swan River): I move, seconded by the member for Broadway (Mr. Santos), that debate on this bill be adjourned.

Motion agreed to.

Bill 70—The Animal Care Act

Hon. Harry Enns (Minister of Agriculture): I move, seconded by the honourable Minister of Mines, and Northern and Native Affairs (Mr. Praznik), that Bill 70, The Animal Care Act (Loi sur le soin des animaux), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Enns: Madam Speaker, honourable members will recall that several years ago most of us were concerned or offended at unacceptable manner of treating animals, in

this case, small puppies, at what is commonly referred to as the puppy mills.

What that did, Madam Speaker, was have the Department of Agriculture, under whose jurisdiction various pieces of legislation that refer to animal welfare exists, to look seriously at the legislation and its adequacy.

I am pleased to, at this time, provide honourable members with some further thoughts at second reading of The Animal Care Act, which is a bill whose purpose is to provide for the continuation of protection of animals from abuse while consolidating legislation contained in two acts, The Animal Diseases Act and The Animal Husbandry Act. At the same time, licensing provisions are to be incorporated to provide for licensing of dogs and breeding operations.

* (1510)

We attempt to bring in this act the various components of animal care and animal use, if you like, by our society, a clear separation between those animals that are used in agriculture, for instance, on a commercial basis. The bill specifically makes reference so that animals under those circumstances, whether they are animals such as our dairy animals or beef animals or our mares that are used in the pharmaceutical and the PMU industry, are cared for and maintained according to codes of practice that have been adopted by these various organizations and come under regular inspection. There is a clear understanding that in the agriculture that has always been there, that mankind has availed him or herself with the use of animals for many different purposes. There is no excuse, never has been an excuse, to do that in a way that is unnecessary, unmindful of the animals' welfare. So animal welfare is the pre-eminent concern within the legislation.

Then there is the other section of the act that deals more with what we call companion or pet animals, more specifically about how these animals also are deserving of society's care and protection. There is the differential between what I would like to refer to—and we tried to make that reference in the bill, honourable members will appreciate. It was not our will to come in with heavy hand of overregulation and heavy arm of government into the hobby breeder, that legitimate and responsible dog owner who in a most responsible way abides with all the

rules set out by such organizations of various dog breeding organizations, perhaps members of the Canadian Kennel association, that breed their female dog and produce one or two litters for sale during the course of the year, as distinct from the commercial aspect of that where upwards to 10, 15 or 20 animals are housed in kennels and, regrettably, under certain circumstances, have then not always received the kind of care that most of us would like to see any animal, whether it is a commercial animal or pet or companion animal, receive.

So, Madam Speaker, the act is a comprehensive act. It is my hope that we have encompassed most of the concerns that a committee that worked very diligently on making recommendations that are contained within the act. I should say that the bill incorporates recommendations made by the Law Reform Commission in its recent report Animal Protection that was published in February of 1996.

The bill provides for appointments of inspectors, the powers of inspection and seizure. It also provides for the systematic seizure and disposal method geared to the type of animal involved. There is also provision for intervention such as seeking care for distressed animals, rather than seizing and disposing of them. The bill provides for licensing dog and cat breeding establishments when the number of animals being kept exceeds specified limits. Certain activities will be classed as accepted activities in commercial animal raising as long as the operating practices are consistent with a code of practice or operators use generally accepted practices in current use in their industry.

I wish to compliment and acknowledge the work of a committee that included such people as Ms. Vicki Burns from the Winnipeg Humane Society. I know that we had some municipal officials, we had Ed Peltz from the R.M. of Woodlands along with representations from the Canadian kennel association headed by my director of the veterinary lab, Dr. Neufeld, worked for a period of time.

The apology that I perhaps have in not having had this bill brought to the House sooner, it was partly the difficulty created by having different sections of animal care, legislation housed in two different pieces of legislation that I have already referred to, The Animal Husbandry Act and The Animal Diseases Act. We had

to pull together from these other acts the current legislation that has been placed before you.

Madam Speaker, I hope this bill too will receive the scrutiny it deserves by members of the committee, and eventually I would like to think full support of the House in its final passage. We do this in keeping with the concern that we all have that we treat our animals appropriately and with welfare. Thank you.

Ms. Rosann Wowchuk (Swan River): I wonder, Madam Speaker, whether the minister might be willing to answer a few questions with respect to this bill at this time.

Madam Speaker: Is there leave by the honourable minister to respond to some questions by the honourable member for Swan River?

Mr. Enns: Yes.

Ms. Wowchuk: As we look at the bill, we look at Clause 2, and it appears that there are some very strong regulations put in on the duties of the owners and provisions, and just a little ways down there are a bunch of exemptions. I wonder why, if the minister could give a bit of a clarification where in one section he makes it look like there are going to be fairly strong regulations on how animals should be treated to ensure that they are treated safely and in the next section there are quite a few exemptions, and if the minister could just explain why it appears that one section eliminates the strength of the previous section, please.

Mr. Enns: Madam Speaker, I try to accommodate all the members as willingly as I can to respond to any questions or queries they have on the bill, this is probably more appropriate to deal with it at committee stage. I will just try to answer as best I can.

One of the real challenges in this bill was to recognize the different types and purposes that animals are cohabitating with us humans, as pets, is one thing. Pets when run in commercial kennels is another thing, and animals used in commercial farming is another level. So there is what is appropriate at one level had to be exempt at another level. Like, it would not be appropriate, for instance, to make a regulation that every pet dog has to be housed in a prescribed type of a kennel made of

stainless steel, so many square feet or something like that. There is no need to do that for the hundreds and thousands of dog owners and lovers with a pet cocker spaniel, but if you are keeping 20 or 30 of them, then you have to prescribe specific regulations. So you prescribe those regulations, but in the next section you exempt the one-dog owner from that regulation.

I have to acknowledge as a rancher, and I just spent this last weekend trading some—there are particular clauses in the act that talk about undue stress and anxiety on animals. Well, as the honourable member who is not that far removed knows full well that on the farm at different times of the year, particularly what you do to young male beef animals, that provides a considerable amount of stress and anxiety.

I engaged in that all weekend, and I thought about the bill that I was going to be introducing to the House in a little while. So that is why they are exempt from some of those clauses, the wording put in there, but practices have to adhere to code of practices and the industry standards that are accepted.

The honourable member knows that we are always currently updating those code of practices. We have just set out a code of practice for the raising of hogs, for the raising of beef cattle, for the raising of dairy cattle, for the raising of poultry, and somewhere in a code of practice, a practice undertaken by an owner of these animals has to abide with them. That is what the act tries to say. Thank you, Madam Speaker.

Ms. Wowchuk: I would like to ask the minister, then, one more question, and that is, when the minister indicates that in different sectors of agriculture there are codes of practice that livestock producers should be following, would those codes of practice supersede or override this legislation? I am looking for clarification. What guidelines would the hog industry follow? Would they fall under this or is it the guidelines, the codes of practice that have been brought in for the livestock industry?

* (1520)

Mr. Enns: The honourable member is aware and I believe has a copy of the orange book of codes of practices and rules and guidelines with respect to

acceptable methods of hog production. This bill and the regulation of this bill specifically refer to those kinds of codes of practice that have to be followed. If somebody is not operating according to that code of practice, that orange book of code of practice, then under this bill that person can be prosecuted.

Mr. Leonard Evans (Brandon East): I wonder if the honourable minister would permit one question of clarification.

Madam Speaker: Does the honourable member for Brandon East have leave to ask the honourable Minister of Agriculture a question? [agreed]

Mr. Leonard Evans: My question relates to a constituency matter that arose a few months ago. I wanted to know specifically, does this legislation give the minister and his department responsibility for licensing humane societies and also, if a person has a complaint about a local humane society, do they have the right to, say, appeal to some branch of the minister's department now?

The instance that I refer to, there was complaint against the administration of the local humane society. There did not seem to be any method by which the individual had any redress, any recourse for getting a correction of the problem as they saw it.

Mr. Enns: Madam Speaker, the honourable member for Brandon East asks a question that I have difficulty to answer. My quick answer is that this act is not the act that establishes or in any way has a control over the establishment of humane societies. It could come under some of the other older pieces of legislation, The Animal Husbandry Act or The Animal Diseases Act, but I do not see anything in this act that specifically makes references to the control, the setting up or the regulation of humane societies.

I am trying to think as I stand on my feet whether or not the humane societies as we know them are not in most instances creatures of municipal governments. I could be wrong, but I will take the question as further notice, and we will get the answer. Of course, his question will be transcribed in Hansard, and we will have staff provide him with fuller and more up-to-date information than I have been able to provide on this occasion.

Ms. Wowchuk: Madam Speaker, I move, seconded by the member for Brandon East (Mr. Leonard Evans), that debate be adjourned.

Motion agreed to.

Bill 62—The Jobs Fund Repeal Act

Hon. Glen Cummings (Minister of Environment): I move, seconded by the Minister of Highways and Transportation (Mr. Findlay), that Bill 62, The Jobs Fund Repeal Act (Loi abrogeant la Loi sur le Fonds de soutien à l'emploi), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Cummings: Madam Speaker, this act was introduced in 1983 and was to have been a fund made up of \$200 million worth of "new money" that the government of the day intended to use for dealing with the economic challenges of the day. It has always been the intention of our government to dismantle this fund and return responsibility to the various departments where the programs originated, thus making it easier for everyone to uncover how the money was being spent and whether or not it was being appropriately accounted for. We recognize that there is an increased need for accountability and that process has to be readily understood by the public.

This fund was mainly used for short-term projects and, in our view, failed to meet its goals in attempting to create long-term employment. The previous administration compounded the problem by making basic information about the fund difficult to provide to the public. We are now taking the action that we indicated some considerable time back that we intended to do; that is, we will repeal this act because no real information about the total expenditures that occurred under it were made available in an appropriate fashion.

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I move, seconded by the member for Brandon East (Mr. Leonard Evans), that debate be adjourned.

Motion agreed to.

Bill 37—The Ambulance Services Amendment Act

Hon. James McCrae (Minister of Health): Madam Speaker, I move, seconded by the honourable Minister of

Highways and Transportation (Mr. Findlay), that Bill 37, The Ambulance Services Amendment Act (Loi modifiant la Loi sur les services d'ambulance), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. McCrae: Madam Speaker, Bill 37 contains housekeeping amendments to The Ambulance Services Act and will change the name of the legislation. Emergency medical response systems and stretcher transport programs are taking on a role in the type of programs we commonly call ambulance. Extensive public hearings that we held on emergency services have identified the need to regulate such new programs.

Therefore, the Minister of Health will be given authority to license these classes of programs, and we will change the name of the act to The Emergency Medical Response Act to recognize the increased scope of emergency services in Manitoba. Consistent with these changes, some definitions will be broadened.

We will also enhance inspection powers to make enforcement of standards easier, ensure a consistency with existing provisions in other legislation and clarify language that is now ambiguous.

Finally, we are amending sections of the act dealing with regulations to ensure that the processes for suspending or cancelling a licence are properly defined. Thank you.

Ms. Rosann Wowchuk (Swan River): I move, seconded by the member for Brandon East (Mr. Leonard Evans), that debate be adjourned.

Motion agreed to.

* (1530)

Bill 38—The Health Services Insurance Amendment Act (2)

Hon. James McCrae (Minister of Health): Madam Speaker, I move, seconded by the honourable Minister of Natural Resources (Mr. Driedger), that Bill 38, The Health Services Insurance Amendment Act (2) (Loi no 2

modifiant la Loi sur l'assurance-maladie), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. McCrae: Madam Speaker, this bill contains housekeeping amendments to The Health Services Insurance Act. It will allow the Minister of Health to decide if someone in Canada under a ministerial immigration permit should qualify as a resident of Manitoba and be eligible for insured health benefits. Manitoba Health now considers that persons holding certain kinds of ministerial permits do not come under our definition of resident. The amendment clarifies existing policy.

The bill will ensure the confidentiality of clinical, medical or other records examined, audited or copied by inspectors. This refers to situations when the inspectors are investigating claims for benefits submitted by practitioners who receive payments for services from Manitoba Health. It will also allow recovery of money paid to a medical practitioner for a service that was not provided even if the practitioner's right to practise is suspended, cancelled or not renewed.

The bill transfers authority to the Minister of Health from the Lieutenant-Governor-in-Council to make regulations respecting physicians' fees. This will facilitate the process for administering the agreement between the government and the Manitoba Medical Association.

Finally, the bill clarifies provisions respecting the tying of per diem personal care charges to income.

Ms. Rosann Wowchuk (Swan River): I move, seconded by the member for Brandon East (Mr. Leonard Evans), that debate be adjourned.

Motion agreed to.

Hon. Darren Praznik (Deputy Government House Leader): Madam Speaker, I would ask if you could please take Bill 39 and put it in after Bill 42, please.

Bill 41—The Fisheries Amendment Act

Hon. Albert Driedger (Minister of Natural Resources): I move, seconded by the Minister of Energy

and Mines (Mr. Praznik), that Bill 41, The Fisheries Amendment Act (Loi modifiant la Loi sur la pêche), be now read a second time and referred to a committee of this House.

Motion presented.

Mr. Driedger: Madam Speaker, I am pleased to introduce to the House, Bill 41, The Fisheries Amendment Act bill. The new bill incorporates licensing and fee powers and makes provisions for dealing with provincial jurisdiction issues, such as allocation of fish resources, aquaculture, fishing tournaments, safety and stock enhancement. The Fisheries Amendment Act will consolidate and co-ordinate authority for the licensing and allocation of all aquatic organisms harvested in The Fisheries Act of Manitoba.

Some of these matters are contained in federal regulations but rightfully belong in provincial legislation. The new act will allow the transfer of appropriate federal regulations from the Manitoba fishery regulations 1987 to provincial regulations. The intent is to transfer administration and regulations, not to make changes to the regulations.

The second component of the legislation is to incorporate the authority to control leech harvest in the province. Currently, there is no specific authority to administer the harvest, and, as interest continues to increase for the commercial harvest of bait leeches, the amendment will help to manage the resource more effectively.

The benefits of the new act will reduce Manitoba's dependency on the federal government to enact regulatory changes, meaning more flexibility and being more responsive to local needs. It also will reduce the possibility of federal fisheries policy being imposed on the province, and it will provide authority to meet today's legislation needs and deliver the fisheries strategies for the 1990s. It also will provide for greater local input into management solutions to fishery issues; it will enhance administration and improve efficiency.

Now the exclusions to the new act will include: fish habitat issues will remain with the Canada Fisheries Act; fish in privately owned water bodies will remain under federal jurisdiction; fisheries issues related to Indians and

Indian lands will remain under the federal jurisdiction; federal parks will remain federal jurisdictions as they are now.

Madam Speaker, the new act will be beneficial to Manitobans in that it will give the province more flexibility and the ability to be more responsive to local needs. It will provide the government with the authority to meet today's needs and allow for greater local input into fisheries management across the province. It will enhance administration and improve efficiency. Thank you.

Mr. Leonard Evans (Brandon East): Madam Speaker, I move, seconded by the member for Swan River (Ms. Wowchuk), that debate be adjourned.

Motion agreed to.

Bill 42—The Northern Affairs Amendment Act

Hon. Darren Praznik (Minister of Northern Affairs): Madam Speaker, I would move, seconded by the honourable Minister of Natural Resources (Mr. Driedger), that Bill 42, The Northern Affairs Amendment Act; Loi modifiant la Loi sur les Affaires du Nord, be now read a second time and be referred to a committee of this most honourable House.

Motion presented.

Mr. Praznik: Madam Speaker, the purpose of this legislation is essentially an amending bill that makes a variety of housekeeping and, I think some would say, significant amendments in changing, in particular, our process for allowing the incorporation of our Northern Affairs communities into totally self-governing bodies.

The bill currently is required to resolve, as well, some interpretation issues in the act: to provide a better process in support of community incorporation; to facilitate continued growth in community responsibility; to deem the minister to be a municipality for the purposes of The Provincial-Municipal Tax Sharing Act; and to deem a community to be a government agency for purposes of Section 79 of The Financial Administration Act.

The Northern Affairs Act is based on the local government concept and has drawn heavily on parts of The Municipal Act. The proposed amendments include

an item that forms the basis for daily community staff operations, such as the place of council meetings, the clarification of provisions respecting disclosure of information, provisions for communities to establish fees for providing copies of by-laws and other authorized documents, the taking of oaths, the enactment of by-laws on the basis of the printed copy thereof, as well as provisions for the community clerk or administrator to do both the clerk's and treasurer's duties. The bill also clarifies the reporting relationship of auditors appointed by the minister.

Madam Speaker, additionally, this bill, on the advice of Legislative Counsel, brings the incorporation process, which is currently under The Northern Affairs Act, into line with the process used under The Municipal Act by having incorporation proceed by regulation directly from the Lieutenant-Governor-in-Council, rather than directing the Minister of Consumer and Corporate Affairs to issue the articles of incorporation. The bill also clarifies and strengthens the government's authority to set off debts owed to a community by a third party. This is a particularly important addition in the legislation, because in a variety of cases our community councils, Northern Affairs councils, provide services to neighbouring communities and are not paid for those services. Often those communities are eligible for funding for various reasons from the province, and this will fully authorize us then to make the appropriate set-asides to ensure those legitimate debts are paid to our community councils from neighbouring communities. The legislation also provides for reciprocity in this arrangement, as well.

One particular important provision in this act deals with the incorporation process. A concern of a number of communities that have considered becoming incorporated and taking on their full responsibilities has been whether or not their council would survive the incorporation. This particular piece of legislation proposes to the House that we would allow a council that is the legally elected body representing that community, after incorporation to continue in their terms of office until the next scheduled period for elections. I think that was an important point that has been brought to our attention to ensure that there is an ability to have a uniformity and a continuity through that incorporation process.

Should members opposite have any particular questions regarding the specifics of this legislation, we

would be delighted to deal with them during debate or in committee. Thank you, Madam Speaker.

Mr. Leonard Evans (Brandon East): Madam Speaker, I move, seconded by the member for Swan River (Ms. Wowchuk), that debate be adjourned.

Motion agreed to.

* (1540)

**Bill 39—The Pari-Mutuel Levy and
Consequential Amendments Act**

Hon. James Downey (Minister of Industry, Trade and Tourism): Madam Speaker, I move, seconded by the honourable Minister of Agriculture (Mr. Enns), that Bill 39, The Pari-Mutuel Levy and Consequential Amendments Act (Loi concernant les prélèvements sur les mises de pari mutuel et apportant des modifications corrélatives), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Downey: Madam Speaker, we should maybe refer to this as the Paul Edwards destruction bill, but that would not be fair.

Madam Speaker, I am pleased to say a few words about this new act that will replace The Pari-Mutuel Tax Act, which is being repealed. For several years revenues raised by the Manitoba Department of Finance under The Pari-Mutuel Tax Act have been distributed back to the horse racing industry via the Department of Industry, Trade and Tourism and the Manitoba Horse Racing Commission. However, because these amounts were raised as a tax, The Financial Administration Act required that they be reported in the province's books as revenue and the amounts distributed back to the industry be reported as an expense. This resulted in the inflation of both the province's revenues and expenses on account in a transaction that ultimately had no effect on the province's net financial position.

Given the above, and after consultation with the Department of Finance and the race horse commission, it was concluded that this transaction would be better accounted for as a levy for the promotion of the horse

racing industry in the province of Manitoba rather than a tax. A conclusion was also reached that efficiency of government operations and accountability for the transaction would both be enhanced if the levy was both administered and accounted for by the Manitoba Horse Racing Commission. Under the new act, the Manitoba Horse Racing Commission takes on the responsibility for licensing of operators and administration of pari-mutuel betting systems. Under The Pari-Mutuel Tax Act these functions were performed by the Department of Finance.

Pari-mutuel tax is converted into a levy to be remitted to the Manitoba Horse Racing Commission and also rebated to the horse racing industry by the commission. The rate of the levy will be set at the same rate as the existing pari-mutuel tax but can be varied by regulation. The commission will retain 1 percent point of a levy as a licence offset to cover a portion of the commission's operating expenses. The balance of the levy will be deposited to a Pari-Mutuel Levy Fund, which will be used for the promotion of horse racing in Manitoba. Distributions from the levy fund will be governed by an annual distribution plan approved by the Ministry of Industry, Trade and Tourism and will be publicly available for inspection at the commission's office.

The annually audited financial statements for the fund will be included as part of the Manitoba Horse Racing Commission's annual report. The Agricultural Societies Act currently enables the Minister of Finance (Mr. Stefanson) to authorize agriculture societies to retain tax that would otherwise be payable under The Pari-Mutuel Tax Act. The provision of The Agricultural Societies Act has been amended to enable the Minister of Agriculture to authorize agriculture societies to retain the levy which would otherwise be payable to the commission under The Pari-Mutuel Levy Act. Consequently, the financial status of agriculture societies will not be affected by the new act.

Implementation of The Pari-Mutuel Levy Act will enhance management and accountability while reducing the government's administrative burden. I hope that the House sees fit to support this new act, and I look forward to hearing the comments of the members of the House.

Thank you for the opportunity to put these words on the record. I commend it to committee and to passage as soon as possible, Madam Speaker.

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I move, seconded by the member for Brandon East (Mr. Leonard Evans), that debate be adjourned.

Motion agreed to.

**Bill 43—The Municipal Assessment Amendment,
City of Winnipeg Amendment and Assessment
Validation Act**

Hon. Leonard Derkach (Minister of Rural Development): Madam Speaker, I move, seconded by the Minister of Highways and Transportation (Mr. Findlay), that Bill 43, The Municipal Assessment Amendment, City of Winnipeg Amendment and Assessment Validation Act (Loi modifiant la Loi sur l'évaluation municipale et la Loi sur la Ville de Winnipeg et validant certaines évaluations), be now read a second time and be referred to a committee of the House.

Motion presented.

Mr. Derkach: It is my pleasure to introduce for second reading today Bill 43, and we are confident this bill is going to assist Manitoba communities and in particular the City of Winnipeg in providing timely and effective assessment services to Manitoba's taxpayers.

What I am introducing are a series of amendments that will help to strengthen new assessment legislation which we first introduced back in 1990. The need to make adjustments has been precipitated in large part by a request from the City of Winnipeg. The city asked that we consider a number of legislative amendments to assist them in addressing difficulties they have been experiencing with the assessment process.

Madam Speaker, before detailing the changes I would first of all like to say that we consulted with the municipal organizations in this province and they have expressed their support for this legislation.

The following reflects some of the more substantive changes contained in Bill 43. Perhaps of greatest significance will be the extension of the reassessment cycle from a three-year period to a four-year period. It had become increasingly evident that the City of Winnipeg would not have been able to meet the 1997 deadline for reassessment. This change will give the City of Winnipeg more time to deal not only with the backlog

of assessment appeals but with appeals that will arise as a result of the next reassessment.

The intent of moving the next reassessment to 1998 is to allow the city almost a full year to hear appeals before reassessment will be used for budgeting and tax purposes. It will also allow the city to get in sync with the time frames and the cycles that are being used effectively in the rest of the province. In the meantime, the change will be equally beneficial to the remainder of our communities and municipalities. Reassessments every four instead of every three years will also result in savings by requiring reassessments less frequently but, most notably, it will provide greater financial stability to municipalities in being able to plan and deliver services around a stable assessment and tax base.

By allowing additional time for the hearing of appeals prior to delivery of assessment rolls to municipalities for budgeting and taxation purposes, municipalities can have greater confidence in revenue streams once budgets are struck and mill rates are established. This will be true, as well, for school divisions in their planning since their revenue is directly attributable to the amount of assessment within their respective school districts. There will still be provision by which Manitobans can appeal their assessments. However, to stabilize and streamline the process, Bill 43 calls for the elimination of third-party appeals and will allow for only one appeal per four-year cycle unless a change in assessment or ownership occurs.

Again, using the city of Winnipeg as an example, a number of appeals have been filed on speculation without the knowledge or approval of the property owner. It will now be required that appeals be made by those who own the property and have chosen to appeal the assessment. In the instance where the property owner is unable to file an appeal, for example, due to illness, physical handicap or a language barrier, he or she may authorize someone to act on their behalf in the appeal process. Nor will this preclude property owners from seeking expert advice. However, this change will place the onus and the responsibility for appeals with property owners, where it rightfully belongs.

* (1550)

In the meantime, the decision to limit appeals to once every four-year cycle will also help to eliminate some fairly significant backlogs that have been created. We

believe this is not unreasonable, nor will it hamper Manitoba taxpayers from getting a fair hearing. Appeals are costly. They require significant commitment of time and money to be researched and processed, and serve to clog up the system having the same appeal made year after year.

Again, that is not to say that if significant changes occur to a property during a cycle, or if a property changes ownership, more than one appeal would not be allowed. There will be enough flexibility to allow for these special circumstances. Otherwise, if property values and ownership remain the same, one appeal per four-year cycle is not unreasonable. Also, by way of Bill 43, we will be strengthening the requirement for commercial property owners to supply income and expense information which is required by the assessor in arriving at a fair and equitable assessment. This change will assist assessors in determining the accuracy of assessments.

Another important amendment we have introduced in Bill 43 relates to the clarification of the definition of railway roadway. The City of Winnipeg, since 1990, has been faced with an appeal by the railways regarding the interpretation of the definition of railway roadway. The amendment does not change the spirit of the intent of the original legislation but merely clarifies the definition. This clarification will have significant implications for the City of Winnipeg and, in turn, Winnipeg ratepayers, who would, if the railways were successful, have to refund approximately \$10 million.

Madam Speaker, as I noted earlier, Bill 43 will be of benefit to all Manitobans. The amendments will provide local governments with greater stability in their tax base, which will allow them to guarantee a level of service to the citizens of Manitoba, and here, again, I refer to the taxes that are generated through a thoughtful, orderly assessment process, taxes that will help pay for sewer and water, roads and for education, all services that are vital and important to all Manitobans.

Thank you, Madam Speaker.

Mr. Jim Maloway (Elmwood): Madam Speaker, I move, seconded by the member for Brandon East (Mr. Leonard Evans), that debate be adjourned.

Motion agreed to.

Bill 47—The Public Schools Amendment Act

Hon. Linda McIntosh (Minister of Education and Training): I move, seconded by the honourable Minister of Environment (Mr. Cummings), that Bill 47, The Public Schools Amendment Act; Loi modifiant la Loi sur les écoles publiques, be now read a second time and be referred to a committee of this House.

Motion presented.

Mrs. McIntosh: My government continues to initiate a range of activities which are instrumental in supporting the implementation of *Renewing Education: New Directions, The Action Plan*.

The revitalization of Manitoba's public education represents my department's commitment to setting strong specific provincial directions that aim to renew and restore public confidence in the public education system while enabling schools and their local communities to make decisions that impact positively upon their students.

Greater parental and community involvement in educational programming, school choice, and the articulation and clarification of roles and responsibilities of all educational partners, including school boards, parents, students and principals, are critical in the support and maintenance of educational renewal.

In order to confer greater parental choice of schools within and between school divisions as outlined in *Renewing Education: New Directions*, the action plan, legislative amendments in The Public Schools Act have been prepared permitting parents to access schools beyond the catchment area or school divisions in which they reside regardless of whether a program is or is not offered locally, subject to certain conditions and priority placement, and allowing existing residual fees to be waived from the home division to the receiving division. A transfer fee will be administered between school divisions, and parents will no longer have to pay residual costs in most cases to access educational programming for their child or children outside their division.

Legislation was recently passed allowing for the establishment of advisory councils for school leadership which gave parents, community members and school representatives the right to organize and to contribute

ideas and suggestions on school policies and procedures. Continuing with the government's conviction that parents play a vital role in their child's education, and our commitment to more parental involvement in educational decision making, the legislation before you will confirm parents' roles as educational partners and will create ways for all parents to become involved in their children's schooling and schools.

The right to make informed decisions on the education of their child, receive information about their child's performance, be advised of the discipline policies of the school, consult with their child's teacher about the child's program and academic achievement and to serve on advisory councils on school committees are some of the rights which will be conferred on parents who wish to become more actively involved in their child's or children's education.

Partnership means, of course, that parents not only have certain rights with respect to children's education but also responsibilities to support and contribute to the education process. These rights must be accompanied by responsibilities if parents truly want to become important educational partners in the learning process of their children. Thus, legislation being introduced also states the fundamental expectations of parents. It is expected that parents will ensure that their child attends school on a regular basis and that the child complies with the school's discipline and behaviour management policies, as well. The parent and child assume liability for any school property or property at school destroyed, damaged or lost by the intentional or negligent act of the child.

In addition to parental rights and responsibilities, students will have fundamental rights and responsibilities regarding their own education. Students' rights and responsibilities will be incorporated into legislation and include the right to access their pupil file, have their performance evaluated and to be present with representation where expulsion is being contemplated. Students will have legal responsibility to attend school and to attend classes regularly, comply with the code of conduct of the school, complete assignments and respect school property and the property of others at the school.

Central to the issues of accountability within the education system and to enhancing shared responsibility among parents, community members and educators is the

role of school boards. To that end the powers and duties of school boards have been expanded and strengthened to include such matters as co-operating with schools to develop courses, programs and instructional materials—subject, of course, to the minister's approval—providing school advisory councils and school committees with information necessary for their operation, ensuring that each school in the division prepares an annual school plan, reporting to parents the results of assessments of the effectiveness of educational programs and providing to the Minister of Education and Training information that he or she may require.

In addition, school boards must allow parents access to their child's pupil file and must provide teachers with access to their own personnel record. Teachers may also challenge information or observations contained in their own personnel record.

The current legislative provisions respecting the financial statements and budgetary matters of school divisions are also being amended to reflect greater accountability and current accounting and auditing standards.

* (1600)

Legislation has been amended so that school boards must inform and advise the Minister of Education and Training of accumulated deficits and prepare a plan to eliminate any deficit. In addition, school boards must provide the minister with financial statements according to a prescribed format and auditors appointed by boards may now be registered members of any of the three professional accounting bodies, CA, CGA or CMA. Moreover, school divisions will only have to tender for those supplies and services that exceed \$20,000, thereby easing the administrative paperwork required for purchasing.

Madam Speaker, with these few words, I conclude my comments on Bill 47 and remarks on second reading.

(Mr. Marcel Laurendeau, Deputy Speaker, in the Chair)

Ms. Marianne Cerilli (Radisson): Mr. Deputy Speaker, I move, seconded by the member for Elmwood (Mr. Maloway), that debate be adjourned.

Motion agreed to.**Bill 71—The Manitoba Film and Sound Recording Development Corporation Act**

Hon. Harold Gilleshammer (Minister of Culture, Heritage and Citizenship): I move, seconded by the Minister of Industry, Trade and Tourism (Mr. Downey), that Bill 71, The Manitoba Film and Sound Recording Development Corporation Act (Loi sur la Société manitobaine de développement de l'enregistrement cinématographique et sonore), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Gilleshammer: It is my pleasure to present for second reading Bill 71, The Manitoba Film and Sound Recording Development Corporation Act. This bill reflects the fact that the film and sound industry in Manitoba represents a multimillion dollar segment of our annual economy. Since it was created in 1987, we worked through the Cultural Industries Development Office, commonly called CIDO, more currently known as the Manitoba Film and Sound Recording Development Corporation, and with the industries to promote this province as a viable setting for sound and film production. The Manitoba Film and Sound office has historically been administered by a private, nonprofit corporation, and its board is not appointed by the province.

This proposed legislation will restructure Manitoba Film and Sound's governance and administrative framework and clarify its relationship to the province. Manitoba Film and Sound's current structure was developed to enable the province to access federal funds under the 1984 ERDA subagreement on communications and cultural enterprises, funds which greatly assisted us in developing and promoting the industry in Manitoba.

However, the subagreement expired in 1990, and Manitoba Film and Sound's funding has since been 100 percent provincial. In consideration of this fact, my department, Culture, Heritage and Citizenship, wishes to create a clear, direct line of accountability between Manitoba Film and Sound and itself. Under this proposed bill, the creation of a corporation will not affect

the nature of Manitoba Film and Sound's programs but will define administrative and policy relationships between the department and the corporation created by this bill. The creation of this arm's length agency will make our framework for the delivery of the provincial programs supporting the film, video and sound recording industries a more effective mechanism.

Mr. Deputy Speaker, we are eager to do everything possible to aid Manitoba's film, video and sound recording industries realize their growth potentials and successfully explore all economic opportunities in their respective sectors. Under this bill, the affected industries will have input into the selection and appointment of board members who can oversee our efforts to achieve these goals. We see similar legislation in other jurisdictions such as Ontario, Quebec, Saskatchewan and B.C., as well as at the federal level.

This legislation will enable the Manitoba Film and Sound Recording Development Corporation to follow their examples and promote and assist the development of the industries here by providing for grants, loans or loan guarantees, as well as ancillary programs of support and services.

Mr. Deputy Speaker, we believe the interests of the industry in Manitoba would be best served by the creation of this legislated mechanism. As Manitoba approaches the 21st Century, we are looking at new concepts and new areas to promote economic growth and prosperity. At the same time, we are re-evaluating existing industries such as film and sound recording to determine how we can enhance their growth potentials.

Mr. Deputy Speaker, this bill to create a statutory corporation for continuing, establishing, managing, administering and delivering Manitoba's financial assistance programs and services to the film, video and sound recording industries is a solid and considered approach to achieving this goal. Thank you.

Mr. Jim Maloway (Elmwood): Mr. Deputy Speaker, I move, seconded by the member for Broadway (Mr. Santos), that debate be adjourned.

Motion agreed to.

**Bill 67—The Manitoba Telephone System
Reorganization and Consequential
Amendments Act**

Hon. Glen Findlay (Minister of Highways and Transportation): I move, seconded by the Minister of Agriculture (Mr. Enns), that Bill 67, The Manitoba Telephone System Reorganization and Consequential Amendments Act (Loi concernant la réorganisation de la Société de téléphone du Manitoba et apportant des modifications corrélatives), be now read a second time and referred to a committee of this House.

Motion presented.

Mr. Findlay: I am pleased to introduce The Manitoba Telephone System Reorganization and Consequential Amendments Act. The legislation positions the telephone company for a strong future, able to meet the competitive marketplace and enshrine in legislation the principal elements of the proposed public offering.

As I reported earlier to the House, investment bankers that evaluated the telecom industry in Manitoba and across the country clearly demonstrated that this industry is experiencing an enormous explosion of technology with over 70 percent of MTS revenue in the form of competition, and the regulator, CRTC, is continuing to open up the marketplace to increased competition. The purpose of this legislation is to make the necessary changes to the old act to properly recapitalize MTS, to structure its capital for it to be a publicly traded company, to enunciate shareholders' rights and restrictions, and, most importantly, put in place the fundamental matters that protect the interests of Manitoba and Manitobans.

Under the legislation particular attention has been given to the capital structure of the company, the issuance of a special share to the Crown, fundamental changes that cannot occur, location of the company's head office, size and residency of the board of directors, defeasement of the company's debt, pension and employee benefit plan matters and a Manitoba offering preference to Manitobans and employees of Manitoba Telephone System, and restrictions on maximum shareholdings for both residents and nonresidents.

This legislation is expected to become law in the fall of this year with a public offering to follow. It is important

to understand that this legislation has been carefully prepared to put in place those protections and restrictions that prudent legislators would want to see. Care and caution have been exercised to protect Manitoba's interest. The base for the legislation has been drawn from a number of sources incorporating the best elements of previous offerings of this nature together with features deemed to be most appropriate for Manitoba.

* (1610)

Mr. Deputy Speaker, this act is a building block for Manitoba Telecom Services Inc. to embark on a bright and prosperous future controlled by Manitobans with its feet firmly placed in the marketplace. When the bill reaches committee stage, I am sure we will get into significantly more discussion and explanation on various elements of the bill. I recommend this to the House.

Mr. Jim Maloway (Elmwood): Mr. Deputy Speaker, I move, seconded by the member for Broadway (Mr. Santos), that debate be adjourned.

Motion agreed to.

Bill 58—The Parental Responsibility Act

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Mr. Deputy Speaker, I move, seconded by the Minister of Education (Mrs. McIntosh), that Bill 58, The Parental Responsibility Act; Loi sur la responsabilité parentale, be now read a second time and be referred to a committee of this House.

Motion presented.

Mrs. Vodrey: Mr. Deputy Speaker, I am pleased to rise today to present to the House for its consideration Bill 58, The Parental Responsibility Act. I am sure that all members of the House share the concern over property crime, particularly, by young people. Many Manitobans have been victimized, and they are frustrated by the failure of the Young Offenders Act to be a more effective deterrent. This bill, first and foremost, is to assist victims in recovering losses they have suffered as a result of property damage.

During the last election campaign, this government promised that it would do what it could within its

constitutional power to find solutions to the problem of youth crime. We specifically promised to increase parental responsibility for making restitution to victims of property crime.

In our view, the rights of victims of crime must take precedence. It is essential that, where reasonable, parents take responsibility for damage to property deliberately caused by their children. In many instances of property crime, we can legitimately ask, where are the parents, what have they been doing to control the child? This bill is not going to resolve all the problems. We need a concerted action and we need community support for parents who are trying their best to raise their children.

What this bill will do is impose a reasonable measure of responsibility on parents of perpetrators of property crime, those who fall down in their duty to guide and to supervise their children. In our view, it would be better if the federal government were to overhaul the Young Offenders Act so that the parents could be dealt with simultaneously with their children, but the federal government, despite this government's efforts, has failed to do so.

We in the province must do what we can to make parents take their responsibilities seriously. After all, it is the parents who decide to bring a child into this world and they assume responsibility at that time for raising the child.

The bill which is before the House will give victims of property crimes access to the Small Claims Court to obtain damages from parents who have neglected their duty to raise and supervise their children.

There are major advantages to Small Claims Court. First, action in that court is quick and uncomplicated. We do not want victims to be burdened with all of the requirements of a full Queen's Bench action with a statement of claim, particulars, documents, examinations for discovery and so on.

The question before the courts will be twofold. First, did this child deliberately damage the property? The second question is at the heart of the act. Did these parents act reasonably in raising their child to try and prevent the kind of damage the child caused?

Parents will have a defence if they can establish both, that they exercised reasonable supervision over the child and that they made reasonable efforts to prevent the child from causing the property damage.

This bill directs the attention of the Small Claims hearing officer to the kinds of factors that should be considered in determining whether parents have established their defence. It is also very important that it is the parents who bear the onus to establish that they have acted reasonably. They have knowledge of their child. They know his or her past behaviour. They know what steps they have taken to educate the child. They know any special psychological problems that a child may have had and what professional advice has been sought in order to deal with the child's problems.

Mr. Deputy Speaker: Order, please. I am having great difficulty right now hearing the minister. There is a lot of chatter going on throughout the Chamber. Could I ask you to carry on your conversations outside or in the loge. The honourable minister has the floor at this time.

Mrs. Vodrey: Mr. Deputy Speaker, the principles of this bill are simple. It recognizes that victims need to be brought back into the system and that parents assume a responsibility to raise their child. I invite all members of the House to consider this bill and I am confident that they will find that it is worthy of their support.

Thank you, Mr. Deputy Speaker.

Mr. Jim Maloway (Elmwood): I move, seconded by the member for Rupertsland (Mr. Robinson), that debate be adjourned.

Motion agreed to.

Bill 59—The Powers of Attorney and Mental Health Amendment Act

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): I move, seconded by the Minister of Culture, Heritage and Citizenship (Mr. Gilleshammer), that Bill 59, The Powers of Attorney and Mental Health Amendment Act (Loi concernant les procurations et modifiant la Loi sur la santé mentale), be now read a second time and be referred to a committee of this House.

Motion presented.

Mrs. Vodrey: I am pleased to make a few introductory comments concerning Bill 59, The Powers of Attorney and Mental Health Amendment Act.

This bill implements a report of the Manitoba Law Reform Commission and makes a number of significant changes to the law that will benefit all Manitobans who seek to plan for their financial futures.

First, the bill deals with springing powers of attorney. A springing power of attorney is one that, unlike most powers of attorney, does not come into effect as soon as it is signed. Instead, it comes into effect upon a future time or even such as the donor going on vacation outside of the province; it springs into force at that future time. The common law is not clear on the validity of springing powers of attorney. This bill provides for ways of resolving any ambiguity over whether the future event specified in the springing power of attorney has taken place and the springing power has come into force.

Second, and more importantly, the bill adds safeguards to protect the makers of enduring powers of attorney. An enduring power of attorney is one that provides that it will continue to remain in force despite the subsequent mental incapacity of its maker. The bill adds witnessing requirements to provide protection against duress and undue influence in the making of an enduring power of attorney. This bill also provides for greater accountability on the part of the attorney after the donor has become mentally incompetent, requiring the attorney to show his or her accounts to a person named by the donor in the document or to the donor's nearest relative. These safeguards are meant to protect a donor who becomes mentally incompetent from a negligent or unscrupulous attorney.

Finally, the bill amends The Mental Health Act, so that an order of supervision by a physician does not necessarily terminate an enduring power of attorney. Currently, an order of supervision has the effect of making the Public Trustee the comité of the property and assets of the donor, even where the donor has previously contemplated the situation by making an enduring power of attorney. The amendments to The Mental Health Act will result in an order of supervision merely suspending the enduring the power of attorney temporarily until the

Public Trustee has had an opportunity to examine the conduct of the attorney. If the attorney has been acting appropriately, then the enduring power of attorney will be restored. If the attorney has not been acting appropriately, then, of course, the Public Trustee will continue as comité and the enduring power of attorney will be terminated.

In short, this bill makes it possible for individuals to take responsibility for the conduct of their financial affairs even after they become mentally incompetent, while at the same time providing them with a measure of protection when they can no longer protect themselves.

Mr. Jim Maloway (Elmwood): I move, seconded by the member for Rupertsland (Mr. Robinson), that debate be adjourned.

Motion agreed to.

* (1620)

Bill 60—The Law Society Amendment Act

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): I move, seconded by the Minister of Highways and Transportation (Mr. Findlay), that Bill 60, The Law Society Amendment Act; Loi modifiant la Loi sur la Société du Barreau, be now read a second time and be referred to a committee of this House.

Motion presented.

Mrs. Vodrey: I welcome the opportunity to say a few words about The Law Society Amendment Act. As you are aware, the Law Society of Manitoba is the licensing and governing body of the legal profession in this province, established under the provisions of The Law Society Act. Its objective is to ensure that the public of Manitoba receives competent and ethical legal services from a duly licensed legal professional.

These amendments are aimed to ensure that the Law Society can be more effective and efficient in their regulation of the legal profession in Manitoba. The amendments speak to three matters: first, a reduction in the number of benchers; second, the removal of the oath of allegiance as a requirement for the call to the bar; and

third, extending the time within which a client can challenge a contingency fee contract.

First of all, the reduction in the number of benchers. The governing body of the legal profession, called benchers, is comprised of elected practising members of the bar from Winnipeg, northern Manitoba, Dauphin, eastern, central and western electoral districts. I beg your pardon; I would just like to clarify for the record that it is comprised of practising members of the bar from Winnipeg, northern, Dauphin, eastern, central and western electoral districts. That is their name.

In addition to elected representatives from these areas, the governing body also includes two student representatives, two representatives from the Faculty of Law at the University of Manitoba, and four lay benchers. The current number of benchers is 43. They effectively comprise the board of the Law Society. The proposed amendments would first reduce the number of benchers from 43 to 22. The effect would be to cut in half the current bencher representation, with the exception of lay benchers who would remain four in number. This is an appropriate recognition of the valuable role that lay benchers fulfill as members of the governing body and affirms the desire of the legal profession to be increasingly accountable to the public of this province.

By way of background, approximately two years ago, a special committee was struck by the benchers to consider the number of benchers and their electoral distribution. The special committee met over a 15-month period. Data obtained from other Canadian law societies disclosed among other things that except for the province of Ontario, which in 1994 had 44 benchers representing 21,610 members, Manitoba has the largest number of benchers, 43, representing a significantly smaller profession, 1,670 practising lawyers.

The special committee prepared a draft report which was broadly circulated to the legal profession for comment. The report was made available to all members of the legal profession, and a summary was included in the Law Society's publication to its membership. Two bencher meetings were held, one in Winnipeg and one in rural Manitoba, and written comments were invited from all members of the practising bar. There was widespread support through the profession for the changes which are before you now.

The amendments also include a provision empowering the past president, the president and vice-president of the Law Society to institute impeachment proceedings against any bencher who is not performing his or her responsibilities. In the past there has been no ability for the benchers to remove an elected bencher who is not fulfilling their role. Likewise, an elected bencher who fails to attend three successive regular meetings of the benchers automatically ceases to be a bencher, unless the benchers excuse that individual by resolution.

After wide circulation and broad consultation, the benchers passed a recommendation that The Law Society Act be amended accordingly. These changes are included in the amendments I am presenting today.

Secondly, on the oath of allegiance. The second major issue to which these amendments speak is the requirement of a candidate for call to the bar in Manitoba to swear an oath of allegiance to the Queen. Historically, candidates for the call to the bar in Manitoba are required to swear three oaths: (1) the oath of a barrister; (2) the oath of a solicitor; and (3) an oath of allegiance to the Queen.

The amendment comes about not out of any disrespect for Her Majesty but rather out of respect for others who cannot for legitimate reasons swear allegiance to another sovereign. For example, given the increasing mobility of the legal profession both within Canada and throughout the world and, more particularly, the provisions of NAFTA, the Law Society of Manitoba is required to allow members from other countries who meet the requisite qualifications to be called to the bar in this province.

A citizen of the United States cannot be required to swear allegiance to our Queen without offending his or her own loyalties.

Similarly, as the legal profession becomes increasingly inclusive and reflects the diversity of the public it serves, for those who come from different cultural and ethnic backgrounds, the requirement of the oath of allegiance as a condition precedent to the call may be offensive and, from a purely practical standpoint, I am advised that a constitutional challenge to this requirement, which is a distinct possibility, would likely succeed.

It is for these reasons that this particular amendment comes before this House.

Thirdly, contingency fee contracts. The third area relates to contingency fee contracts. Under the existing provisions of The Law Society Act, a client who wishes to challenge the provisions of a contingency fee contract entered into with their lawyer has three months to do so. Very simply, the amendment addresses the fact that three months is an insufficient time for clients to realize and act upon a concern if they have one. Accordingly, the amendment extends the three-month period to six months.

The other provisions included in Bill 60 bring related provisions of The Law Society Act into line with these amendments and speak to form rather than content.

In summary, these amendments enjoy the overwhelming support of the elected representatives of the legal profession after broad and extensive consultation. They are designed to allow the benchers of the Law Society to operate more efficiently and effectively at a reduced cost. They are also consistent with and indeed promote the public interest and enhance that participation in the affairs of the legal profession in this province.

Mr. Deputy Speaker, I am pleased to recommend these amendments to the House, and I hope that this act will received support.

Mr. Eric Robinson (Rupert's Land): Mr. Deputy Speaker, I move, seconded by the member for Point Douglas (Mr. Hickes), that debate now be adjourned.

Motion agreed to.

* (1630)

Bill 61—The Statute Law Amendment Act, 1996

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Mr. Deputy Speaker, I move, seconded by the Minister of Agriculture (Mr. Enns), that Bill 61, The Statute Law Amendment Act, 1996 (Loi de 1996 modifiant diverses dispositions législatives), be now read a second time and be referred to a committee of this House.

Motion presented.

Mrs. Vodrey: Mr. Deputy Speaker, Bill 61, The Statute Law Amendment Act, 1996, is before us primarily for the purpose of correcting minor errors in the statutes. Honourable members will note that the bill corrects cross-referencing, typographical and other editing errors in the English and French versions of the act, as well, updates references to reflect changes in executive government.

There are, however, some substantive matters included in the bill, Mr. Deputy Speaker, which I would like to mention. Bill 61 includes a provision to validate certain Orders-in-Council made under The Conservation Districts Act that require validation as a result of a technical defect in the processing of the Orders-in-Council. As well, The Proceedings Against the Crown Act is being amended to restore a provision that was inadvertently deleted during the re-enactment process relating to small claims practises. The Real Property Act is being amended to give the provider of cable television services the same rights with regard to easements on property as utilities. The time period allowed under The Summary Convictions Act in which to deposit the information portion of an offence notice with the courts is being extended.

Mr. Deputy Speaker, honourable members will note that a private act is being amended in Bill 61. We have included this amendment at the request of representatives of the affected entity because it corrects a cross-referencing error made during the re-enactment process. Honourable members will remember that private acts were re-enacted by the public act during the re-enactment process, and the few errors that occurred in that process have been corrected in The Statute Law Amendment Act.

Finally, Mr. Deputy Speaker, there are a number of provisions included in this year's bill which have the effect of repealing laws which have remained unproclaimed for many years. A study was undertaken in all departments recently of laws that remain unproclaimed, and as a result, recommendations have been received that many of them be repealed. Examples appear in Sections 2, 5, 6 and 14 of this bill.

That concludes my remarks on Bill 61, Mr. Deputy Speaker, and I will be pleased to discuss the bill further at committee stage. Thank you.

Mr. Eric Robinson (Rupertsland): Mr. Deputy Speaker, I move, seconded by the member for Point Douglas (Mr. Hickes), that debate now adjourn.

Motion agreed to.

**Bill 74—The Court of Queen's Bench
Amendment Act**

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): I move, seconded by the Minister of Environment (Mr. Cummings), that Bill 74, The Court of Queen's Bench Amendment Act; Loi modifiant la Loi sur la Cour du Banc de la Reine, be now read a second time and be referred to a committee of this House.

Motion presented.

Mrs. Vodrey: I am pleased to speak to The Court of Queen's Bench Amendment Act. This legislation is introduced at the request of the Chief Justice of the Court of Queen's Bench and with the support of our government. The purpose of the legislation is to increase the size of the Family Division of the court and to achieve this increase by decreasing the general division by one judge.

When the Family Division of the court was established in 1984, one associate chief judge and five judges were defined as necessary to meet the needs of families and child caring agencies bringing matters before the court. The success of the Family Division was soon recognized across Manitoba, as well as in Canada, and as a result the demands on the Family Division continued to increase.

In 1989, this government increased the size of the Family Division from five to eight judges. These were additional appointments which increased the overall size of the court. At this time, with the consent of the court, a further increase is deemed necessary for the Family Division because the Chief Justice must routinely assign judges from the general division to family matters.

Because the court has available to it the services of a number of supernumerary judges of the general division and because there have not been escalating workload increases in that division, it is deemed appropriate to adjust the size of the general division downward. This is being undertaken with the knowledge and the under-

standing that services to the public and the legal profession will not negatively be impacted with respect to civil and criminal matters before the court.

These changes represent this government's willingness to work with the judiciary to support the manner in which they feel matters may most effectively be brought to the court. It recognizes that there are workload adjustments which occur in the court but which must be approved by legislative amendment. I am pleased that this change is fully supported by the court, as well as by the legal profession.

With the changes proposed, the court will consist of the Chief Justice, the associate chief justice, general division; the associate chief justice of the Family Division; 21 judges of the general division and 10 judges of the Family Division, for a total of 34 judges. The court also benefits from the services of several supernumerary judges.

In conclusion, the amendment revises The Court of Queen's Bench Act by incorporating in the statute the changes made by regulation in 1989 and 1995. It also increases the number of Family Division judges from nine to 10. It decreases the number of general division judges by one, from 22 to 21, but does not increase the overall size of the court.

I would request that the House support this change to the composition of the court to better meet the needs of Manitoba families. Thank you.

Mr. George Hickes (Point Douglas): I move, seconded by the member for Rupertsland (Mr. Robinson), that debate be now adjourned.

Mr. Deputy Speaker: It has been moved by the member for Point Douglas, seconded by the honourable member for Rupertsland, that debate be now adjourned. Agreed?

An Honourable Member: No.

Mr. Deputy Speaker: Order, please. I would just like to remind the member that there is a vote in process, but I will ask if there is leave for the honourable member to speak to this bill after the vote or after it has been adjourned. Is there leave?

* (1640)

Point of Order

Hon. Harry Enns (Minister of Agriculture): Is it necessary for leave?

Mr. Deputy Speaker: As I stated for the honourable minister's information, I have put the question already, so there is a motion before the House. So I will complete that motion. It was moved by the member for Point Douglas (Mr. Hickes), seconded by the honourable member for Rupertsland (Mr. Robinson), that debate be now adjourned. Now all he said was no. [interjection] If the honourable member will just give me a minute.

All those in favour of the motion, please say yea.

Hon. Jim Ernst (Government House Leader): To perhaps resolve this impasse and allow the member for The Maples (Mr. Kowalski) to speak, if the member for Point Douglas would withdraw his motion, allow the member to speak, and then he can re-move his motion.

Mr. Deputy Speaker: Is there leave for the honourable member to withdraw his motion? Leave? Leave has been granted.

* * *

Mr. Gary Kowalski (The Maples): Thank you very much. I have very few words, so it is much ado about nothing.

I have reviewed this legislation. I have had some information from the staff, and we are supporting this legislation. We understand the importance that this be passed as soon as possible because of a backlog in the Family Division, so we will urge all members to quickly move this bill into a committee stage, so that we could pass this bill before we recess on June 6.

So we ask all members to support this bill and move it on to committee stage as soon as possible.

Mr. Hickes: I move, seconded by the member for Rupertsland (Mr. Robinson), that debate be adjourned.

Motion agreed to.

Bill 28—The Winnipeg Stock Exchange Act

Hon. Jim Ernst (Minister of Consumer and Corporate Affairs): Mr. Deputy Speaker, I move, seconded by the Minister of Environment (Mr. Cummings), that Bill 28, The Winnipeg Stock Exchange Act; Loi sur la Bourse de Winnipeg, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Ernst: This bill will restore the status of the Winnipeg Stock Exchange as a body incorporated by an act of the Legislature. It will place the exchange on the same footing as other exchanges across Canada.

The exchange was originally incorporated by an act of the Legislature in 1903, I believe, the second-oldest exchange in Canada, but that act was effectively repealed a few years ago when it was not re-enacted in English and French in accordance with the requirements set by the Supreme Court of Canada. In recent years, the exchange has been simply an incorporated nonshare body under our Corporations Act, but the exchange would like to be reincorporated through legislation to meet its current and its future needs.

The exchange is undertaking new initiatives to revitalize its business. These include developing a program to encourage the listing on the Winnipeg Stock Exchange of securities issued by small- and medium-sized Manitoba businesses. This would be done, for example, by initial public offerings. As part of these initiatives, the exchange proposes to use an electronic trading system developed by another stock exchange in Canada.

(Madam Speaker in the Chair)

Madam Speaker, these initiatives to encourage capital raised by small and medium-sized business flow from and are tied to the 1994 proposals made by the Manitoba task force on capital markets for improving access to capital for Manitoba and its businesses. Also in this regard, there are linked to the discussion paper issued last December by the Manitoba Securities Commission, entitled Small Business Financing in Manitoba, proposed changes to securities legislation.

The bill will create a corporate structure for the exchange. The legislation will set forth its objects, the manner in which its directors will be elected and the board's powers. Also, it specifies that the exchange will be a nonprofit corporation. This bill will help the Winnipeg Stock Exchange meet its timetable for moving ahead with its proposals for revitalizing its operation. We think it will help the exchange to increase its presence and its service capacity in the business affairs of our province.

So with those few words, I would commend the bill to the House and hope for its speedy passage.

Mr. Eric Robinson (Rupertsland): Madam Speaker, I move, seconded by the member for Point Douglas (Mr. Hickes), that debate now be adjourned.

Motion agreed to.

Bill 29—The Winnipeg Commodity Exchange Act

Hon. Jim Ernst (Minister of Consumer and Corporate Affairs): I move, seconded by the Minister of Highways and Transportation (Mr. Findlay), that Bill 29, the Winnipeg Commodity Exchange Act; Loi sur la Bourse des marchandises de Winnipeg, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Ernst: Madam Speaker, this bill is, to some extent, a companion bill to the earlier one that I read, Bill 28, with several parallel provisions relating to the Winnipeg Commodity Exchange. This bill will incorporate the Winnipeg Commodity Exchange by an act of the Legislature, and it will place the exchange on the same footing as stock and futures exchanges across the country.

Madam Speaker, we all know the exchange has been a vital part of Winnipeg's business and financial community for more than 100 years. Now it is preparing to expand the scope of its business. In the past five years, the exchange has undertaken several major initiatives. These include strengthening its surveillance and enforcement procedures and adding several new services, including a futures contract on feed peas and options on futures contracts. It is now considering trading in a

number of new items, such as futures contracts on pork and natural gas.

However, Madam Speaker, the exchange finds itself constrained by its structure as an unincorporated association and has asked to be incorporated through legislation to meet its current and its future needs. As with the stock exchange bill, this bill creates a corporate structure for the commodity exchange. Provisions include its corporate objectives, the procedure for electing directors and the powers of the board and, of course, nonprofit status.

Madam Speaker, this bill will help the Winnipeg Commodity Exchange meet its time table for proceeding with its plan to strengthen its operations. We think it will help the exchange to increase its presence, role and service capacity in the business affairs of our province and indeed of the world. Thank you very much.

Mr. Jim Maloway (Elmwood): Madam Speaker, I move, seconded by the member for Point Douglas (Mr. Hickes), that debate be adjourned.

Motion agreed to.

Bill 46—The Securities Amendment Act

Hon. Jim Ernst (Minister of Consumer and Corporate Affairs): Madam Speaker, I move, seconded by the Minister of Urban Affairs (Mr. Reimer), that Bill 46, The Securities Amendment Act; Loi modifiant la Loi sur les valeurs mobilières, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Ernst: Madam Speaker, essentially Bill 46 will give the Manitoba Securities Commission the power to make rules in a number of vital areas. Specifically, the bill will give the commission rule-making power to keep in step with legislative initiatives undertaken in most Canadian jurisdictions.

The commission needs additional powers because of some development in securities law that took place outside of our province. I think a brief outline of these will help provide the background for this bill.

Until very recently, Madam Speaker, it was common for Securities Commissions to issue policy statements, to set down general guidelines concerning practice and procedure in securities regulation. This method of operation was severely undermined by an Ontario court decision in 1994, which ruled that a specific policy statement adopted by the Ontario Securities Commission was invalid, because it appeared to be more a mandatory requirement than a guideline.

* (1650)

As a result, the Ontario Securities Commission was subsequently given the power to make rules in order to allow it to continue to regulate as it always had. Since that decision, rule-making authority is also being granted to the Securities Commissions in Alberta, British Columbia and Saskatchewan. Similar legislation is expected to be enacted in the rest of the country in the very near future.

In addition, an interjurisdictional process has been started to establish a series of national instruments that will replace many of the more than 50 national policy statements and 13 uniform act policy statements that have been adopted by Securities Commissions in Canada over the years.

Madam Speaker, it is important that our Securities Commission have the power to adopt these rules in Manitoba to preserve the harmony that has developed in securities regulation practices amongst the jurisdictions across the country.

I would like to conclude by informing the House that the Manitoba Securities Commission has informally told our securities industry of its proposals here and in our sister jurisdictions generally. The industry supports the move to grant rule-making power to Securities Commissions.

Mr. Eric Robinson (Rupertsland): I move, seconded by the member for Elmwood (Mr. Maloway), that debate now be adjourned.

Motion agreed to.

Bill 55—The Financial Administration and Consequential Amendments Act

Hon. Jim Ernst (Minister of Consumer and Corporate Affairs): I move, on behalf of the

honourable Minister of Finance (Mr. Stefanson), seconded by the Minister of Culture, Heritage and Citizenship (Mr. Gilleshammer), that Bill 55, The Financial Administration and Consequential Amendments Act; Loi concernant la gestion des finances publiques et apportant des modifications corrélatives, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Ernst: This bill provides updated financial administration legislation to replace the current Financial Administration Act, most of which has been in place since 1969. A number of consequential amendments to other legislation are necessary primarily to delete references to terms which are no longer used in The Financial Administration Act.

The new act, firstly, defines the financial management and control structure of the government, setting out the authority and responsibilities of Treasury Board, the Minister of Finance and the Comptroller, ensuring that policy matters are directed to senior levels while administration is handled at the departmental level. Currently, Manitoba is the only province which does not define its financial management and control structure in legislation.

Secondly, this act will provide for full accrual accounting so as to ensure that expenditure and revenue are reported in the fiscal years in which they belong. Since the old act was enacted in 1969, we have changed from a modified cash reporting system towards more generally accepted full accrual accounting.

Thirdly, the act will amalgamate supplementary loan and guarantee authority. The existing legislation has sections for guarantees of performance bonds up to \$25 million; guarantees of lines of credit, \$25 million; supplementary loan and guarantee authority of \$15 million; and the annual Loan Act, which provides an additional \$200 million for loans and guarantees.

The new act combines all of these authorities into one section, which will have a limit established annually in The Loan Act. It should be noted that any use of this section requires a separate report to be prepared and tabled in the Legislature within four months of the end of

the fiscal year. If the Legislature is not in session, the report is to be made public.

This act also reduces the amount of paper work and administrative requirements, for example, by minimizing those situations where Orders-in-Council are required. It mandates greater accountability for money appropriated by the government, including the requirement to publish Estimates Supplements and annual reports in respect of money appropriated to departments and programs.

It simplifies the annual Appropriation Act and the annual Loan Act by moving the administrative sections of those acts into The Financial Administration Act. Examples of such sections are the use of enabling appropriations, making payments in anticipation of receipts, the establishment and management of loan programs and the setting of interest rates for advances made to government agencies.

The annual acts will still govern the amount of money authorized by the Legislature for expenditure. It terminates the mandatory allocations to the provincial sinking fund. The balanced budget legislation has established the government's policy for the orderly retirement of the public debt. The provincial sinking fund is, therefore, no longer required for that purpose. The existing sinking fund will continue to be utilized for retirement of the province's debt issues as they mature. The existing sinking fund and the debt retirement fund created under The Balanced Budget Act will be managed in a co-ordinated manner so as to maximize earnings and reduce the general purpose debt as quickly as possible.

With respect to allocating money to the sinking fund, the new section in the act for sinking funds is permissive and will only be used if the government decides to dedicate part of its accumulated surplus for the purpose of retiring general purpose debt in excess of the amount required pursuant to The Balanced Budget Act. It provides authority for the minister to utilize the derivative products market. This practice has been undertaken for many years, utilizing authority provided by Order-in-Council pursuant to The Executive Government Organization Act.

The financial community has stressed the importance of providing this authority in The Financial Administration Act. It removes from the act items of an

administrative or accounting policy nature. For example, the current act provides that debt discount or premium shall be amortized over the life of the issue of securities. This is accounting policy; it is not required to be legislated. It ensures, Madam Speaker, that the act provides appropriate authority for present policies and practices. Examples of such policies are the commitments made in advance of a fiscal year in respect to the normal operating expenses of government: office supplies, repair and maintenance, contracts for office equipment and things of that nature.

When the bill reaches the committee stage, the Minister of Finance (Mr. Stefanson) will be prepared to review the bill on a detailed basis with all members who so wish.

Mr. Eric Robinson (Rupertsland): I move, seconded by the member for Elmwood (Mr. Maloway), that debate now be adjourned.

Motion agreed to.

Bill 63—The Statute Law Amendment (Taxation) Act, 1996

Hon. Jim Ernst (Minister of Consumer and Corporate Affairs): Madam Speaker, I move on behalf of the Minister of Finance (Mr. Stefanson), seconded by the Minister of Justice (Mrs. Vodrey), that Bill 63, The Statute Law Amendment (Taxation) Act, 1996 (Loi de 1996 modifiant diverses dispositions législatives en matière de fiscalité), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Ernst: Madam Speaker, on April 2, 1996, my colleague the Minister of Finance (Mr. Stefanson) delivered the ninth Budget Address of the Filmon government and announced our planned fiscal measures for the year, measures that build confidence while maintaining our hard-won commitment to a balanced budget.

I am especially proud, however, that our government has not only balanced its books but also balanced the need to protect priority social programs with programs that foster confidence and growth while avoiding major tax increases. We have managed this by rationalizing

transfers to businesses and to individuals by extending certain temporary tax reductions and by introducing new measures to encourage Manitobans to invest in their own education and training.

Overall, Manitoba has successfully begun to live within our means. Legislative authority for the program additions, deletions and restructuring announced on April 2, as well as for a number of minor technical and housekeeping amendments, is provided by Bill 63, The Statute Law Amendment (Taxation) Act, 1996.

* (1700)

Today, Madam Speaker, I will briefly outline the major provisions of this bill. Members will be able to express their position on its content during the subsequent debates. For greater understanding of members, the Minister of Finance (Mr. Stefanson) will also provide opposition critics with detailed explanations of the provisions of this bill prior to the committee stage.

The measures contained in this bill continue our government's efforts to refurbish government, make it more efficient and less intrusive. We believe that government should create the environment for growth and progress and should not impede people's and businesses' creation and maintenance of jobs in Manitoba. It should provide a competitive tax regime as a signal that results and not just effort should be rewarded.

The payroll tax refund for workplace training is eliminated for workplace training costs incurred after April 2, 1996. Although this program met with some success in previous years, our government believes the funds associated with this measure can be better targeted. As well, amendments will be made to mitigate the tax impact for small corporations in the year they become an associated group.

Bill 63 contains amendments to The Income Tax Act, the most important of which is the introduction of the learning tax credit. This new refundable credit is based on 10 percent of eligible tuition fees and the monthly education amount. It will encourage Manitobans to enhance their knowledge base and improve their employment prospects. The program is expected to rebate \$12 million per year to students and supporting individuals through the income tax system.

Additional technical amendments affecting individuals include a restriction on Manitoba tax reduction claims in the year of a personal bankruptcy and changes to the rules governing the property and cost-of-living tax credit programs to clarify their application in regard to personal care home fees claimed as medical expenses, claims in the year of the death of a taxpayer and joint claims by couples and the definition of eligible property taxes claimed by farmers.

As well, the labour-sponsored funds tax credit available for purchase of Crocus Fund shares is being amended to reduce the rate of the credit from 20 percent to 15 percent and the maximum value of shares eligible for the credit from \$5,000 to \$3,500 per individual per year for purchases after March 5, 1996. These changes parallel the announced changes under the federal labour-sponsored funds tax credit.

Certain corporate income tax changes are also provided by Bill 63, Madam Speaker. The temporary manufacturing investment tax credit introduced in 1992 is extended for 12 months. Qualifying assets acquired before July 1, 1997, will be eligible for this 10 percent credit. This credit has contributed to the increase in private sector investment in Manitoba for the last four years, the only province to record such consecutive increases in that period.

Madam Speaker, this government has been and is supportive of lower taxation as the means of attracting and keeping business in this province. We believe that fair levels of taxation, reduction of complex rules and regulations, transparency in dealings with individuals and businesses are all key elements in a good economic environment. Our government is committed to continuing taking steps which lead to a better economic future. We are committed to dealing fairly with taxpayers. We have removed impediments to growth in Manitoba's business environment.

At the same time, we expect individuals and businesses who thrive and succeed in Manitoba to pay their fair share of provincial taxes.

It has recently been suggested that by exploiting differences between federal income tax rules to which Manitoba is a party under the Canada-Manitoba Tax Collection Agreement and income tax rules in provinces

which administer their own income tax taxpayers may avoid provincial income tax not only in Manitoba, but also the provincial income tax in another province. We feel strongly that would be an abuse of the income tax system.

In order to close such loopholes, this bill contains three provisions to contain tax avoidance. Firstly, the federal general antiavoidance rule will be incorporated into our legislation for provincial income tax purposes independently of federal purposes. Secondly, a transfer of assets below fair market value priced to a related party in a nonagreeing province, where the sale price is recorded differently for federal and provincial tax purposes, will be deemed to be at the higher price for Manitoba tax purposes. Thirdly, a transfer below fair market price to a related party in a nonagreeing province for a sale to a third party will be taxed at its fair market price in Manitoba and a credit allowed for provincial tax paid on any related gain realized in another province.

The mining industry is a major employer and taxpayer and plays a particularly large role in the economy of northern Manitoba. Bill 63 exempts diesel fuel used off-road for mineral exploration from the motive fuel tax. It also exempts geophysical survey and exploration equipment, as well as prototype mining equipment from sales tax. Furthermore, The Corporation Capital Tax Act will be amended to allow unclaimed federal exploration and development expenses to be deducted from the tax base of all corporations.

The successful first-time home buyer sales tax rebate is reinstated and extended to the end of March 1997. Under this program, first-time buyers of a new, never-occupied home in Manitoba are eligible for a rebate of the sales tax paid on materials used in the construction of their home to a maximum of \$2,500.

Finally, Madam Speaker, the largest single part of this bill provides the authority to implement a reciprocal sales tax system on interjurisdictional transport vehicles. This system will be proclaimed into effect at a later date under a single administration implemented concurrently with Manitoba's entry into an international plan for prorating registration fees on those vehicles. The international plan will replace the existing interprovincial prorated plan for interjurisdictional transport vehicles. Thank you.

Mr. Eric Robinson (Rupert's Land): Madam Speaker, I move, seconded by the member for Point Douglas (Mr. Hickey), that debate now be adjourned.

Motion agreed to.

Bill 66—The Boxing and Wrestling Commission Amendment Act

Hon. Jim Ernst (Minister charged with the administration of The Boxing and Wrestling Commission Act): Madam Speaker, I move, seconded by the Minister of Agriculture (Mr. Enns), that Bill 66, The Boxing and Wrestling Commission Amendment Act; Loi modifiant la Loi sur la Commission de la boxe et de la lutte, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Ernst: The proposed amendments to The Boxing and Wrestling Commission Amendment Act are aimed at providing more effective regulation of professional boxing and combat sport in the province of Manitoba. The fundamental objectives are to promote the safety of contestants and to promote and protect the public interest.

The proposed legislation would see the commission's jurisdiction narrowed to the extent that professional wrestling is removed from the act, yet broadened to include jurisdiction over other forms of combat sports. The proposed amendments respond to the recommendations made by wrestling promoters and participants at consultations held with the Boxing and Wrestling Commission.

The existing legislation is unclear as to the commission's jurisdiction over professional combat sports in the province. The proposed legislation will clarify the commission's responsibility with regard to kick boxing and full-contact martial arts events. The amended act and the expanded regulation-making power will assist the commission in promoting the safety of the contestants in these potentially dangerous forms of combat sport.

The proposed amendments have been developed following consultations with the professional boxing and wrestling community, the Province of Manitoba's Sport Directorate and the Department of Justice. Legislation

from other jurisdictions also was reviewed when the legislation was being developed.

Madam Speaker, I commend the legislation to the House, and I hope that the House sees fit to support the intent of the amended Boxing and Wrestling Commission Act.

Mr. Jim Maloway (Elmwood): Madam Speaker, I move, seconded by the member for Point Douglas (Mr. Hickes), that debate be now adjourned.

Motion agreed to.

* (1710)

Bill 69—The Real Estate Brokers Amendment Act

Hon. Jim Ernst (Minister of Consumer and Corporate Affairs): I move, Madam Speaker, seconded by the Minister of Justice (Mrs. Vodrey), that Bill 69, The Real Estate Brokers Amendment Act; Loi modifiant la Loi sur les courtiers en immeubles, be read a second time and be referred to a committee of this House.

Motion presented.

Mr. Ernst: Madam Speaker, in amending The Real Estate Brokers Act, this bill will make possible an interesting and very promising pilot project to strengthen the home ownership base of inner city Winnipeg neighbourhoods.

At present under the act, Madam Speaker, interest from funds deposited in brokers' trust accounts is forwarded to the Manitoba Securities Commission. The commission may authorize use of these interest funds for a variety of purposes relating to the real estate industry and the purposes of the act. One example is providing funds for

educational programs relating to the real estate industry and the objectives of the act. The commission approves project applications according to the act and its regulations and the proportion of interest funds to be devoted to each project.

Madam Speaker, the Winnipeg Real Estate Board has suggested a pilot project that would promote the affordability of existing homes. Under their proposal, a not-for-profit legal body would be created to purchase and renovate inner city homes. These would then be sold to first-time home buyers. Funding of about \$200,000 a year is being sought for the three years of the project. The interest received by the Securities Commission from brokers' trust accounts has been identified as the source of funding. These funds would be used for the purchase under renovation costs.

Madam Speaker, by amending this one subsection, the act would enable the commission to direct interest funds to fund this project and will make possible other innovative projects that fit the legislation. We are proposing this amendment to facilitate a creative and responsible use of the trust fund monies and to promote upgrading of the housing stock of inner city Winnipeg.

Mr. Eric Robinson (Rupert's Land): Madam Speaker, I move, seconded by the member for Point Douglas (Mr. Hickes), that debate now be adjourned.

Motion agreed to.

Hon. Jim Ernst (Government House Leader): Madam Speaker, I move, seconded by the Minister of Urban Affairs (Mr. Reimer), that the House be now adjourned.

Motion agreed to, and the House adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, June 4, 1996

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