



Fourth Session - Thirty-Sixth Legislature

of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Sixth Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
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	Steinbach	P.C.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FAURSCHOU, David	Portage la Prairie	P.C.
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, Hon.	Riel	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike, Hon.	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

Wednesday, May 27, 1998

The House met at 1:30 p.m.

*PRAYERS*

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Rail Line Abandonment**

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, I beg to present the petition of M. Roberge, C. Harrison, A. Giles and others praying that the Legislative Assembly of Manitoba request that the provincial government go on record requesting CN and CPR to not proceed with any discontinuance of lines until the report has been tabled, that being the Estey Grain Transportation Review report.

**READING AND RECEIVING PETITIONS**

**Rail Line Abandonment**

**Madam Speaker:** I have reviewed the petition of the honourable member for Swan River (Ms. Wowchuk). It complies with the rules and practices of the House (by leave). Is it the will of the House to have the petition read?

**Some Honourable Members:** Yes.

**Madam Speaker:** Yes. The Clerk will read.

**Mr. Clerk (William Remnant):** The petition of the undersigned citizens of the Province of Manitoba, humbly sheweth that:

WHEREAS affordable transportation is a critical component of grain production; and

WHEREAS under the Crow rate benefit, Manitoba was the cheapest place on the Prairies from which to ship grain but became the most expensive following the abolishment of the Crow rate; and

WHEREAS the Canada Transportation Act proclaimed on July 1, 1996, gave railways the ability to discontinue and scrap branch lines without public input; and

WHEREAS several lines were targeted immediately by CN for abandonment; and

WHEREAS CN gave notice on May 6, 1998, that the Erwood Subdivision will be discontinued in 1998; and

WHEREAS the loss of this line would severely impact upon the communities of Bowsman and Birch River as well as surrounding communities; and

WHEREAS in 1997, western grain farmers lost millions of dollars due to backlogs and delays by the major railways; and

WHEREAS as a result the federal government set up the Estey Grain Transportation Review which is scheduled to release a report later this year.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba request that the provincial government go on record requesting CN and CPR to not proceed with any discontinuance of lines until that report has been tabled.

**Mining Reserve Fund**

**Madam Speaker:** I have reviewed the petition of the honourable member for Flin Flon (Mr. Jennissen). 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:** Yes.

**Madam Speaker:** Yes. The Clerk will read.

**Mr. Clerk:** The petition of the undersigned citizens of the Province of Manitoba, humbly sheweth that:

WHEREAS mining is an annual billion-dollar industry in Manitoba concentrated almost entirely in northern Manitoba; and

WHEREAS the Manitoba mining industry directly employs more than 4,300 people pumping more than \$240 million in wages alone into the provincial economy; and

WHEREAS part of the mining taxes on operating mines goes into the Mining Reserve Fund; and

WHEREAS the Mining Reserve Fund was set up for the welfare and employment of persons residing in a mining community which may be adversely affected by the total or partial suspension, or the closing down, of mining operations attributable to the depletion of ore deposits; and

WHEREAS the Mining Reserve Fund had more than \$15 million on account as of April 1998, despite withdrawals by the provincial government of more than \$6 million which was put into revenue; and

WHEREAS many mining communities having contributed millions of dollars to the provincial economy for many years are now nearing the end of their known ore resources and as such this fund is extremely important to the future of these communities in northern Manitoba; and

WHEREAS in order for a new banking service to establish a branch at Lynn Lake it has been suggested that they would need a minimum of \$12 million on account.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Energy and Mines to consider transferring the account of the Mining Reserve Fund to a banking service in Lynn Lake should such a facility meet provincial standards.

\* (1335)

#### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

##### Committee of Supply

**Mr. Marcel Laurendeau (Chairperson):** 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 Charleswood (Mrs. Driedger), 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 public gallery where we have this afternoon Mr. Francis Flett, Grand Chief of MKO.

Also, we have forty Grade 5 students from Carpathia School under the direction of Mrs. Carole Arnason and Mr. Gary Thrush. This school is located in the constituency of the honourable First Minister (Mr. Filmon).

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

#### ORAL QUESTION PERIOD

##### Manitoba Medical Association Binding Arbitration

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, on May 14 of this year the member for Brandon East (Mr. L. Evans) proposed to the Premier (Mr. Filmon) that matters in dispute between the MMA and the government be put to binding arbitration. "All items in dispute," in fact, were the words used by the member for Brandon East. The Premier stated that he would not send all these matters to binding arbitration. I would like to know, in light of his statement today, May 27, close to three weeks later, or two weeks later, what has been the impact on patients of the flip-flop of the government to finally go to binding arbitration.

**Hon. Darren Praznik (Minister of Health):** First of all, binding arbitration is never, nor should be, the most desirable way to settle any contract because it takes away from both parties the ability in essence to influence their future and their needs and puts it in the hands of a third party. This administration has always

wanted to negotiate these issues. We attempted to actually get into a new process with the MMA, which worked for rural emergency doctors, worked for other issues that we had to settle. Regrettably, that did not transpire. The MMA chose to withdraw services. We attempted to deal with those specific issues, and what we have seen is the continued view of the MMA and their commitment to continually withdraw services on all of these issues, case by case across the province, and putting Manitobans at risk. You reach the point where your efforts to try to resolve things in a fashion that gives more control to both parties just quite frankly is not going to work. It is going to put patients at risk, and so you are left with no other option but binding arbitration, and that is the decision that cabinet made this morning.

**Mr. Doer:** Madam Speaker, this is a government that has been convicted of unfair labour practices in dealing with other employees just yesterday. We do not need lectures from this minister about negotiating.

On May 15 of the same year, the Minister of Health said that he does not need the MMA; they are an irrelevant body, and that he would impose a settlement on the people by making a unilateral settlement announcement, and then he proceeded to go on a week later and insult individuals.

I would like to know: what has been the impact on patient care of this intemperate and ill-advised comment made by the Minister of Health?

**Mr. Praznik:** Madam Speaker, where was the Leader of the Opposition with his comments and judgments last year when we had a contract and rural doctors providing emergency service withdrew them unilaterally? Where was he when we were threatened with a strike in urban emergency? Where was he commenting on this process when intensivists threatened to withdraw services, even though we had a contract in place?

The frustration that this government, in fact all governments across the country have had, is with the inability of medical associations, by the nature of the process, to have a collective bargaining relationship. I just point out to him today that Alberta, where a contract was agreed to and ratified, doctors within that

ratified contract are withdrawing services because they are not particularly happy with it as individuals. It is the nature of that system, and it is not a good one.

\* (1340)

**Mr. Doer:** Madam Speaker, I think we warned the government four years ago not to give more powers to manage the system to the Manitoba Medical Association, that it would have an impact on specialists, and it would have an impact on the attraction and recruitment and retention of doctors in rural and northern communities, a warning we made four years ago. When he talks about losing this power, it was his Premier (Mr. Filmon) who gave it away four years ago in a settlement in terms of the public interest.

I would like to ask the minister: what has been the impact on patient care of his statement last week that he would only put some matters to arbitration, rather than all matters to arbitration? What has been the impact of his flip-flop today to finally put all matters to binding arbitration on behalf of the patients of Manitoba?

**Mr. Praznik:** Madam Speaker, any impact on the patients of Manitoba has to be borne by those who withdrew their service. If the member is looking to cast stones, then he should start casting them among those who withdrew services unilaterally while a contract was in place, which in any other collective bargaining would have been an unfair labour practice, would have in fact been illegal but is not in this case. But the Leader of the Opposition, in his desire now to defend the Manitoba Medical Association at the expense of Manitobans, takes that position.

**Mr. Doer:** Madam Speaker, we are pleased that the government finally took the advice from the member for Brandon East (Mr. L. Evans). We just regret they did not do it weeks ago on behalf of patients, and we had to go through the immature statements of the Minister of Health.

#### **Crown Attorneys Vacancies**

**Mr. Gary Doer (Leader of the Opposition):** I have a new question for the Minister of Justice. We have been concerned about the backlog in court cases, and

we have been concerned about the workload and stress on Crown attorneys. The Flett bail case, which was unopposed by a Crown attorney, the Crown attorney involved said that she had 70 cases on some days that she had to deal with.

I would like to ask the Minister of Justice: how many Crown attorneys vacancies are there, and what is the impact on workloads and backlogs in the court system?

**Hon. Vic Toews (Minister of Justice and Attorney General):** Madam Speaker, I know that our Crown attorneys are working very diligently. If there are any vacant positions, those are positions that I have instructed my staff to fill. I know that, in terms of the availability of trial dates, our trial dates are among the best in the country.

**Mr. Doer:** Madam Speaker, can the minister confirm that three Crowns have just recently been hired by the federal justice system, two have gone to private practice, one has left the service, and two judges last week were appointed by the minister—two Crowns were appointed as judges, leaving at this time eight vacancies in the Crown attorney's office, eight direct vacancies? The workload is already too high, the backlogs are already too long. What kind of stress will this place on the existing Crown attorneys, and what impact will this have on the backlog in our court system?

**Mr. Toews:** Well, Madam Speaker, I know that, in fact, our backlogs are not as serious as they are in other provinces such as British Columbia, where literally thousands of cases are in danger of being thrown out because of the NDP government there simply refusing to appropriately fund those positions. I can indicate that my staff has the full authority to fill those positions, and I understand that they are proceeding to do so.

**Mr. Doer:** Madam Speaker, is the minister not aware that there are eight vacancies, or if he is aware, is he not acknowledging that there are eight vacancies? Is the minister not concerned about the stress this produces for other Crown attorneys? Is the minister not concerned about the number of Crown attorneys that have been lost and will be lost to youth prosecutions and adult prosecutions? I would like to ask the minister: why has he got eight vacancies right now in

the Crown attorneys office? What kind of stress and other conditions are in play here to lose so many Crown attorneys at such a vital time in trying to deal with our criminal justice system here in Manitoba?

\* (1345)

**Mr. Toews:** Well, as the member has indicated, two were recently appointed to the bench. I understand that the federal government has come to many of the prosecutors looking to fill positions, and so they have gone over to the federal government for one reason or another. I know that, in our own department, we have a number of term positions that can be used to fill in behind those individuals. I am very proud of the length of service in our department of Crown attorneys. I remember when I was a Crown attorney under the NDP government, a senior person would have three or four years before leaving. We have managed to retain Crown attorneys for 20 years or more, and we are very proud—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please.

**Mr. Toews:** Thank you, Madam Speaker. As I was indicating, we have had a very stable workforce with the Attorney General's department in the Crown attorneys department. I know that we have also had some retirements as people reach retirement age and they retire. We are committed to filling any of those vacancies, and my staff is quite aware of my desire that those positions be filled as quickly as possible.

#### **Crown Attorneys Caseloads**

**Mr. Gord Mackintosh (St. Johns):** To the Minister of Justice: we asked the minister if there was enough support for prosecutors when a prosecutor failed to show up for a high-profile Internet hate case; when a prosecutor showed up with no witnesses; when an accused murderer was mistakenly released; when the prosecutor gave an inaccurate opinion, leading to the banning of a book; when a rape case of a 12-year-old was bungled; when the Court of Appeal said the Crown wrongly reduced Fabian Torres's conviction to manslaughter and seriously delayed the appeal; and

when the Crown did not oppose Duncan Flett's bail, and he is now accused of sexual assault.

To the minister: would the minister, instead of ridiculing our questions in this regard, now admit that indeed there was not enough support for his prosecutors?

**Hon. Vic Toews (Minister of Justice and Attorney General):** Madam Speaker, the member knows very well, I have about 45 seconds to answer about seven or eight questions that he has put to me. As I can indicate, if he is really serious about answers to these questions, I am prepared to provide those to him in Estimates, which he can ask, and I would be more than happy to give them fact by fact, detail by detail.

**Mr. Mackintosh:** Since the minister did not answer that single question, if the safety of Manitobans is threatened now, when bail prosecutors have up to 70 files a day, when there are backlogs of up to two years now even for child victims, how will the added caseloads and backlogs impact on the ability of prosecutors to protect our safety now that eight prosecutors have said enough, four more have gone to Family Violence Court, one has retired, two have seconded, for a total of 15 losses?

**Mr. Toews:** Madam Speaker, those figures are not correct, but I am more than happy to answer those accusations one at a time. I am certainly comfortable that my department is in fact proceeding to fill the vacancies that do exist and, in the interim, without filling any specific positions on a permanent basis if that cannot be done, there are term people who do fill in for those Crown attorneys that are not there.

**Mr. Mackintosh:** Would the minister not admit that losing over a quarter of his prosecutors almost at once from the adult and youth divisions—and if he has other numbers, we want him to tell us what they are; that is our understanding—that this is both a crisis and a symptom of a crisis this government created by cuts, by decisions not to spend, resources directed by this Legislature to Prosecutions and Safety, and tough talk that is just that? Will this minister stop looking to blame everyone else in sight and look at his own department?

**Mr. Toews:** I can indicate that in fact the resources and the funding are available there to ensure that we do have the appropriate supports, but I want to be careful before I answer any particular question raised by this member. This is the member who—in the first time in the history of the Manitoba Association of Crown Attorneys, they had to release news releases to ask him to stop misrepresenting what they were doing about their cases, to stop criticizing Crown attorneys who were doing a good job, and the allegations that he was making in respect of those Crown attorneys were simply not founded. So I am prepared to deal with them in a very lengthy detailed way in the Estimates process, but I am not prepared to answer scurrilous accusations that even the Crown attorneys have indicated in news releases are groundless.

\* (1350)

#### Point of Order

**Mr. Steve Ashton (Opposition House Leader):** The reference by the minister to “scurrilous” is unparliamentary, and in addition, the minister spent quite a bit of time not only not answering the question but putting irrelevant comments on the question, only to conclude his supposed answer by saying he was not actually really going to answer the question but might deal with it in Estimates. On both those grounds, the minister is out of order. I would like to ask you to call him to order and specifically to withdraw the phrase that he used.

**Madam Speaker:** The honourable government House leader, on the same point of order.

**Hon. James McCrae (Government House Leader):** On the same point of order, it is true that the word “scurrilous” can, in some circumstances, be found to be unparliamentary. Indeed, I recall a day when I was sitting on the other side of the House, listening to Howard Pawley over on this side refer to some scurrilous comment that had been made, and the former First Minister of this province was found, even by Speaker Phillips, to be in breach of the parliamentary rules. He then withdrew that word in the context within which it was spoken.

So I would ask that you and the minister, and obviously the member for Thompson has already done

so, perhaps review the word in the context that it was spoken, and if indeed it is unparliamentary, that the appropriate action be taken.

**Madam Speaker:** On the point of order raised by the honourable member for Thompson, indeed the word does appear on the Beauchesne listing of unparliamentary words. I would ask that the honourable Minister of Justice withdraw the word.

**Mr. Toews:** I withdraw the word "scurrilous."

**Madam Speaker:** I thank the honourable Minister of Justice.

#### **Gods River Airstrip Runway Upgrade**

**Mr. Eric Robinson (Rupertstland):** Madam Speaker, my questions are for the Minister of Transportation. Yesterday I raised some questions about the orange cones being replaced by trees in Gods River at the Gods River airstrip. I would like to ask the minister what action he has taken with his government with respect to that accident that occurred there a couple of years ago. Also, what action has been taken to upgrade the runway, which has more than 2,500 flights a year?

**Hon. Glen Findlay (Minister of Highways and Transportation):** Madam Speaker, the Department of Highways and Transportation is consistently and continuously doing what they can to improve the safety at our airports, given the fact that weather conditions sometimes can be variable. We work with Transport Canada guidelines, and all the aircraft accidents are reviewed by the Transportation Safety Board, which is under the auspices of Transport Canada.

#### **Northern Airports Safety Upgrades**

**Mr. Eric Robinson (Rupertstland):** Madam Speaker, I would like to ask the minister, as well, when the provincial government will begin a capital program to add rotating beacons, the APAPI system, the snowblowers, fencing, runway lights and other necessary equipment that is needed in the 22 northern airports run by this government which annually ship more than 9,000 tonnes of freight and handle on an average of 160,000 passengers annually?

**Hon. Glen Findlay (Minister of Highways and Transportation):** Madam Speaker, we are fully aware of the value of the airports to the North. There are some 60,000 aircraft movements per year in these airports. They are very significant for tourism, economic activity and movement of passengers in and out of those areas.

I am sure the member is aware that we have struck a working group to analyze those recommendations they want to make to the government for federal-provincial action to improve those airports. That task force will be reporting in due course. It has just held public hearings in Thompson, on the 25th and 26th of this month, which was yesterday and the day before.

\* (1355)

#### **Wasagamack Airport Status Report**

**Mr. Eric Robinson (Rupertstland):** Madam Speaker, since the federal government now claims that their April 17 letter cancelling support for the Wasagamack airport was sent in error and has released a letter confirming this—I would like to table a copy of both those letters—I want to ask this minister whether he is prepared to make this project a priority, or do we have to wait another four years before construction can begin at the Wasagamack airport.

**Hon. Glen Findlay (Minister of Highways and Transportation):** Madam Speaker, it has been a priority of this government. We have budgeted for it for the work for this year. The member seems to be supporting the federal government, who chose to remove it from their list of projects. Now they have put it back on their list of projects. We are the only government that stated that they were prepared to continue to move, and we are pleased that the federal government has come back to the table. The member makes some comments that seem to me to support the federal government instead of supporting the provincial government, who continues to push this forward.

#### **Lac Brochet-Tadoule Lake Emergency Supplies**

**Mr. Gerard Jennissen (Flin Flon):** Madam Speaker, my questions are also for the Minister of Highways and

Transportation. Contrary to the assertions of the minister yesterday, none of the construction materials for new houses and renovations were shipped to Lac Brochet or Tadoule Lake this winter. This keeps another 51 northern families in deplorable housing. I would like to know why this government continues to deny that these communities have been put in an impossible situation in which the cost of shipping goods by air exceeds 50 percent of their value.

**Hon. Glen Findlay (Minister of Highways and Transportation):** Madam Speaker, when the circumstances unfolded in late winter, when the winter roads became impassable because of warm weather, the officials made decisions on what goods needed to be moved in on an emergency basis. Those decisions were made and the emergency goods were moved into those communities.

**Mr. Jennissen:** Since the federal government has put on hold the air and food lift into communities on the east side of Lake Winnipeg until it completes further negotiations with the province, including the usage of the disaster assistance fund, could the minister tell this house the status and projected time lines of these negotiations?

**Hon. David Newman (Minister of Native Affairs):** Madam Speaker, I have had occasion today to send a letter to the Honourable Jane Stewart. In that letter, which I only have one copy of because I did not anticipate this question for me, I have indicated that the federal minister, Jane Stewart, responsible for Indian Affairs and Northern Development of Canada, should work together with the regional manager, Lorne Cochrane, and enter into discussions with Emergency Preparedness Canada to reimburse INAC if INAC does not want to be burdened with the entire responsibility it assumed under a memorandum of agreement with the province. We indicated we would be prepared to work with Mr. Cochrane, through my deputy, and I would work with Minister Stewart to try and access the appropriate funds to reimburse and allow Manitoba aboriginal citizens to have nothing taken out of their budget and have the federal government pay for it out of a proper extraordinary emergency program within the federal government.

### **Manitoba Hydro Amalgamation—Winnipeg Hydro**

**Mr. Kevin Lamoureux (Inkster):** My question is for the Minister responsible for Hydro. Madam Speaker, I have raised the issue before and I raise the issue again today in the need for the Manitoba government to take some form of action in terms of acquiring Winnipeg Hydro. My specific question to the minister responsible is: has the minister indicated to Manitoba Hydro this government's desire to acquire Winnipeg Hydro so that Manitoba is not being serviced by two publicly owned Crown corporations with hydro-electricity?

**Hon. David Newman (Minister charged with the administration of The Manitoba Hydro Act):** Madam Speaker, I had answered the question previously in the way that it was done because we do not—I do not consider it to be appropriate for the Manitoba government, without full knowledge of all the facts and the expert opinions and the implications, to presume in a paternalistic way to suggest to the City of Winnipeg and all Winnipeggers what is best for them. When all of the information becomes available, and hopefully this can be a matter of some discussion, even in the civic election campaign, so that the candidates for mayor perhaps could deal with this as an issue and share with the people who can help to make a choice as to what is in their best interests. Through that process, we are interested very much as a government, and Manitoba is interested in doing what is best for the citizens of Winnipeg and indeed all citizens of Manitoba in that respect.

\* (1400)

**Mr. Lamoureux:** Madam Speaker, will the minister recognize that this government's inaction on such an important issue has had a very negative impact on the development of hydro in the province of Manitoba? We are asking, not for the City of Winnipeg to take leadership, but the province has a role to take leadership. Will the minister indicate today that this government is in fact in favour of acquiring Winnipeg Hydro and amalgamating it with Manitoba Hydro? It is definitely in all Manitobans' best interests that that take place.

**Mr. Newman:** Madam Speaker, I can say unequivocally that Manitoba Hydro is interested, but until the price is known, until the implications are fully known and the sorts of expert opinions that have been obtained are shared, it would be presumptuous to impetuously come to a conclusion on a speculative basis. I would ask the honourable member for Inkster to put on the record that the Liberal Party of Manitoba is supportive of doing that—

**Madam Speaker:** Order, please. The honourable member for The Maples, on a point of order.

#### Point of Order

**Mr. Gary Kowalski (The Maples):** This is not the first time, when my colleague for Inkster has asked questions, that ministers have asked him a question. This is Question Period for us to ask the government questions. It is not a time for debate, and asking a question is the best way to invoke debate. So, I think by the minister asking the member for Inkster's position, he is invoking debate, and he is out of order.

**Madam Speaker:** The honourable member for Thompson, on the same point of order.

**Mr. Steve Ashton (Opposition House Leader):** Madam Speaker, I would like to suggest the member for The Maples is most definitely appropriate. In fact, the proper citation is Beauchesne Citation 417, which states that answers to questions should be as brief as possible, deal with the matter raised, and should not provoke debate.

I would, Madam Speaker, urge you to rule that the member has a point of order and ask the minister to follow our rules.

**Madam Speaker:** The honourable government House leader, on the same point of order.

**Hon. James McCrae (Government House Leader):** Well, Madam Speaker, it is very difficult when you not only have the member for Thompson but also the member for The Maples taking the same position, because that makes it confusing for us over on this side.

The honourable minister was attempting to be responsive to the issues being raised by the honourable member for Inkster. I think that we are being just a little bit picky when we try to force ministers into a certain way of dealing with a matter. I thought the whole idea of Question Period was to have matters canvassed and issues raised and dealt with, and that is what the minister was trying to do.

**Madam Speaker:** The honourable Minister responsible for Manitoba Hydro, on the same point of order.

**Mr. Newman:** Madam Speaker, having put myself at risk of possibly losing my first point of order in this Legislature, I want to say that this modest act of potential civil disobedience was worth it.

**Madam Speaker:** Order, please. On the point of order raised by the honourable member for The Maples, I would indeed agree that he does have a legitimate point of order. The minister, in response to the question, should be as brief as possible and should not provoke debate.

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**Mr. Lamoureux:** Madam Speaker, I would appeal and ask the minister to indicate to Manitobans very clearly what this government's stand is with respect—does it favour the amalgamation of the two Crown corporations? If the answer to that is yes, the question to the minister then is: when can we anticipate any sort of action whatsoever from this government, because for the last decade we have seen absolutely nothing, and that does not serve the best interests of the public in Manitoba?

**Mr. Newman:** Madam Speaker, I would repeat the former two responses I gave and simply add that I am sure that the union representing Hydro, Winnipeg Hydro employees, the citizens of Winnipeg who are concerned about the implications to their rates, the different councillors of the City of Winnipeg and the mayor of the City of Winnipeg and those who have a future there are all concerned about doing what is right for the citizens of Winnipeg, as is my ministry, and as is our government.

**Gerald Wilson Jr.  
Appeal**

**Mr. Eric Robinson (Rupertsland):** Madam Speaker, I have some questions for the Minister of Justice.

The family of the late Dorothy Martin have endured two years of suffering and have waited almost a year before the appropriate charges were laid against the person that took the life of their loved one, and most recently I have waited just about a month to hear whether or not the Crown will appeal the lenient sentence that was given to Gerald Wilson for her murder. I would like to ask the minister whether or not the Crown has made a decision and when will the action on this issue be brought to the attention of Manitobans.

**Hon. Vic Toews (Minister of Justice and Attorney General):** Madam Speaker, I did want to indicate that the department has been very actively involved with the RCMP in respect of that particular issue. I know that the particular case went to the jury; the jury came back with a particular decision. I know that the Crown attorneys in that particular case were thanked by the family. They appreciated the efforts, and I certainly appreciate the efforts of both the Crown and the police.

In respect of the appeal, I can advise the member when I have the specific information. I believe a decision in respect to that matter had been made, but I could be mistaken and I will let the member know.

**Mr. Robinson:** I am sure that most aboriginals and Manitobans in general are looking forward to that decision by the minister.

**Charges—Investigation**

**Mr. Eric Robinson (Rupertsland):** I would like to ask the minister a further question and that is whether or not he has set in motion an investigation into why the original charges were only for unlawful possession of a restricted firearm when it was obvious all along to Manitobans that a murder charge was warranted in the Wilson case.

**Hon. Vic Toews (Minister of Justice and Attorney General):** Madam Speaker, I will not second-guess the

RCMP and the Crown attorneys who made the decision in respect of the appropriate case to proceed upon. I know that the RCMP are looking into the issue generally, and if there is anything to report to the member, I will report to him on that issue.

**Labour Laws  
Government Compliance**

**Mr. Daryl Reid (Transcona):** Madam Speaker, this government has a history of breaking the law in this province. First it was the former Minister of Labour when he made statements to the striking casino workers when the minister stated that he would extend the strike for every day that the casino workers picketed in front of his home, breaking The Labour Relations Act of this province. Then we had the same minister, who is now Minister of Justice, who interfered in the selection and appointment of judges in this province, again breaking the laws of this province.

Yesterday, the government lost a case, was found guilty of bargaining in bad faith, of breaking the laws of this province once again and was fined \$2,000. I want to ask the Premier (Mr. Filmon), specifically the Premier, why he thinks that his government is above the laws of this province when his ministers continue to break the laws of this province.

**Hon. Glen Cummings (Acting Minister of Labour):** Madam Speaker, certainly we are not. We have received a ruling and we will abide by it.

\* (1410)

**Mr. Reid:** Madam Speaker, that does not answer the question. I want to ask the Acting Minister of Labour, I want to ask the Premier why he thinks his government is above the laws of this province when every other citizen of this province has to respect and obey the laws, why his government does not have to obey the laws, why his government sent letters to the engineers of this province telling them that they would be laid off if they did not abide by the wishes of the government.

**Hon. Gary Filmon (Premier):** I will repeat for the member for Transcona the answer that was given to him by the Acting Minister of Labour. This govern-

ment is not above the law. We have received a ruling and we will abide by it.

### **Winnipeg Child and Family Services Caseloads**

**Mr. Doug Martindale (Burrows):** The last two days the Minister of Family Services has claimed that her department does not have responsibility for high caseloads that make it impossible for workers to meet standards. I would like to remind her of her own legislation which states that, under the control and direction of the minister, the director shall ensure the development and establishment of standards of service to be provided to children and families, ensure that agencies are providing the standard of services that are following the procedures and practices set out by the provisions of the act, and above all, protect children in need of protection.

My question for the minister is: in light of her own legislation, how can she justify her remarks that her government does not have responsibility for caseloads and standards to protect children in this province?

**Hon. Bonnie Mitchelson (Minister of Family Services):** I thank my honourable friend for that question today because it does allow me to clarify for Manitobans exactly what our responsibility is under The Child and Family Services Act, and that is to protect children. That is why we have raised our funding from \$38 million for Winnipeg Child and Family Services back in 1990-91 to \$63 million today.

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please.

**Mrs. Mitchelson:** Thank you very much, Madam Speaker. We have increased significantly the funding, as I have indicated already, so that in fact the Winnipeg Child and Family Services agency can deliver the protection services that are needed in the city of Winnipeg. I make no apologies for ensuring that the system is funded to protect children.

**Mr. Martindale:** Madam Speaker, I asked my questions about funding in Family Services Estimates.

The question today is: will this minister, who says, even acknowledges that she has legal responsibility to protect children—what will she do to follow the legislation and to listen to the advice of the Advocate, of workers, and now of a judge in an inquest, of internal reports, and conduct a workload review? This is separate from the question that she is trying to answer. Will she conduct a workload review?

**Mrs. Mitchelson:** I indicated in answers to questions in the last two days that Mr. Lance Barber, the new CEO of the Winnipeg Child and Family Services agency, has done a strategic planning process with all of his staff to address exactly the issues that my honourable friend is talking about. We have provided the Winnipeg agency with the resources that they need in order to serve the children within the city of Winnipeg. I have every confidence that that planning process will lead to better services for children.

### **Public Accounts Committee Meeting Schedule**

**Mr. Tim Sale (Crescentwood):** Madam Speaker, this government committed itself to having intersessional committee meetings of standing committees of the Legislature. None were held until the last moment just before the session, and one finally was held for Public Accounts. At that meeting there appeared to be some agreement on both sides of the House that there would be a very quick meeting of Public Accounts to get on with the process of strengthening and improving Public Accounts and bringing its function into line with the other public accounts across Canada, as recommended by our Auditor. Why have there been no Public Accounts committee meetings since that agreement was reached by both sides of the House, that we should get on with reforming this committee and bringing its function up to some reasonable level of standard in Canada?

**Hon. James McCrae (Government House Leader):** Indeed, Madam Speaker, since the meeting to which the honourable member refers, there have been discussions between the Minister of Finance (Mr. Stefanson) and myself. I have been talking with the opposition House leader. We expect to be doing some more of that as soon as tomorrow. So we do look to honourable members in the opposition for proposals so that we can

review those proposals and see if there are ways that we can improve the system that we have of Public Accounts here in the province of Manitoba. So we look forward to proposals coming forward and a useful discussion of the proposals.

**Mr. Sale:** Madam Speaker, the government House leader knows and the Minister of Finance knows that the Auditor has proposed at least 10 specific recommendations. Why will the Minister of Finance not convene a meeting of the Public Accounts committee and put proposals before that committee that can be responded to by all members so that we can get on with the evolution of this committee's function? We are so far behind that the Auditor says it is the worst in Canada.

**Mr. McCrae:** Well, first of all, Madam Speaker, the convening of committees or the calling of committees is something that falls to the government House leader to do, and that is usually done in consultation with the opposition House leader. That is the way we have been doing things and—[interjection]

**Madam Speaker:** Order, please.

**Mr. McCrae:** Well, the honourable member for—

**Madam Speaker:** Order, please.

**Mr. McCrae:** If the honourable member for Crescentwood is suggesting some less co-operative approach than the one that we are using now, let him come out and say so. I happen to work quite well with the opposition House leader and my colleagues to try to make business run smoothly, but any review of Public Accounts handling in this province needs to be done in association with an examination of the Estimates system that we have in this House and all of the accountability initiatives that we work with. We need to look at the whole system in order to find the most effective way to give the people of Manitoba the accountability they need and want.

### Lake Winnipeg Water Levels

**Ms. MaryAnn Mihychuk (St. James):** My question is to the Minister responsible for Manitoba Hydro. In

February, in committee, we called on the government to conduct an independent review of Lake Winnipeg water levels. Now we hear that the South Lake Winnipeg Basin Shoreline Erosion Committee, formed by the southern municipalities around the lake, are calling for an independent review.

My question to the minister, Madam Speaker: will the minister now conduct that independent review of Lake Winnipeg water levels, so that the record could be straight?

\* (1420)

**Hon. David Newman (Minister charged with the administration of The Manitoba Hydro Act):** Madam Speaker, I always appreciate applause when I stand up to respond to a question. The question is very timely because the group, the South Lake Winnipeg Basin Shoreline Erosion Committee, has just made a resolution about appointing an independent consultant. We welcome that suggestion.

They also made other suggestions: that the design of generic erosion protection plans for each shoreline type on the lake should be done; research into innovative ways of protecting shorelines—the concept of floating wave barriers was raised as an example; a literature search into the existing methods of protecting shorelines—reference was made to Florida beaches; development of shoreline protection guidelines; the provision of tax credits to property owners who have adequately protected their shoreline; the provision of information on Lake Winnipeg to the property owners in the form of the presentation that was made to the committee.

So all of these kinds of things that come from the committee, this is welcome and will be considered very seriously. Thank you.

### Shoreline Erosion Strategy

**Ms. MaryAnn Mihychuk (St. James):** My question to the minister: will he look at developing a comprehensive Lake Winnipeg shoreline erosion strategy, which includes all the partners, and looks at the lake in a comprehensive way and does not have to

come from the users but actually is initiated and guided by the government?

**Hon. David Newman (Minister charged with the administration of The Manitoba Hydro Act):** Madam Speaker, I will be very humble about the part the government played in stimulating and encouraging this kind of grassroots, multiparticipatory approach, but I do congratulate those who are participating in it, and the product is obviously very positive. I believe that a comprehensive result will come about. It is for the benefit of all Manitobans affected by Lake Winnipeg.

**Madam Speaker:** Time for Oral Questions has expired.

## MEMBERS' STATEMENTS

### Transportation—Northern Manitoba

**Mr. Steve Ashton (Thompson):** Madam Speaker, I wish to address the important issue of northern transportation in this member's statement. In particular, I would like to point to the need for the federal-provincial governments to make a real commitment to improving transportation, the same kind of commitment that we saw in this province in the 1970s, in particular with the Schreyer government provincially, going into the 1980s when we had northern development agreements, when we had a commitment to improve northern infrastructure, and when we had real improvement to access to northern communities, whether it be in terms of the construction of airstrips, the construction of roads and the upgrading of airstrips and roads during that period.

I want to stress that we have to look at the urgent situation at many of our northern airports. They were built more than 20 years ago. They are in dire need, in many cases, of upgrading. We need this to deal with the explosion of traffic, the greatly increased degree of traffic that we see in many northern airstrips, and I want to stress this as someone who flies into northern communities on a regular basis.

In my own constituency, there are four communities that have no roads, but part of what we have to do is make sure we have safe airstrips. We also, Madam Speaker, must not forget that many northern

communities do not have road access. I say to the government, as I have said before in the past, communities such as Ilford, communities such as York Landing, Thicket Portage, Pikwitonei and many other communities are asking for this government to do the kind of planning, the kind of co-operative work with their community to try and look at extending road access into those communities. I would suggest that the more we can extend the road network in this province, even though it has a cost, the more we end up with communities not being so dependent on those airstrips.

I want to indicate again that, when communities have no access other than airstrip access, they have to rely very heavily on our winter roads system, and this is another area that could be improved, because we repeatedly ask this government to extend the season into communities by providing more maintenance. The bottom line is we need improved transportation in northern Manitoba. We need a northern development agreement signed by both the provincial and federal governments.

### Portage la Prairie Water Services

**Mr. David Faurshou (Portage la Prairie):** Madam Speaker, it is truly my pleasure to rise in this Legislative Chamber this afternoon to make all honourable members aware of a landmark signing of an agreement between the City of Portage la Prairie and the Rural Municipality of Portage la Prairie for water, sewer and tax-sharing. This fringe area water supply agreement will provide treated water and sewer services to the Rural Municipality of Portage la Prairie. In return, the City of Portage la Prairie will receive 10 percent of the municipal property taxes from new buildings that will create a new and additional demand for treated water. The leadership, through the spirit of co-operation and understanding shown by these two communities, can indeed serve as a model for all cities and rural municipalities in Manitoba.

The Filmon government, through the Department of Rural Development under the direction of the Honourable Len Derkach, recognized this importance of co-operation between communities when undertaking the review of The Municipal Act in 1994.

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please. I am experiencing difficulty hearing the honourable member for Portage.

### Point of Order

**Mr. Tim Sale (Crescentwood):** Madam Speaker, I would just like to inquire on a point of order as to whether it is proper to refer to members of the government by name and the government by the name of the Premier (Mr. Filmon) in a statement in the House. I believe there is a convention that we do not refer to members by name in this forum, and the member for Portage may be unaware of that convention.

**Madam Speaker:** The honourable government House leader, on the same point of order.

**Hon. James McCrae (Government House Leader):** Yes, it is true. Madam Speaker, there are occasions when honourable members on both sides of this House forget that little rule, and it is there for a reason because it helps to bring about order and decorum in such a decorous place.

I think the honourable member for Portage la Prairie would be the first to agree that we want to follow those rules, and I recommend it for all honourable members.

**Madam Speaker:** On the point of order raised by the honourable member for Crescentwood, indeed he did have a point of order. The honourable member for Portage la Prairie has, I believe, acknowledged that he indeed did abrogate the rules.

\* \* \*

**Madam Speaker:** The honourable member for Portage, to continue his member's statement.

**Mr. Faurschou:** Thank you, Madam Speaker, and I appreciate the ruling.

In fact, Reeve Jim Knight noted the new Municipal Act provides a vehicle for inner municipal co-operation. As well, Mayor Glenn Carlson said this is a fine example of what can be done by recognizing each other's needs and concerns and seeking a solution that is acceptable to both sides. By working together for the betterment of all residents, whether rural or urban,

these two communities have recognized that they are stronger together in the long run.

So, on behalf of all honourable members, I would like to extend my congratulations to the reeve and mayor and to the respective councils and administrations of the City of Portage and R.M. of Portage la Prairie for their vision, commitment and testimony to their partnership and co-operation.

### Bank Closures

**Mr. Doug Martindale (Burrows):** Madam Speaker, when we moved to Winnipeg, I confess that we kept our bank accounts at the Royal Bank at Selkirk and Salter. Well, what do you think happened to that branch? Well, of course, it closed. Our accounts were moved to Selkirk and Main. What do you think happened to that branch? It closed. There was a branch at McGregor and College. What do you think happened to that branch? Well, in the summer of 1997 it closed. The Martindales did the smart thing, and we moved our accounts to Carpathia Credit Union.

Since 1992, the Royal Bank has closed seven branches in rural Manitoba. One can only conclude that there is not enough profit in the inner city and rural Manitoba, although you would never know that from looking at the salary and bonuses of the chief executive officer, John Cleghorn, whose salary in the fiscal year ending October 31, 1997, was \$3,172,704, up 23 percent; stock options in exercisable options: \$5,634,660; in not-yet-exercised: \$10,558,748, compared to the average hourly paid worker of the Royal Bank in 1995 of \$16,700. We know that their profits were up 17 percent to \$1.7 billion in 1997, and we read again in today's Free Press that their profits are going up another 15 percent for the first quarter. We can only conclude that this is due to corporate greed, since they only care about the salaries and perks of the CEO. They do not care about people in the inner city, especially seniors, but the good news is there is an alternative. People can move their accounts from a bank to a credit union, and I would encourage people to do so. Thank you.

### Neeginan Aboriginal Centre

**Mrs. Myrna Driedger (Charleswood):** Madam Speaker, it gives me great pleasure to rise today to

share with my colleagues the details of a very special event which I recently had the honour of attending on behalf of the First Minister (Mr. Filmon).

As many of you know, the city has commissioned the creation of an aboriginal centre to be located on Main Street. I had the privilege of attending the unveiling of the plans for Neeginan, which will become the spiritual anchor for north Main redevelopment. World-renowned architect Douglas Cardinal has created a unique design for the complex. His design will significantly help to revitalize Main Street and the surrounding area. Cree for "our place," Neeginan includes a round house, a multipurpose centre for young people, an art gallery, a sweat lodge, a fabulous park and an outdoor market.

Having spent the last three years working closely with the aboriginal community, it was indeed my pleasure to be present at the unveiling of Douglas Cardinal's innovative design for this wonderful project. I encourage all of my colleagues to support Winnipeg's aboriginal community as its members join together to carve out a future for themselves in the heart of Winnipeg. Neeginan will contribute not only to the well-being of our aboriginal peoples but also to the betterment of the city of Winnipeg. Thank you.

\* (1430)

### **Misericordia General Hospital**

**Mr. Tim Sale (Crescentwood):** Madam Speaker, after 99 years of service, Misericordia Hospital has been slated for closure by the provincial government. As recently as 1994, Misericordia was the third-biggest hospital in Manitoba with just over 400 beds. We know the Misery was old and in need of substantial capital investment, but the government had provided funds for a new heating plant in order to provide the foundation for a renewed acute care mandate. Now the hospital is to be closed.

Even the promised 24-hour urgent care centre has become a nonurgent primary care centre, in the words of the Winnipeg Hospital Authority, in other words, a walk-in clinic. What went wrong?

Well, what went wrong, Madam Speaker, was the total confusion surrounding health planning in our city.

Simply put, as the Minister of Health (Mr. Praznik) has acknowledged, acute care medicine is changing very rapidly, and the government did not know how to respond. Instead of working with communities to define their needs, the government hired big consulting firms and foreign experts like Connie Curran to tell it what to do. Consultants like quick fixes, not long-term solutions, so they said: close the beds and lay off staff. That was their solution. No one bothered to ask the communities involved or to consult with ordinary Manitobans.

At the same time, the government signed a five-year deal with doctors, giving them most of the say in what doctors were needed and where they were needed. Then next, just to confuse the situation, the government asked hospitals to set up centres of excellence. In the Misericordia's case, the result was the development of the eye surgery Ophthalmology Centre, the comprehensive breast care centre, the orthopedic surgery centre, and the plastic surgery centre.

Then, a couple of years later, the government took away the mandate from hospitals and gave it to the Winnipeg Hospital Authority. So now we have three different groups competing. The only comfort residents had was that they were promised a 24-hour urgent care centre. Now this seems to have been watered down to something called a 24-hour nonurgent primary care centre, a walk-in clinic.

Madam Speaker, the citizens of my community do not need another walk-in clinic.

## **ORDERS OF THE DAY**

### **House Business**

**Hon. James McCrae (Government House Leader):** Madam Speaker, I would like to obtain the unanimous consent of the House, notwithstanding the sequence for consideration of Estimates as outlined in Sessional Paper 142 tabled on March 24, 1998, and subsequently amended, to consider in the House the Estimates of the Department of Natural Resources on completion of the Estimates of the Seniors Directorate. These changes are to apply until completion of the Department of Natural Resources.

**Madam Speaker:** Is there unanimous consent of the House to alter the sequence for consideration of Estimates in the House as follows: the Department of Natural Resources to follow on completion of the Estimates of the Seniors Directorate, and these changes are to apply until the completion of the Natural Resources Estimates? [agreed]

**Mr. McCrae:** Madam Speaker, I wish to obtain the unanimous consent of the House, notwithstanding the sequence for consideration of Estimates as outlined in Sessional Paper 142 tabled on March 24, 1998, and subsequently amended, to consider in Room 255 the Estimates of the Department of Industry, Trade and Tourism on Thursday morning, that is, tomorrow, to be followed on Thursday afternoon, tomorrow afternoon, by the Estimates of the Department of Culture, Heritage and Citizenship. These changes are to apply until the Estimates of the Department of Culture, Heritage and Citizenship are completed.

**Madam Speaker:** Is there unanimous consent of the House to amend the consideration of Estimates in Room 255 for Thursday morning to be the Estimates of the Department of Industry, Trade and Tourism and to be followed on Thursday afternoon by the Estimates of the Department of Culture, Heritage and Citizenship, and these changes to apply until the Estimates of the Department of Culture, Heritage and Citizenship are completed? [agreed]

**Mr. McCrae:** Madam Speaker, I wonder if there would be agreement to waive private members' hour today.

**Madam Speaker:** Is there leave of the House to waive private members' hour? No.

**Mr. McCrae:** Madam Speaker, now I have really been thrown off. With the leave of the House, I would move to withdraw Bill 56, The Hospitals Amendment Act (Loi modifiant la Loi sur les hôpitaux) from the Order Paper.

**Madam Speaker:** Is there leave of the House to withdraw Bill 56 from the Order Paper? [agreed]

**Mr. McCrae:** Madam Speaker, we would like next to move to report stage.

## REPORT STAGE

### Bill 3—The Elections Finances Amendment and Consequential Amendments Act

**Hon. James McCrae (Government House Leader):** Madam Speaker, for the First Minister (Mr. Filmon), I move, seconded by the honourable Deputy Premier (Mr. Downey), that Bill 3, The Elections Finances Amendment and Consequential Amendments Act (Loi modifiant la Loi sur le financement des campagnes électorales et modifications corrélatives), as amended and reported from the Standing Committee on Law Amendments, be concurred in.

**Motion agreed to.**

### Bill 5—The Agricultural Credit Corporation Amendment Act

**Hon. James McCrae (Government House Leader):** Madam Speaker, on behalf of the Minister of Agriculture (Mr. Enns), I move, seconded by the honourable Deputy Premier (Mr. Downey), that Bill 5, The Agricultural Credit Corporation Amendment Act (Loi modifiant la Loi sur la Société du crédit agricole), reported from the Standing Committee on Law Amendments, be concurred in.

**Motion agreed to.**

\* (1440)

### Bill 6—The Animal Liability and Consequential Amendments Act

**Hon. James McCrae (Government House Leader):** Madam Speaker, on behalf of the Minister of Agriculture (Mr. Enns), I move, seconded by the honourable Deputy Premier (Mr. Downey), that Bill 6, The Animal Liability and Consequential Amendments Act (Loi sur la responsabilité à l'égard des animaux et modifications corrélatives), reported from the Standing Committee on Law Amendments, be concurred in.

**Motion agreed to.**

### Bill 7—The Public Utilities Board Amendment Act

**Hon. James McCrae (Government House Leader):** Madam Speaker, on behalf of the Minister of Consumer

and Corporate Affairs (Mr. Radcliffe), I move, seconded by the honourable Deputy Premier (Mr. Downey), that Bill 7, The Public Utilities Board Amendment Act (Loi modifiant la Loi sur la Régie des services publics), reported from the Standing Committee on Law Amendments, be concurred in.

**Motion agreed to.**

**Bill 9—The Mines and Minerals  
Amendment Act**

**Hon. James McCrae (Government House Leader):** Madam Speaker, on behalf of the Minister of Energy and Mines (Mr. Newman), I move, seconded by the honourable Deputy Premier (Mr. Downey), that Bill 9, The Mines and Minerals Amendment Act (Loi modifiant la Loi sur les mines et les minéraux), reported from the Standing Committee on Law Amendments, be concurred in.

**Motion agreed to.**

**Bill 15—The Dutch Elm Disease Act**

**Hon. James McCrae (Government House Leader):** Madam Speaker, on behalf of the honourable Minister of Natural Resources (Mr. Cummings), seconded by the honourable Deputy Premier (Mr. Downey), I move that Bill 15, The Dutch Elm Disease Act (Loi sur la graphiose), reported from the Standing Committee on Law Amendments, be concurred in.

**Motion agreed to.**

**Bill 17—The Legislative Assembly  
Amendment Act**

**Hon. James McCrae (Government House Leader):** Madam Speaker, I move, seconded by the honourable Deputy Premier (Mr. Downey), that Bill 17, The Legislative Assembly Amendment Act (Loi modifiant la Loi sur l'Assemblée législative), reported from the Standing Committee on Law Amendments, be concurred in.

**Motion agreed to.**

**House Business**

**Mr. McCrae:** Did I ask about private members' hour, Madam Speaker?

**Some Honourable Members:** Yes, you did.

**Mr. McCrae:** Okay. Madam Speaker, would you be so kind as to call Bills 42, 29, 27; after 27, 18; after Bill 18, 57; and then Bill 36. Then the remainder, after they have passed all those bills, maybe you could call the rest of them in order, and we can pass all them, too.

**DEBATE ON SECOND READINGS**

**Bill 42—The Norway House Cree Nation  
Northern Flood Master Implementation  
Agreement Act**

**Madam Speaker:** To resume adjourned debate, on the proposed motion of the honourable Minister of Northern and Native Affairs (Mr. Newman), Bill 42 (The Norway House Cree Nation Northern Flood Master Implementation Agreement Act; Loi sur l'Accord cadre de mise en oeuvre de la nation crie de Norway House relatif à la convention sur la submersion de terres du Nord manitobain), standing in the name of the honourable member for Selkirk (Mr. Dewar). Is there leave to permit the bill to remain standing?

**An Honourable Member:** No.

**Madam Speaker:** No? Leave has been denied.

**Mr. Steve Ashton (Thompson):** Madam Speaker, I want to indicate that I will be speaking, as will the member for The Pas (Mr. Lathlin), and then we will be prepared to pass this bill through to committee. It is, I think, important to put on the record that throughout this process, we have supported the right of communities to determine their own destiny, and Norway House has made a very historic decision. It has been a decision that has been debated very much in the community.

We support that, and I want to put on the record that that is something that we also did in terms of Cross Lake. I hope that things will move further, Madam Speaker, because I was very concerned a few weeks ago with the lack of I believe respect shown by the

government for the fact that the people of Cross Lake made their own decision. I just want to put on the record that when we had the Premier (Mr. Filmon) of this province suggesting that somehow a lawyer who worked for Cross Lake in that particular case was responsible for events that had transpired, or the member for The Pas, I think, he did a disservice to the people of Cross Lake. I stated that in debate on a matter of privilege.

I find it interesting that earlier today the Minister of Northern Affairs (Mr. Newman) talked about not being paternalistic with the City of Winnipeg. I would suggest that the minister should also apply that to northern communities, and I believe it was paternalistic for the minister and the First Minister (Mr. Filmon) at that point in time to attempt to speak for the people of Cross Lake. Whatever decision the people of Cross Lake take, we will support in the same way that we are supporting the decision of the people of Norway House. That is not only the democratic process, I think it is, more importantly, the bottom line when we talk about self-government.

We are not living in the 1890s in the days of the Indian agents. We are living in the 1990s, in the era, I believe, a new era for northern communities of self-government, and it is no use just repeating the words. You have to respect the reality of what self-government means, and that means the ability of First Nations, the inherent right of First Nations to be able to determine their own destiny. I say to the government, once again, lawyers and members of the Legislature and others are not the determining factor.

I know the member for The Pas (Mr. Lathlin) has been very supportive of the communities in his constituency, but all those decisions are decisions initiated by the community. The government must learn that part of self-government comes from respect. If they do not agree with the decisions that are followed by communities like Cross Lake, they should respect those decisions nonetheless and understand that if they want to have full and complete and fair negotiations, the way to achieve that is when you have respect for the people who you are negotiating with.

I say that, and I want to put on the record, as well, that I also believe that one of the outstanding issues

with the Northern Flood Agreement will continue to be the issue of the modern-day treaty. This is something that was acknowledged in the Aboriginal Justice Inquiry. It has been an issue in each and every community that has negotiated the Northern Flood Agreement.

I say this because I believe the minister would understand this, being more directly involved with the negotiations. But we see repeatedly that the First Minister (Mr. Filmon) continues not to understand the fact that one of the things essentially that has happened in many northern communities is whether they agree or not with the fact that the modern-day treaty is not a part of the settlement, it does not mean, even though the negotiations have resulted in this particular format, that it is something that is accepted by northern communities affected by flooding. Each and every one of the communities, and I can speak with some authority on this because I represent three Northern Flood communities, each one of those communities has stated very clearly that they feel, notwithstanding the agreement, their position continues to be that it be a modern-day treaty.

I say to the minister and I say to the First Minister they should understand this. They should understand that this only ends for the people of the flood communities one chapter. I say to them, the members opposite, that they should understand this, because many people in the communities, I would say, are less than enthusiastic about the settlements because of this direct omission by the government. That is not to say that they have not agreed, but it is like any negotiating process. I say this to the minister: you often have to agree to elements in a negotiating process that you do not necessarily agree to in the fullest sense of the word, but you are involved with a very difficult decision; in this case, communities were faced with many more years of having outstanding issues. I say to the minister that is why many of those communities have signed, including Norway House. It is not that they believe that this is the end of the story.

I say this because one of the issues with the Northern Flood Agreement continues to be the fact that even today we are not sure of all the impacts of the northern flood situation that occurred in the 1960s and 1970s. We are not sure of all the impacts. I point to my own

constituency, to Nelson House, where the fact that the flooding led to increased levels of heavy metals, contaminations of the Burntwood River. That was not determined to be a result of flooding until several years after the flooding took place.

\* (1450)

I remember the Burntwood River, growing up in Thompson when it was a pristine river, when it was one of the best rivers in northern Manitoba. I have seen the impact of the flooding, the increased water flow. I have seen first-hand the impact it has had on the river itself, the many areas of the bank which were flooded. I have seen the impact it has had on fishing. I have seen the impact it has had on the recreational use and also the traditional use of the Burntwood River, both by residents of Thompson and residents of Nelson House. I say to the minister that is still very much a concern in each and every flood community, including Norway House and including Cross Lake. Communities, in the case of Norway House which is in the final stage of settlement and Cross Lake which is in the position now of potential resumption of negotiations, something that we certainly welcome in this House.

With those few words, I want to indicate again we respect the decision made by the people of Norway House.

*Mr. Marcel Laurendeau, Deputy Speaker, in the Chair*

We recognize in this House, as we debate this today, the fact that this is part of the process of resolving the horrific impacts of flooding that impacted on a community, in this case Norway House, which is probably maybe one of the most developed aboriginal communities in northern Manitoba. It continues to have a very vibrant business sector and employment sector, certainly relative to many other communities. I would still point out though that it faces unemployment. It faces needs in terms of health care and education. It faces needs particularly when it comes to road access, something that was very appropriate to raise today given the focus we put on northern transportation.

I say the good faith, if it is to be followed through on the Northern Flood Agreement, should extend to government decisions that are not part of the agree-

ment. I say to the government that it is time to make a real commitment to improving the road access to Cross Lake and Norway House, Northern Flood communities. I say it is time to make a commitment to extend the paving into Nelson House, another Northern Flood community. I say on the record it is time to make sure that 280, the road into Split Lake, is indeed an appropriate road for the kind of traffic you see.

I say with the community of York Landing, the York Factory First Nation, that it is time to give serious consideration at working with the community—and I say this because I talked to the chief, Roy Redhead, just last week about this matter. The community is willing to become directly involved in trying to get the road built between York Landing and the main highway, 280, which would give them year-round, all-weather road access. I say to members opposite that one of the elements of the Northern Flood Agreement, I believe, was a commitment to bring those communities up to the standards of the 1970s, then the 1980s, now into the 1990s, the same kinds of things that people take for granted anywhere else in the province.

I look around at rural members on the government side and I see communities that have two and three and four different kinds of road access. I see gravel roads that are constantly being improved. I see roads that are being paved and repaved, and I say to the members opposite, in northern Manitoba there are many communities that either do not have roads or do not have roads that are acceptable in terms of the condition for the 1990s.

The solution has to be a real commitment, and I say to the minister that that includes looking at the real question of bridges, as those are concerns both for Cross Lake and Norway House. I say the bottom line is, to the minister again, that if you are going to act in good faith on the Northern Flood Agreement, you will stop the process of appealing every arbitration ruling that seems to go in favour of Northern Flood communities. I would say do not even go to the arbitration. Make a commitment, and I say on the record that I do not know anywhere else in the province where you would see communities the size of Cross Lake or Norway House or Nelson House or Split Lake where you would have anything but paved roads. You certainly would not have the poor road conditions, and

I put on the record that Cross Lake, Norway House the last number of years has had, in one case, the road I believe was closed for close to a week.

I can speak from experience. I have travelled on that road many a time. The first time I went in I got stuck right in the middle of the highway driving a truck, right in the middle of the highway, it is so muddy. I want to point to the condition of Highway 391. I have seen people who literally cannot even get up the hills on Highway 391. When you get any amount of rain, you have people sliding off.

To put it in perspective, you end up in those communities, the 391 into Nelson House, I checked the provincial statistics a number of years ago. The fatality rate was three times the provincial average on one stretch of highway for 72 kilometres. There is not a family in Nelson House that has not had someone killed on that highway as a result of an accident. The reality is that is because of a complete lack of commitment by this government to road access, to highway access, to transportation access in northern Manitoba.

At one time, they cut the Highways budget to 5 percent of the construction budget for northern Manitoba, you know, 5 percent compared to what? The current road network is about 11 percent. I would say we are probably about three quarters of the province. You know, we certainly deserve a lot more than the 5 percent that was allocated. We have fought hard and northern communities have fought hard. We have got that increased up. I believe last year it was 8 percent or 9 percent, but the reality is, if we want to get the roads fixed in northern Manitoba, it is going to take a real commitment, the kind of commitment that the previous NDP government put into place, when we spent in many years in excess of 20 percent of the Highways budget.

We built the roads, we built 280, we build many of the roads. In fact, I jokingly said to the Conservative Highways minister a few minutes ago that you can never accuse the Conservatives in northern Manitoba in terms of any roads. You cannot turn around and say, well, the roads they built are now in poor condition, so we have to fix them up. They have not built roads. The only roads that we have right now that are of any

significance are roads that were built by NDP governments, everything from 391 to Highway 6 to 280, built by NDP governments.

What is missing is the commitment of the current government after 10 years to anything more than lip service for northerners. If people do not understand that this is part and parcel of the alienation that many northerners feel, I say to the government they have not learned a thing, and perhaps I would suggest this, and I just want to conclude on this.

I find it ironic, the Premier (Mr. Filmon), for example, because this is a well-travelled Premier. This is a very well-travelled Premier. I remember, I think it was last year, I was getting concerned that the Premier might lose his residency for health care purposes, he was out of the country so much. But, you know, this Premier has spent more time in Davos, Switzerland, than he has in northern Manitoba. This Premier has not even set foot in northern Manitoba outside of, I believe, one meeting in The Pas, one meeting since the last election.

I say to this government, and I remember the Premier when I was pointing out frustration of the people of Cross Lake, which I know the member for The Pas was talking about. He said, well, I was up North. I had a summer job up there. A summer job? In the 1960s.

I say on the record to the Premier (Mr. Filmon), after 10 years, I will compare the record of his predecessor. I will tell you, even Sterling Lyon travelled more to northern Manitoba than this Premier, but Ed Schreyer visited every single northern community. He is well known. You could talk to people in Wabowden, or remember the time he played softball in that community. You could talk about the time—you talk to Kip Thompson in Ilford, when he brought the entire cabinet up, when they took the entire cabinet caucus to Churchill by train. I will tell you that was a Premier that had a vision. That was a government that had a vision of northern Manitoba. Even Sterling Lyon spent some time in the North, I might add. There was the First Ministers' Conference—I believe it was held in Thompson in 1980. The Premier at the time did run into some difficulty. He could not remember the population of Thompson had dropped dramatically because of the downturn in the economy in Thompson.

But the bottom line is that I say it is a pretty sad comment when we have had more sightings of Elvis in northern Manitoba than we have had of the Premier. I put that on the record because we expect better. Northern Manitoba, we may not have the biggest population—with our four MLAs out of 57, we cannot rely on sheer numbers—but I can tell you one thing, and I say this because I know the people of Norway House and other communities, the flood communities, have seen this first-hand: we are the resource base of this province.

You know, the Golden Boy points north. The fact is that much of the quality of life that we have in this province is a result of that combination of industries that we have and resources. Without northern Manitoba, with its hydro, with its mining sector, with its forestry sector, I say to this government, we would not be in the position of having the kind of standard of living we have in this province. We essentially have three interconnected elements to the economy: the city of Winnipeg, which has a very significant factor in the Manitoba economy, with nearly two-thirds of the population; rural Manitoba, particularly with agriculture; but northern Manitobans are increasingly frustrated because year after year, I say through you, Mr. Deputy Speaker, to the government, they take our resources. They take the royalties from the resources. We even see now they take money from mining and put it in the Mining Reserve Fund, and then dump it into general revenue, money that comes from northern Manitoba and should remain in northern Manitoba.

This is why there is so much frustration. When the people of Norway House signed and negotiated this resolution, the Northern Flood Agreement, it was not with any great joy. It was in recognition of the many difficulties that community just had, the many people, including many of the elders who are no longer with us in many of the flood communities, who had not lived to see the day in which there is some chance to rebuild. In this case, it was not just a lost generation, but a number of lost generations.

\* (1500)

I say our commitment in this Legislature should not be just to pass this bill, which we certainly should do out of respect to the people of Norway House and their

decision, but it should be to go further and take the true sentiment, I believe, of what the Northern Flood Agreement was always about. That is, first of all, to acknowledge it as a modern-day treaty, and, second of all, to make sure that we live up to the spirit of reconciliation with the Northern Flood communities by improving transportation, by improving health, by improving education and by improving most importantly economic opportunities for the young people who are the inheritors of the damage we have seen because of hydro development.

Now, hopefully, through this agreement, and if we can get a new partnership with the federal and provincial governments, I believe we can build the future for these Northern Flood communities that will go some direction in terms of building on the kind of opportunities, the kind of traditional lifestyle, the kind of real vision that we had in those communities as recently as 20 years ago, because I have seen first-hand how those communities have suffered.

So, with those few words, I know the member for The Pas (Mr. Lathlin) has some comments, but we fully support this bill and decision of the people of Norway House.

**Mr. Kevin Lamoureux (Inkster):** I did want to put a few words on the record on this very important bill. Bill 42. Mr. Deputy Speaker, when I look at the bill, and I have had the opportunity to have a very brief discussion with the minister, generally speaking, is a very positive bill.

You know, Manitoba has benefited as a whole phenomenally through the whole issue of hydro development. The member for Thompson (Mr. Ashton) talked about the other important issues facing northern Manitoba. Even though we in the rest of the province have derived so much benefit because of the developments that have occurred in northern Manitoba, there is a more negative side to this whole story, and that story still is not complete. I look at Bill 42 as one chapter in that particular book in which, at least in part, Mr. Deputy Speaker, it is a step forward—in particular, here, we are talking of the Norway House Cree Nation and others—in the sense we are acknowledging the need for compensation. There have been many hardships. There have been many changes in lifestyle. No doubt

the member for The Pas (Mr. Lathlin) could articulate a lot better than I in terms of the dramatic changes that have happened over the years because of the Hydro development in particular.

I think that when I look at this particular bill and I see the potential future for development up North, one of the things that has to be taken into consideration, any future developments have to be done in such a fashion in which you have the stakeholders at the table sitting around and participating in the overall development. This way, we can still recognize the benefits of that economic development while at the same time acknowledge the potential negative impacts and to ensure that proper compensation is, in fact, facilitated.

So, hopefully, whether it is a Conawapa in the future or some other development, a lot more consideration would be given so that we do not find ourselves in the same sort of a situation where we are today. We do perceive this bill as a step forward. Thank you.

**Mr. Oscar Lathlin (The Pas):** Mr. Deputy Speaker, I would also like to add a few remarks to this bill. I want to say at the outset that I wholeheartedly support Bill 42 in that it makes legal the agreement that was reached between Norway House First Nation, the Canada-Manitoba governments, and Manitoba Hydro. I want to also say at the beginning that we, and in case the First Minister (Mr. Filmon) misunderstands my usage of the word "we" first person plural, by that I mean we, the aboriginal people of this province, agree with the agreement. We support the principle of self-government and self-determination.

The Norway House First Nation—*Cree spoken*—has approved the settlement negotiated between the federal government, the province and Manitoba Hydro, as I said. After 20 years, they have decided that this is the best offer that they can expect. We, of course, respect their decision to agree to the settlement, and we—and, again, I mean aboriginal people—will do what we can to ensure that the province, the government of Manitoba, Manitoba Hydro, uphold their commitments.

Mr. Deputy Speaker, I also want to acknowledge the hard work and dedication of many people. As the member for Thompson (Mr. Ashton) had indicated, there are past chiefs and councils, elders, and many

members of Norway House First Nation who have served on different committees and boards with the hope of finally settling the Northern Flood Agreement at Norway House.

I want to acknowledge those councillors and chiefs who have passed on, the elders who have passed on and will not be able to materially benefit from this agreement. However, they worked long and hard to ensure that their children and grandchildren were able to benefit from this agreement.

Of course, I want to acknowledge the dedication and hard work by Chief Ronnie Evans, his council and his elders. Ronnie Evans, in my estimation, is a great leader. He is a visionary and he—

**Mr. Deputy Speaker:** Order, please. I hate to interrupt the honourable member, but could I ask the honourable members who want to carry on a conversation to do so either in the hallways or in the loge? I am having great difficulty hearing the honourable member at this time.

**Mr. Lathlin:** Thank you very much, Mr. Deputy Speaker.

As I was saying, Chief Ronnie Evans is a visionary. He works hard and long and with a great deal of commitment in the interests of his people, the people of Norway House.

This bill in itself ratifies the agreement, Mr. Deputy Speaker. However, it cannot and does not deal with a whole host of other concerns involving the conditions that our people find ourselves in, in northern Manitoba. As I said earlier in a previous statement that I made to this Chamber, 10 years under this government meant 10 years of neglect for northern Manitoba, and the people in northern Manitoba are paying the price now. Northern communities have been suffering from the cutbacks of this government. This government spent over \$1 million on the Northern Economic Development Commission and then put that report away to gather dust, and since then no action on any of the recommendations has ever been implemented.

In fact, even copies of the report themselves have been difficult to find in any government office. Just a

month ago I was trying to—it took me about six weeks to locate a copy of that particular report. Like the AJI report, the recommendations of the Northern Economic Development Commission were never taken seriously by this government.

The legacy of this government in northern Manitoba, as I said, is cutbacks and neglect. Anyone who has travelled on any northern road—I believe the former Minister of Highways, the member for Steinbach (Mr. Driedger), had travelled by car from wherever, 373 anyway. He travelled to Cross Lake, and I understand that when he arrived in Cross Lake he was met, of course, by the residents of Cross Lake. I believe, I am told, I am given to understand, that one of the first remarks he made when he got out of his car was that he was ashamed to find the road in that condition. The member for Steinbach may want to correct me. So even the former Minister of Highways saw first-hand the conditions of the road, and he acknowledged that work had to be done. Of course, since then, nothing has been done.

\* (1510)

As a matter of fact, Mr. Deputy Speaker, the chief and council of the recreation department of Norway House First Nation had applied for membership in the Manitoba Junior Hockey League just as OCN had done two years ago. The major reason given by the officials at the Manitoba Junior Hockey League for rejecting the application by Norway House First Nation was that they could not see junior hockey teams travelling to Norway House on a regular basis, given the conditions of Highway 373. So the point I am making there, of course, is that, so long as those roads continue to be in the sad state of repair that they are in, development in those communities will take long.

Notwithstanding Bill 42, Norway House residents know that the high cost of living, limited government services, educational, and training opportunities will continue, as will the high record of unemployment.

Mr. Deputy Speaker, if I have a little bit of time here, I want to give examples, because a lot of times when I speak here in this House and I talk to members on the government side, you know, I do not think very many of them really understand the conditions, the living

conditions. When northern MLAs talk about the living conditions in northern Manitoba, I really think that they do not understand what we are talking about.

For example, in the area of education, if I was living here in the city of Winnipeg and my children wanted to go to school or university or community college, it would be cheap, because all I would have to pay for is tuition and supplies. But if I come from northern Manitoba, like Norway House, I would have to pay for room and board, groceries, clothing, transportation, everything. In other words, it costs about \$10,000 more for the people in the North to send their children south to go to university. I do not think the people, especially the members on the government side who live close to the University of Manitoba, Brandon, University of Winnipeg, I do not think they understand what we talk about when we mention those situations.

Another area is sewer and water. The First Minister (Mr. Filmon) the other day in answering questions for members from this side gave a response saying that Headingley had been neglected for far too long and that they deserve to get sewer and water. So, bang, he gave them a \$5-million grant to do that.

Now, as I was saying earlier, as well, in this House, if only he had that same commitment for the North, we would not be standing here day in and day out trying to point out to the government, trying to make them understand that they have to also look at northern Manitoba when they are spreading the resources of Manitoba across Manitoba. In other words, every Manitoban should benefit from the resources of this government, not just in the city of Winnipeg.

At the same time, Mr. Deputy Speaker, our traditional livelihoods such as trapping, hunting, and fishing have deteriorated to the point where it is no longer feasible to go out into the land and try to make a living that way. The elimination of the federal government fishermen freight subsidy program for northern fisherman practically wiped out the fishery industry in the North. The provincial government cutbacks at the same time for fishermen in the North also helped to put into further demise the fishing industry in the North, which is being done by mostly aboriginal people. These cuts, by the way, were front and centre at the recent House of

Commons hearings that were held in The Pas, Grand Rapids, and also in the Interlake.

Bill 42 is a significant step forward in the pursuit of self-government and local control, but as long as this government continues to deny that northern Manitoba gets its fair share of funding and services, communities such as Norway House, Cross Lake, Shamattawa, and others, Pukatawagan, will continue to face great challenges in coping with the high unemployment conditions facing their people in northern Manitoba.

Mr. Deputy Speaker, again, I wholeheartedly support this bill because it will mean that the residents, the members of the Norway House First Nation will finally get to see the benefits of the agreement on the flooding that took place, flooding that practically did away with their way of living in Norway House. I also want to congratulate the efforts of Chief Ron Evans and his council.

**Hon. James Downey (Minister of Industry, Trade and Tourism):** Mr. Deputy Speaker, I want to rise today to put just a few comments on the record as it relates to this bill and to compliment not only the citizens of the community but also my colleague the Minister for Northern and Native Affairs (Mr. Newman) and all those people who have been involved in accomplishing what I believe has been a tremendous achievement. It only came about because of the will and the desire of those community people who had had enough of the ongoing negotiations, the ongoing representatives of other people speaking on their behalf where they finally got involved, yes, with some advisors and, yes, with some legal counsel, but with the true spirit of wanting to get an end to what has been a long outstanding challenge.

So I just want to put a few comments on the record. I think it truly is a piece of Canadian history, and I want to further say that, under Premier Filmon and his government, this is a piece of history that I am pleased to be a part of. I know that it has taken a long time, and there were some frustrations with members opposite when they were in government that it was not able to be achieved in the time in which they were in office, but to carry on—and I am not saying this in a partisan way—the work that was accomplished from all those involved is to be commended. So I say this to the other

outstanding people who are involved in negotiations and discussions, we can accomplish the right things if all the right minds and the people work together with the right objectives and with the spirit of fairness as a basis for which it is based.

So I am pleased to be part of it, Mr. Deputy Speaker, and thank you for this opportunity to put these comments on the record.

**Mr. Deputy Speaker:** Before I pose the question, I would just like to advise honourable members when referring to members of the Chamber, we should be referring to their positions and not by name.

**Mr. Downey:** Mr. Deputy Speaker, I appreciate your direction and would correct the record to say the honourable First Minister of the Province of Manitoba.

**Mr. Deputy Speaker:** Thank you. Is the House ready for the question? The question before the House is second reading Bill 42, The Norway House Cree Nation Northern Flood Master Implementation Agreement Act; Loi sur l'Accord cadre de mise en oeuvre de la nation crie de Norway House relatif à la convention sur la submersion de terres du Nord manitobain.

Is it the will of the House to adopt the motion?

**An Honourable Member:** Agreed.

**Mr. Deputy Speaker:** Agreed? Agreed and so ordered.

\* (1520)

#### **Bill 29—The Statute Law Amendment (Taxation) Act, 1998**

**Mr. Deputy Speaker:** On the proposed motion of the honourable Minister of Finance (Mr. Stefanson), Bill 29, The Statute Law Amendment (Taxation) Act, 1998; Loi de 1998 modifiant diverses dispositions législatives en matière de fiscalité, standing in the name of the honourable member for Wellington (Ms. Barrett). Is there leave for this matter to remain standing?

**An Honourable Member:** No.

**Mr. Deputy Speaker:** No. Leave has been denied.

**Mr. Leonard Evans (Brandon East):** Mr. Deputy Speaker, I rise to make just a few comments on this particular bill. It is a bill that is brought forward by the Minister of Finance in each and every session, usually to implement the recommendations in the Budget Address which, indeed, this one does. Of course, it can enable the government to take care of some house-keeping matters, as well, some miscellaneous tax changes and the like.

But I want to say at the beginning that, although we had objections to the budget, indeed, voted against the budget—the budget, of course, including reference to many other areas of government activity including health care spending, education spending and so on—nevertheless, we are supportive of the various tax changes that the minister has brought in, and, therefore, we are supportive of this particular Bill 29.

We cannot say we are delighted with everything, but, generally speaking, we are supportive of a reduction of Manitoba's personal income tax rate, which is being implemented by this particular bill over a two-year period from 52 percent to 51. I believe, 51 percent of basic federal tax for 1998 and then down to 50 percent by the year 1999.

One could argue that there are other ways, of course, of providing tax relief for Manitobans. We have been in the past advocating property tax credits as a means of providing tax relief. We do regret the fact that the government, I believe, under the former Minister of Finance, reduced the property tax credit; I believe it was by \$75 per household. I believe at that time, along with the extension of the sales tax to include all kinds of things, including Big Macs, that the government increased its tax levies by over \$100 million. In fact, that is well documented in a memorandum prepared on this subject, or a report prepared on this subject, by the Ministry of Finance itself. So there is no question that there was an additional tax burden put on at that time.

We believe that, if a property tax credit increase is brought about, it would be brought about in a way that would be more equitable indeed than a personal income tax reduction, because obviously the people who are

going to get the greatest benefit from these reductions are those who earn the higher income levels.

Nevertheless, we are supportive of this. Also, I note that the Manitoba Learning Tax Credit is to be increased, and we are supportive of this as well. Having said that, I believe we need to do more to help our young people go to university and to go to college today. I appreciate the fact that many, many years ago there were very few programs. I think of my own time when I was a student, there was very little that would help you go to university. That is a long time ago—when the dinosaurs roamed. No, I am just being very facetious here.

These programs were not available, but at least we have something. We would like to see more, but we are pleased to see this. What I am particularly pleased with is the support given to film and video production. There is a tax credit that was introduced last year, and it has been helpful in promoting that industry. I think that is an industry that in the past has often been neglected by governments. We are prepared to provide stimulus and incentives to many manufacturers, in particular, but we sometimes—in fact, we have forgotten about the potential of this area of art. Certainly, we are supporting the arts in Manitoba through this tax credit, but also supporting a very vital industry that does create jobs for our people.

There were further tax reductions. The business tax reduction, which is essentially the primary one, is the Health and Post Secondary Education Tax Levy, a minor reduction. Again, I would state to the Minister of Finance (Mr. Stefanson) and to the government, again, you are proving the point, the assertion that I made many years ago, that this government would never ever get rid of the payroll tax. The reason, of course, is simple: it brings in too much revenue. It brings in a very significant amount of revenue. I think it is over \$200 million. Even interestingly enough, even with the minor tax reductions or reductions of this particular business tax, of the payroll tax, even with those reductions, the amount received by government really has not diminished. In fact, in some years it has increased.

So this is an area where I believe I have been proven correct. That is, even though the Premier (Mr. Filmon)

of the province, who was at that time the Leader of the Opposition, said that his government would totally eliminate the payroll tax, it has failed to do so, and, as I said, for a very good reason. The government needs the money. References have been made by the minister in reviewing this bill and in his budget speech to stimulating jobs in the province. We all want to stimulate jobs, but I do not believe that this particular bill, this particular levy, the Health and Post Secondary Education Tax Levy, otherwise known as a payroll tax, is really significant in terms of job creation or in terms of inhibiting jobs. I do not believe that is a critical factor by any means. It may have a minor influence, but it is not a critical factor.

We have to recognize and be honest with ourselves that the critical factors that affect the level of economy activity in Manitoba and that affect the level of jobs and the level of unemployment are some major economic policies and some economic programs that exist beyond Manitoba, and economic realities.

I think, first of all, of the relatively low rate of interest. Interest rates could still be a bit lower, but a relatively low rate of interest certainly helps consumption. People are more ready to borrow to purchase durable goods, consumer durables. It certainly aids in the purchasing of houses, the demand for housing. It certainly aids business that needs to borrow in order to expand the plant or equipment. So low interest rates do stimulate the economy, and we are benefiting from that. Thank goodness we are benefiting from that.

While there are some people who are very concerned about a lowering Canadian dollar vis-a-vis the American dollar, the fact is that we are being stimulated by this relatively cheap Canadian dollar. As the Minister of Industry, Trade and Tourism knows, it does enhance our exports out of Manitoba to the United States and indeed to other parts of the world because our goods are lower priced, they are more competitive, and we are selling more. That is good.

So a cheap dollar does create jobs, does stimulate the economy, and we are benefiting from that.

Of course, we should also mention the expanding U.S. economy. The U.S. economy has been on a roll

now for a few years, and we are benefiting from that. That is good. We are benefiting from that because we are selling more to the United States on that account, and we are benefiting generally from the buoyancy that we seem to see in the North American economy.

Having said all that, I am still going to maintain that there is a role for provincial government policy to affect our economic situation. I am not going to take the time of this Legislature to go into that, but there are certain policies that we have advocated, and I do not think the members opposite would necessarily oppose the need to do our very best to have a well-trained workforce, to have the highest standards of education, including technical education, to do whatever we can to enhance and stimulate technology and innovation, to do whatever we can to help small business improve their situation through all kinds of programs, helping them with marketing advice, merchandising advice to the extent that we can with government consultants.

\* (1530)

I am not saying they have all the answers, but they can make a significant difference, particularly for small and fledgling entrepreneurs. So there are some of these things that we can do and should do, but these bigger factors are the ones that play a critical role in the state of our economic health.

I note in this bill, Mr. Deputy Speaker, for instance, we refer to the mining sector. The Minister of Finance (Mr. Stefanson) introduces an exemption from the motive fuel tax on propane fuel used in drying mineral or concentrates and heating mining facilities, effective October 1 of this year. Well, that helps the mining industry, and we are not opposing this but, again, my point is that the health of the mining industry is in large measure determined by the international prices of minerals, whether it be nickel, copper, zinc, or whatever. Those are the critical factors—or gold. No matter what we do for the mining sector by way of tax relief or some incentives, they are not going to stay in business and they are not going to expand if the price is not right, if they cannot get the value on the international market for the nickel that comes out of the ground or the gold or the copper or the zinc or whatever.

Mr. Deputy Speaker, I have made a few comments about some parts of the bill. There are other details in it that, again, we do not have any difficulty with. As I said, generally we support most of the measures that are presented in this. So we are quite prepared to see this Bill 29 go on to committee.

**Mr. Kevin Lamoureux (Inkster):** Mr. Deputy Speaker, I, too, want to put a few words on the record with respect to Bill 29.

It is interesting. Over the years we have seen a government that has consistently, and I will give them that, come up with the freeze on personal income tax and, in this particular budget, it decreases personal income tax. No doubt that is going to be one of its major campaign platforms, if I were to speculate, of course.

Mr. Deputy Speaker, one of the things which I would anticipate the government would not be campaigning on is another form of taxation. That is, of course, the property tax, where it makes reference to the provincial levy. This is a more regressive form of taxation, as I am sure everyone is aware, and in that area this government has actually been moving backwards. So what we have seen is a clawback or a cash grab on the property tax, and now we see some money going back through personal income tax.

Well, Mr. Deputy Speaker, I will leave it up to you and others to draw some conclusions on that, but may I suggest that the personal income tax is much more progressive a form of taxation than a property tax. I would think that some could draw the conclusion that even though they might have a good campaign issue here, they have been very negligent with the whole issue of any sort of taxation fairness in trying to address some of the inequities and unfairness that are there that Manitobans are having to pay.

I have asked the Minister of Finance (Mr. Stefanson) on numerous occasions, and, no doubt, I will get other opportunities to ask the Minister of Finance about the whole issue of property tax, in particular, the school division portion of that tax and, in part, the provincial levy. There needs to be a lot more effort from this government, a lot more leadership from this government in dealing with that particular issue.

It is interesting and it should be noted that the purpose of this bill is, in essence, to enact the budget, changes in taxation and monetary policy and a few other minor things from what I understand. There was a couple of things, in reading through it, that I thought were somewhat interesting that I want to comment on, some very positive things, you know, the film and video tax credit. The member for Brandon has made reference to it. We have seen significant, just huge increases in that whole area over the years. I think that it is a very positive move.

Something that is always interesting, something that I had never given any thought of, everyone is concerned about that year 2000 computer crisis that is looming out there. It was somewhat thoughtful of government to come up with a bit of an incentive, a bit of a break for those who are trying to achieve that compliance. Manitoba companies will, in fact, get a bit of a tax break. I think that is a positive thing.

Another thing that I really made notice of—and I did not want to speak too long on this particular bill, Mr. Deputy Speaker—was the rebate for sales tax for new homes. I believe it is up to \$2,500 as a maximum. I think that the government of the day has to also realize that there is benefit in upgrading our current housing stock. It is nice to see a lot of the new homes popping up here and there, more often than many would like, we see it is just out in the satellite communities. For some, that is a very positive thing, but there is a great deal of concern in terms of the impact that is happening in the Capital Region if, in fact, it is not being, let us say, orchestrated or better planned out what is in the best interest of the Capital Region.

Having said that, Mr. Deputy Speaker, I do believe that the government needs to put more effort into the current housing stock that is there and to come up with additional programs to see more, whether it is in older homes in Winnipeg or in smaller communities, whether it is the Brandon or the Arthur-Virden area, up North. There are older communities, obviously, throughout the province in which the housing stock could use improvement, and I would have liked to have seen more movement in that area from this particular government. But, as I indicated, there are no doubt a number of things that one could comment on with

respect to this particular bill, but for us I do not see any reason why it could not go to committee at this point.

Thank you, Mr. Deputy Speaker.

**Mr. Deputy Speaker:** Is the House ready for the question? The question before the House is second reading Bill 29, The Statute Law Amendment (Taxation) Act, 1998; Loi de 1998 modifiant diverses dispositions législatives en matière de fiscalité.

Is it the will of the House to adopt the motion?

**Some Honourable Members:** Agreed.

**Mr. Deputy Speaker:** Agreed and so ordered.

#### **Bill 27—The Manitoba Employee Ownership Fund Corporation Amendment Act**

**Mr. Deputy Speaker:** On the proposed motion of the honourable Minister of Industry, Trade and Tourism (Mr. Downey), Bill 27, The Manitoba Employee Ownership Fund Corporation Amendment Act; Loi modifiant la Loi constituant en corporation le Fonds de participation des travailleurs du Manitoba, standing in the name of the honourable member for Burrows (Mr. Martindale).

Is there leave for this matter to remain standing?

**Some Honourable Members:** No.

**Mr. Deputy Speaker:** No? Leave has been denied.

\* (1540)

**Mr. Tim Sale (Crescentwood):** This is essentially a small technical series of amendments that will come into effect retroactively to essentially bring the act that establishes and maintains the Crocus Fund up-to-date with income tax requirements. We will be supporting this act, but in so doing I want to first of all pay tribute to the owners and managers of the Crocus Fund, the many thousands of Manitobans who are its shareholders and its very, very diligent staff who have made an exceptional success of this labour-sponsored fund.

This is truly a Manitoba project sponsored by the Manitoba Federation of Labour with a board representative of Manitoba workers and supported by this government and by the previous government that helped to establish the approach to developing capital pools within Manitoba that could be used to support Manitoba business expansion, the retention of jobs and, most importantly, in terms of the actual name of the act, the ownership on the part of employees of Manitoba companies.

The Crocus Fund has done outstanding work to make it possible for employees of, for example, Green Gates or Wow food concepts, and other companies that they have invested in over the years, OpTx being a current one, Westsun, many, many different successful Manitoba companies, to develop not only a reach for their products beyond our borders as a province but to develop an equity stake in these companies on the part of their employees. This obviously increases the employees' commitment to their companies, to their work. It allows for the fair sharing of the results of their hard work amongst all levels of the company. So this fund has been an outstanding success on the grounds of its fostering of capital pools and its fostering of employee ownership.

Even more impressively, Mr. Deputy Speaker, Crocus Fund had the most outstanding record of all labour-sponsored funds in Canada last year. When I first invested in the Crocus Fund some years ago now, I was actually told by my broker, who arranged this investment through my RRSP, that perhaps this was not a wise investment. I was rather surprised that a Manitoba broker would say that, but that is what this broker said. He said it was not a wise investment because, first of all, the fund had no track record, which, of course, was true at that time, but also because my funds would be locked in for a long term, and I would not be able to access them.

I think, happily, that advice has been proven wrong. It has been an outstanding rate of return in comparison with other labour-sponsored funds. In fact, any time that an investor can help create and support jobs in a province and can help establish Manitoba employee ownership and still have a return of 13 percent, 13.7 percent to be exact, over a year in a fund that is doing those things, I think Manitoba investors have done very

well indeed. That, of course, is not taking into account any of the tax credits which are available to investors which further offset the cost of Manitoba investments.

Mr. Deputy Speaker, on the other side, we also last year witnessed the government putting in place some competition with the Crocus Fund in the form of the ENSIS Fund managed by the good friend of the government, Mr. Bill Watchorn. It is interesting making some comparisons between Crocus and ENSIS. We have the Crocus Fund managed by Manitobans, owned by Manitobans, investing in Manitoba companies, successfully pulling capital together so that Manitobans could further strengthen their own economy. In the case of ENSIS, we have a rent-a-union, unfortunately, a federal union that has only 124 employees in Manitoba, as opposed to the Manitoba Federation of Labour representing way over a hundred thousand Manitobans in the labour movement.

We have a company that was not confident enough in their own ability to market this fund in distinct contradistinction to what Crocus did, so what did ENSIS do? It hired BPI, a large mutual fund manager out of Toronto, to provide a management function to this new fund. What benefit did that action have for Manitobans? Well, I think we can see what the benefit was. In the first year, ENSIS hoped to attract between \$10 million and \$20 million in investment. They received less than \$4 million. Crocus attracted about \$17 million in that same period of time.

So, Mr. Deputy Speaker, unfortunately the government did not believe in its own concept. Instead of staying with a truly Manitoba-based competitor to Crocus, if indeed we even need a competitor, they allowed what happened in Ontario. What happened in Ontario did not do good things for the labour-sponsored investment funds business in Canada, because rent-a-union means that those who had a real stake in it are not present at the table, who ought to have a real stake in the fund are not present at the table. So the national union, based in Ottawa, that has nominal interest in the ENSIS Fund, has a couple of named representatives on the board, neither of whom reside in Manitoba.

The ENSIS Fund is not big enough that it can make any investments this year. So what did it do? ENSIS contracted with one Clayton Manness for \$250,000 to

his company, Man Agra. ENSIS contracted the process of bringing them deals.

Now, Mr. Deputy Speaker, I am not an investor, but I have read a few prospectuses, and it is not normal to try and fund somebody to bring you deals. In fact, someone who needs investment capital usually has to pay to go and get that capital. It has to get somebody to help them go get it, and it pays them a fee, a finder's fee, if you like. It is extremely unusual for a capital pool to be so hard up for good deals that they have to pay money out of their capital pool, a quarter of a million dollars, to a former Finance minister to bring them deals.

This is a very questionable transaction, Mr. Deputy Speaker, when a brand new fund, supported by this government, supported by this government's loan of \$350,000, has to go to a former Finance minister with \$250,000 and say, Mr. Manness, bring us your good deals. This is very strange. If, indeed, as the Deputy Premier and Minister of Industry, Trade and Tourism (Mr. Downey) has asserted, there is a shortage of capital in Manitoba, shortage of capital available for Venture Capital kinds of projects, why would a fund have to pay another party to bring it deals? This is a very strange transaction.

So the Crocus Fund does not have to hire somebody to bring them deals. When somebody is wanting to get an investment from the Crocus Fund, they approach the Crocus Fund. The Crocus Fund does not pay them to come. Why did ENSIS enter into a \$250,000 contract with Clayton Manness to bring it projects? If it was a sound capital fund in the first place, people would be beating down the doors asking for them to invest in their company. ENSIS does not need to pay somebody else to bring it deals, but that is what they have done with \$250,000, according to at least the press releases that were put out at the time of its founding.

So, Mr. Deputy Speaker, we support this legislation. We did not support the legislation that brought into place the ENSIS Fund because it was, we suspected, simply a shell to allow Mr. Watchorn to rent a union somewhere. Now it has turned out, not only to rent a union, but to give a former Finance minister \$250,000 to bring it deals. When governments do that kind of thing, they run the risk of putting at jeopardy the good

work that was done by funds like Crocus under labour management with full labour participation, with the labour movement of Manitoba behind them. Instead, they have a union based elsewhere, a management company based in Toronto, and are paying a quarter of a million dollars to a former Finance minister to walk deals into their board room. They bring into a real question of credibility their own intent at providing support for labour-sponsored investment funds.

We support these technical amendments and expect that the labour, that the Crocus Fund, the real labour-sponsored investment fund in Manitoba, will continue to succeed as it should do, given the hard work of Manitobans to establish it, to manage it, and to find the good investments that it has made over the years to make it an outstanding success.

Thank you, Mr. Deputy Speaker.

**Mr. Deputy Speaker:** Is the House ready for the question? The question before the House is second reading Bill 27, The Manitoba Employee Ownership Fund Corporation Amendment Act; Loi modifiant la Loi constituant en corporation le Fonds de participation des travailleurs du Manitoba. Is it the will of the House to adopt the motion?

**Some Honourable Members:** Agreed.

**Mr. Deputy Speaker:** Agreed. Agreed and so ordered.

\*(1550)

### Bill 18—The Registry Amendment Act

**Mr. Deputy Speaker:** On the proposed motion of the honourable Minister of Consumer and Corporate Affairs (Mr. Radcliffe), Bill 18, The Registry Amendment Act; Loi modifiant la Loi sur l'enregistrement foncier, standing in the name of the honourable member for Flin Flon (Mr. Jennissen). Is there leave that this matter remain standing?

**An Honourable Member:** No.

**Mr. Deputy Speaker:** No. Leave has been denied.

**Mr. Jim Maloway (Elmwood):** Mr. Deputy Speaker, I will be the only speaker from our side of the House on this bill, and on the conclusion of my remarks we will be agreeable to sending this bill to committee.

Mr. Deputy Speaker, this is certainly one of the most important bills that this minister will be introducing this session, but I do feel that it leaves out provisions that we feel are relatively important and should have been dealt with. Certainly that has to do with the declining property values here in the city of Winnipeg. This government, over the last 10 years that it has been in power, has done next to nothing to try to reverse a trend which is leading to declining property values and other serious problems in the core area of the city.

For example, Mr. Deputy Speaker, one of my constituents in the last few months brought to my attention a case where a house that they had inherited through an estate was sold for, I believe, \$11,000 or \$12,000. This is after an appraisal of just 18 months ago showed the property to be worth around \$25,000. The city tax assessment indicates that the property is worth around \$30,000. What has happened is that over the years—in fact, another case that I recall, I believe a house on Beverley, was sold, after I believe 10 years, last year for roughly \$10,000 less than the people bought it for 10 years ago, and it was relatively well-maintained property. On Langside Street, an appraiser that I was speaking to a few months ago told me that there were incidents where the houses are being sold for the lot value of around \$6,000.

You could imagine the shock that people have when they bought houses 20 years ago in good faith and, like the majority of people in the city, expect that after 20 years of paying down their mortgage, they would have a mortgage-free house and a house that at least had kept up with the inflation rate. It is agreed that Manitoba is not a boom market, never really has been, but it is a dependable, stable market over a number of years. You can imagine the shock of my constituents and other constituents who are in the core area when after 20 years they find that the house property values are worth less than what they paid for the house. So if you purchased a house for \$40,000, 10 years ago, and you have been paying the mortgage off for the last 10 years—well, we will say 20 years—and the house is paid

off, this house now is worth half of what you paid for it in the first place. That is part of the sad truth.

In fact, this problem is getting worse; it is not getting better. This government is showing really very little indication that it really understands the problem. It is not a question of whether they are going to do anything about it. It is a question of them even recognizing there is a problem first and then dealing with it.

Mr. Deputy Speaker, I think I know what the fundamental problem is. That is that there is no political representation on that side of the House in the areas affected. The people in that area of town have the good sense to not elect Conservative MLAs because they know what happens when they do. I think that it is almost a neglect on the part of the government because they do not have representation in the area, so they simply walk away from the problem, show no interest in it, and are more concerned about building bridges in Charleswood and keeping people in their own areas happy. They take care of the hospitals in their areas of political support before other areas, and that is clear in their actions over the last 10 years.

Now, there is a fundamental belief in this minister in the free market conditions, and he is simply typical of the rest of the members of this government in terms of their philosophy. He should understand that, when you follow the free market to its logical extension, you have poorer people getting poorer and richer people getting richer. Of course, he and his friends do not worry about things like that because they happen to be on the other side. They happen to be on the richer side of things, so they are enjoying their circumstances because their circumstances are getting better. However, if they were on the other side, they would see that things are slipping and they are slipping fast.

For example, we have seen evidence over the years, and certainly recently there is a group that has been formed to deal with empty and boarded houses that are a blight in the area. This group has been active recently to try to change some city by-laws to get slum landlords to tear down houses. What is typically happening is that slum landlords who own houses in the core area simply take the rent out of the properties, let them run down. The houses get run down, and, rather than tearing the houses down, they simply walk away from

the problem. When forced, pushed by the authorities to do something about it, they simply change the houses from one owner to another to simply buy time.

*Madam Speaker in the Chair*

Given that a goodly number of the members of this current Conservative caucus come from via the City of Winnipeg as city councillors, they should know that the city has to take some steps to tighten up the rules to make certain that people who own properties in the area are required to tear down these derelict houses and improve the properties and not let them slide into the state of disrepair they have over the last little while.

Another area that we have to look at is just the whole declining area or the traits of the declining area. We had the member for Burrows (Mr. Martindale) today talking about the number of bank closures in the area. You know, you do not see that happening in the minister's constituency of River Heights. We have the banks, the Royal Bank, in particular, closing down numerous banks in the area. You know, it is not because the banks are not profitable; it is just that they are not profitable enough, given their scale.

The corporate greed at the end of the day will backfire on these people because what you are going to see if the banks keep concentrating on foreign exposures and foreign involvements at the expense of servicing the Canadian population, what will happen is they will find themselves over a number of years further and further alienated from the people that they are supposed to be representing. What you will find is their market will be chewed up, will be eaten up by substitutes. Those substitutes will be the credit union movement. This may, in fact, be a good side.

We have had the responses to the bank mergers and so on, and I have observed it several times now that, in fact, the banks may be cutting their own throats here, that they may be voluntarily—I know of no business that voluntarily gives up markets that are profitable, and this is what you have happening here. You have these banks withdrawing, not because they are not making a buck, but because they are not making enough dollars, so say their board of directors and their president from Toronto. No concern. These overpaid bank presidents who earn \$3 million a year, these overpaid bank

presidents that this minister defends on a daily basis. This minister defends the bank presidents that he identifies with, that he is involved in, or that they lobby him for support. He is certainly a compliance target. [interjection] A doormat, the member for Thompson (Mr. Ashton) says, for the lobbyists from the banks.

Madam Speaker, we have seen in other areas of town that, when you have pool halls, tattoo parlours, massage parlours, pawn shops and all these other enterprises, Money Marts, being set up in an area, you can see the area start to decline. We saw that in the Sherbrooke area, west Broadway area, in the Ellice area. We see that in the north end, and we see that moving now into other areas of the city. I think it is incumbent upon us as MLAs to make certain that zoning changes are approved at the civic level, certain types of zoning to prevent this type of commercial activity from setting up because it is like a magnet. When you have one, the rest of the commercial activities follow from there.

Certainly this government needs to embark on activities for children to keep children active and to promote healthy families in the core area, and we do not see a commitment on the part of this government to solve any of these problems.

With those few remarks, Madam Speaker, I move that we send this bill to committee for further discussion.

\* (1600)

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, I want just to add a few words to Bill 18 prior to its going to committee. From what I understand, this particular bill allows the provincial government and the federal government an exemption to Sections 18 and 19 of the Registry Act. In essence, it allows for faster legal transfers of lands between the two senior levels of government.

I think that is the primary purpose of Bill 18, but I listened to what the member for Elmwood (Mr. Maloway) was talking about and would concur with some of the points, not most of the points, but definitely with some of the points. I think a major part of the answer has to be the whole issue of revitalization of communities. That is best done through a very progressive, positive actions at the community level,

whether it is issues such as community policing to revitalization programs.

Earlier I was talking on Bill 29 on the importance of improving our housing stocks, in particular, in older communities. The best answer to the member for Elmwood's (Mr. Maloway) statement, I believe, is one of having a more proactive government in redevelopment or revitalization programs that will bring more houses being fixed up in the local communities, therefore, giving families more stability in the communities.

Those things would be very positive, providing good programming, whether through community clubs or other nonprofit organizations, Madam Speaker. That will do a lot for ultimately increasing the value of homes in so many of the communities that are out there. The government has been very negligent in that whole area, and we trust at some point in time that that will change.

Thank you, Madam Speaker.

**Madam Speaker:** Is the House ready for the question? The question before the House is second reading of Bill 18, The Registry Amendment Act. Is it the will of the House to adopt the motion?

**Some Honourable Members:** Agreed.

**Madam Speaker:** Agreed? Agreed and so ordered.

### **Bill 57—The Regional Health Authorities Amendment Act**

**Madam Speaker:** On the proposed motion of the honourable Minister of Health (Mr. Praznik), Bill 57, The Regional Health Authorities Amendment Act (Loi modifiant la Loi sur les offices régionaux de la santé), standing in the name of the honourable member for Transcona (Mr. Reid). Is there leave to permit the bill to remain standing? Leave?

**An Honourable Member:** Leave.

**Madam Speaker:** Leave has been granted.

**Mr. Tim Sale (Crescentwood):** Madam Speaker, this bill was introduced at the last minute in the session and

introduced in xeroxed printed form. It was not in its normal published form. It was a great hurry to get it introduced, and I think that we can see why that was if we go to Section 44, which is the issue of an operating agreement with a health authority.

This is an amendment which inserts a whole new subsection into the other act that it is amending, The Regional Health Authorities Act. Essentially, it puts in place a bogus mediation procedure. I cannot believe that members opposite will actually vote in favour of this act, because if they were to be asked on the street corner in their home town: would they agree to a procedure of appointing a mediator and going through mediation, if the end result of the mediation process is the ability of the minister to impose a settlement anyway? Not only is the minister in possession of a settlement—the result of failed mediation—it is binding. There is no appeal.

We have a Minister of Health (Mr. Praznik) who is so unconfident of normal mediation and arbitration's effectiveness, so unconfident of the ability of the health authorities to enter into fair agreements, so unconfident that the normal procedures of arbitrating agreements that are difficult that he wants to bring in the kind of legislation which makes him the designated authority under the act, the designated authority to offer mediation, the designated authority to choose the mediator, the designated authority to review the results of the mediation, and the designated authority to impose on the parties his solution.

Why would anybody even bother with mediation? Why do we not just say, well, you want to be king for a day, Mr. Minister, why do you not give us your solution now? Why waste the money of the health authority and the hospital or the personal care home or the private corporation that are trying to mediate some kind of reasonable agreement? Why waste time? Why not just put the minister in charge of it all, and let him say we are going to do it this way; this is my solution.

What kind of legislation? I ask particularly the rural members opposite here who have hospitals and nursing homes in their communities that have provided long and valuable service to the people who built them and, in many cases, paid for them, sometimes with public help, sometimes with very little public help. I ask them

to think about what it would be like to be the operator, owner, board of directors of the hospital or personal care home in their community and to have an issue which they perceive to be very important to their institution, as was the case with St. Boniface and Misericordia and Concordia and Grace hospitals in the city of Winnipeg, and to have the Minister of Health say, well, you can mediate if you want, but at the end of the day I am going to make the decision.

How would members opposite, the member for Arthur-Virden (Mr. Downey), the member for any of the rural areas represented here—Portage la Prairie (Mr. Faurchou), Roblin-Russell (Mr. Derkach)—how would they feel if their hospitals were told mediate if you like, but at the end of the day I will make the decision? What mediation is that? What is the point of this legislation?

Well, the point of the legislation, unfortunately, is transparent. The point of the legislation is the Minister of Health (Mr. Praznik) has decided he is finished talking. He is finished discussing. He is now going to impose his solution. He is going to tell the faith-based hospitals, and anybody else who wonders, just how things will be in his health care system. He has forgotten that it is our health care system. He has forgotten it was built by women and men who built voluntarily personal care homes and hospitals and institutions like the VON, the Red Cross and others, Madam Speaker, who provided valuable service, invaluable service, in fact, to the people of Manitoba.

He is tired of the process of talking. He is tired of the process of working together to work out solutions, and he is going to use this act to impose his own solution. He is not committed to the notion of arbitration. He is not committed to processes of negotiation. He wants a hammer, and the hammer is Bill 57 introduced in haste at the end of the session with the hope that it would just slide through the House, because it looks like it is just a few technical amendments to the mediation process.

This bill gives the Minister of Health absolute totalitarian control of every facility, every organization, every unit that delivers health care in this province, because at the end of the day, if he does not like the agreements reached between regional health authorities or the Winnipeg health authorities and any given

institution, he can impose the solution under this legislation. I say that is a shameful, shameful approach to the process of building a stronger health care system for all Manitobans, that this Minister of Health has the arrogance to believe that his solution is the only and the right one, and that at the end of the day he should have the power to impose it, not only the power to enter into mediation, but the power to determine the outcome of mediation.

There are members of the legal community opposite, and, indeed, Madam Speaker, the minister himself is a member of that community. Would he in his capacity as a lawyer ever agree to a process at the end of which one party to the process can determine the outcome? The answer is no. As a lawyer, he would stay miles away from that process. That is a bad process because it is not fair. It is not equitable. It is not evenhanded.

\* (1610)

The Minister of Health (Mr. Praznik) would not allow that for a minute in his capacity as lawyer, but in his capacity as Minister of Health he likes it because it gives him more power than any other Health minister has ever had to impose his will on faith-based institutions, to impose his will on every community institution that delivers health care, on every voluntary organization that delivers health care in this province.

This is an unprecedented grab for power by a minister who has failed to work in a conciliatory manner with the institutions of this province that deliver our health care, and so he has decided to heck with conciliation, to heck with mediation, I will take control. That is what he has done through Bill 57.

It is a shameful piece of legislation. It cannot be amended. It should be withdrawn. It should be stricken from the Order Paper, because it interferes in a way with our faith-based and community-based organizations, with every hospital and every personal care home in this province. It simply takes away their autonomy once and for all and strips away the charade that these are community based, strips away the charade that he cares about regional health authorities and is prepared to trust them, and puts in his hands all of the power to determine all of the substantive issues that affect all our health care.

It is a shameful piece of legislation. It should be not only defeated, which it should be, it should be withdrawn and stricken from any kind of reference in the record.

**Madam Speaker:** As previously agreed, this bill will remain standing in the name of the honourable member for Transcona (Mr. Reid).

### **Bill 36—The City of Winnipeg Amendment and Consequential Amendments Act**

**Madam Speaker:** To resume adjourned debate, on the proposed motion of the honourable Minister of Urban Affairs and Housing (Mr. Reimer), Bill 36, The City of Winnipeg Amendment and Consequential Amendments Act (Loi modifiant la Loi sur la Ville de Winnipeg et modifications corrélatives), standing in the name of the honourable member for Selkirk (Mr. Dewar).

Is there leave to permit the bill to remain standing in the name of the honourable member for Selkirk? [agreed] And also standing in the name of the honourable member for Wellington, who has unlimited time.

**An Honourable Member:** Just keeps on going and going.

**Ms. Becky Barrett (Wellington):** The Energizer bunny just keeps on going and going and going.

Madam Speaker, in my earlier comments, I outlined the outline. Now, today, I would like to talk about several elements, depending on the time that I have remaining today.

I would like to talk about the Cuff report, which is the genesis of most of what is in Bill 36, how it is shaped, how it fits into the evolution of the city of Winnipeg. I would like to talk about a couple of major other reports like the report that led to the origination of Unicity in the early '70s and the Cherniack report and the previous government's response to that report, then some items from the debate on a bill in 1991, earlier amendments to The City of Winnipeg Act. Then I will go into a bit about what the current situation is in the city of Winnipeg as seen by several people who have spent a lot of time looking at it. Then finally, if I have

time this afternoon, I will begin discussing some of the elements of the Cuff report, the process and the conclusions that went into that report.

Again, Madam Speaker, I would like to reiterate that the reason there is a bit of time being spent by myself on the Cuff report is that it forms the vast majority of the elements of Bill 36. I think that where that came from and how it was arrived at and the conclusions that Mr. Cuff arrived at and the process of the Cuff report are important in our understanding of the basis of Bill 36.

Madam Speaker, the city of Winnipeg has not been a city except since 1873 when it was incorporated, but it has been an area, as we spoke about earlier, a meeting place for well over 6,000 years. It has been a centre, a larger or smaller centre, for that length of time. So we are not talking about a new entity here. We are talking about an area that has been involved as a community of one sort or another for, as I said, about 6,000 years.

These next comments and information come from Mr. Cuff in his report in a brief history of the city of Winnipeg. I am going to speak to it very briefly, because it does talk about how the city itself has evolved and has changed in its governance over the years. As I said, in 1873, it was incorporated and there were four wards of three aldermen each—and I emphasize aldermen because until very recently, they were all men—so 12 representatives for the city in 1873 when I think the city may have had maybe 50,000 people. Each ward had a fairly small number of people to represent it.

In 1872, the wards were increased to six, so, again, fairly small numbers of constituents. In 1884, they reduced the number of aldermen from each ward from three to two; so, again, it is changing. In 1906, Elmwood was designated as a seventh ward; so, as the city increases in size, the number of wards increase. In 1920, just after the First World War, the wards were reduced from seven to three while the number of aldermen increased from 14 to 18. So while the geographical area was smaller, the number of representatives was increased.

In 1955, the province established the Greater Winnipeg Investigating Committee, which I believe was

probably the first committee that looked at the city of Winnipeg. Their mandate was to examine problems caused by a fast growing suburban area around the core—seven cities, two towns and 14 rural municipalities. Now this is where we start getting into our “modern” situation, but even 43 years ago, there were problems with the fast growing suburban area around the core. Madam Speaker, imagine what Winnipeg could look like today if 43 years ago we had actually started really effectively addressing the issues relating to the city of Winnipeg and its surrounding areas.

In 1959, that committee concluded that long-term planning was impossible, as the area was currently configured, and recommended an amalgamation of major urban services. So, again, they are starting the feeling that the capital area needs to have an amalgamation of services to be more efficient and effective. In 1961, some of those things did take place. Metropolitan Corporation of Greater Winnipeg was charged with the responsibility for water and sewage, property assessment, transit, regional streets, regional parks. While that did change in the next decade to Unicity, the Metro did start the process of people thinking about the need for a larger entity to ensure better services.

In 1971, under Bill 36—coincidentally the same number of the bill we are addressing in this session—Unicity was created. There were 13 separate civic governments that were united into one city, and The City of Winnipeg Act was born. There were 50 councillors, one from each of 50 wards, and a mayor elected at large, all elected for a three-year term. Also, there were 13 community committees established, and they were to deal with more local jurisdictions. Resident advisory groups were also established in 1972 to be elected at community committee meetings to provide direct citizen participation to the committees. These two community committees and RAGs were very important for what is happening in Bill 36.

\* (1620)

In 1975, Judge Peter Taraska put in another review which recommended the reduction in size of City Council from 51 to 39 members and streamlining the administrative structure. In 1977, the community

committees were reduced from 12 to six, and the number of wards were reduced to 29. So all the way through here, we are moving back and forth, up and down, changing. From 1984-86, The City of Winnipeg Act Review Committee, the Cherniack Report, had made some recommendations to the then NDP government, and I will talk about those in a little more detail later. In 1987, the province released a white paper in response to the review committee proposals, and I will speak about that later. I will say, Madam Speaker, though, that one of the major concerns that has been expressed throughout this process that has culminated in Bill 36 is the lack of real, meaningful, public input into the process.

In the Wards Boundary Commission in 1991, in The City of Winnipeg Act Review Committee, the Cherniack in 1986, and the Taraska report in The City of Winnipeg Act that led to Unicity, every single one of those commissions held extensive public hearings throughout the city, and they held them locally. They held them in the evening when people could come. There was none of that with the Cuff report, and there has been none of that with The City of Winnipeg Act, Bill 36.

The province, after the Cherniack report was tabled, did a white paper, a very extensive white paper, which I will address in a few moments. This government has done nothing. They have virtually rubber-stamped what the gang of 12 at City Hall has asked for.

In 1988, the Boundary Commission recommended changes to the boundaries of the 29 wards to guarantee an average population of 20,500. Now, in 1991, the province followed the Winnipeg Wards Review Committee, although my understanding is that, in the debate in 1991 in the Legislature, the Eldon Ross committee was charged by the province as part of its terms of reference to recommend a reduction in City Council from 29 to 12-15 wards. So the Ward Boundary Review Commission did not have a real independent mandate. Of course, it followed its terms of reference and recommended the reduction, even though many of the people who presented at public hearings, and certainly those who presented at the public hearings held here in the Legislature in that time, said this was a bad thing. So we can see that there have been a number of changes to the City of Winnipeg

structure over the last century and even over the last 25 years since we became Unicity.

Briefly, to discuss the concept of Unicity, the proposals for urban reorganization in the greater Winnipeg area that were from the Schreyer government in 1970 stated, and I quote: Almost all of the urban area's difficulties stem in whole or in part from three main roots: fragmented authority, segmented financial capacity, and lack of citizen involvement.

I would suggest, Madam Speaker, that phrase, that statement, is as relevant today as it was 28 years ago. Even though we have had three reports and a number of amendments to The City of Winnipeg Act, we are dealing with the same issues today as we were then, and we are working backwards rather than forwards.

Unicity was designed to unify services and decentralize political processes so that the quality of local government could be improved and the citizens of greater Winnipeg would have a greater say in the policies and programs that affect them. There are two principles here, two principles that are being destroyed by Bill 36, the unification of services and the decentralization of the political processes, so that the citizens could have a greater say in the policies and programs that directly affect them. That was the goal of Unicity.

The number of representatives was 50, and that was a reduction. Actually, that was a centralization, if you will, from the 13 local communities to one Unicity. So there was a reduction by half of the number of councillors that represented people in the new, amalgamated Unicity. In recognition of that fact, the Unicity process put in place community committees and resident advisory groups, so that we would have a more efficient representative process through 50 wards instead of 100. At the same time, we maintained a local community orientation through community committees and the RAGs, so that citizens would have ready access to local government.

Unicity provided for a number of levels of government that citizens had access to. They could talk to their RAGs. They could be members of the residents advisory groups. They could talk through them to the community committee, which was put in place in order

to enable citizens throughout the city to have a local voice. Then they could go to the standing committees, and they could also go to the City Council. So there were a series of avenues for people to have access to local government. Much of that has been reduced or eliminated through the changes that took place in 1991, and the changes that are being proposed now.

The Cherniack report again reflected this. The Cherniack report recommended reducing City Council from 50 to 24, or from 29 to 24, sorry, but, because again you go back and forward and have to be flexible in the number of residents that you represent, they said the City Council should be policy driven and responsible for the overall elements of city business, while the community committees need to be empowered to tailor and allocate local services and be responsible for local planning within the overall planning policy of the city. Again, it is a balance between the City Council numbers, with overall policy authority, and the local input by RAGs and community committees.

The government of the day, in 1987, the NDP government in its white paper addressed many of the issues that were raised in the Cherniack report. The government said that the city had now arrived at a point where there is a need for greater political leadership and action in order to make Winnipeg a leading Canadian urban centre, one whose government is accountable and responsive to the needs and will of its electorate.

When you read the Cuff report, the language is very similar. Cuff says that we need to make Winnipeg a modern capital city that is reflective of the needs and aspirations of its citizens, but the devil is in the detail. The NDP government, in 1987, their response and their implementation of these principles is far different than that seen in Bill 36.

The government 10 years ago also saw that there were problems, as the Cherniack report stated, with the relationship between the administration and the elected officials between the various levels of government in the City Hall, and recognized that, as does the Cuff report, but again their suggestions for implementation are very different.

The white paper recommended that the members of the Executive Policy Committee would be nominated by the mayor and elected by council, instead of what is being recommended in Bill 36, which is the mayor has the sole authority to appoint members of the Election Planning Committee.

The province, in 1987, recognized the need to enhance local control over local matters, especially if you are reducing the number of city councillors, and the need to have greater decentralization of political planning and budgetary authority to the community committees, so there remains that balance. The government of the day, as I said, did not just rubber-stamp what Cherniack had said or anything anybody else had said. The government of the day actually went out, discussed things with the city, discussed things with other people and produced a white paper before they produced any legislation so that the public would have an opportunity to see what the government was thinking about and have some meaningful input.

\* (1630)

The government said that The City of Winnipeg Act should provide the citizens of Winnipeg with responsible political leadership and clear democratic accountability. It supports the objectives of enhancing local control over local matters without detracting from city-wide interests, and this is totally antithetical to what is happening in Bill 36, where local control is being destroyed and power is being put in the hands of an oligarchy.

The government, and I am quoting here, resists the notion that a reduction in the number of councillors would automatically make council more efficient, and I think we have seen this in the outcome of the changes in 1991 to The City of Winnipeg Act, where the number of city councillors was reduced from 29 to 15.

I do not think there is a citizen in the city who thinks that City Council has been more efficient and more responsive to their needs. That is not to cast aspersions on city councillors. It is to say that you get down below a certain level and you cannot provide responsive local government and you will be able to provide even less responsive local government when you have no community committees, no RAGs, no input from the

citizens of Winnipeg and perhaps no input from half of the members of the City Council.

The government in the white paper talked about the make-up of the standing committees and the Executive Policy Committee, and here again, recognizing the need for there to be representation on these committees from all segments of the city, stated that a councillor from each of the six community committees as elected annually by the community committee councillors should be on the Executive Policy Committee. Well, not only do we not have that, in Bill 36, there is no guarantee that a city councillor will be present on any of the standing committees. The standing committee composition can be established by the mayor and/or the EPC. So half of the city councillors could be completely eliminated from any of the standing committees.

Again, the white paper talks about proper co-ordination and balance between local and city-wide perspectives, all areas of the city to be represented on the Executive Policy Committee, which will enable each area of the city to have someone on the Executive Policy Committee or "the cabinet" so that local concerns can be on the table when you are discussing city-wide issues. This is not happening today and it will happen even less if Bill 36 is passed.

It is also a two-way street because if you have local representation, if you have a representative from each community committee area on the EPC, then you not only have information going from the community committees to the EPC, but you have a reversal of that information flow, so you have people from the Executive Policy Committee being able to go back to their local community committees and say: yes, this is what is our concern here, but let us put it in the city-wide context. This is not going to happen under Bill 36.

The government in 1987 was willing to give the city a great deal of latitude in establishment of standing committees subject to only two principles, and I quote, that each member of council must be represented on at least one standing committee and that the proposed balance on Executive Policy Committee between the six community committee representatives and the mayor and the five city-wide appointees be preserved.

So, again, there would be two-way communication, representation from all parts of the city, and a balance at City Hall. This is not happening now because the current government in 1991 did not see fit to put this in place, and it is going to be even more emasculated in Bill 36.

In the white paper, the government also says that citizen participation continues to be a government objective worthy of preservation and expansion. You cannot say that about the Cuff report, and you cannot say that about the request that came out of the Cuff report from the city to the province, and you most certainly cannot say that about Bill 36. Citizen participation will not be preserved and expanded. It will be reduced, and in some cases eliminated. It is an objective of the City of Winnipeg, according to the government in 1987, to create a greater and more meaningful level of citizen involvement in local government. Back to the democracy issue. If you do not have meaningful participation by the citizens, you do not have democracy, and you do not have good government.

Legislation can provide the opportunity for citizens interested in local issues to have a voice and to be heard. You cannot force people to be involved, but you can provide the opportunity. The government said the provision of statutory opportunities is a means of ensuring at least a basic and universal level of access for citizens to their local government system. We will not have a basic or a universal level of access for citizens to their local government systems under Bill 36, because there is no statutory requirement for any kind of community input, for any kind of requirement for the city councillors to have some local input.

Madam Speaker, that is a very brief overview of what the provincial government in 1987 was talking about. They recognized, as this government has chosen not to, the need for local participation, the need for democracy, the need for accountability, the need for balance between structures in the city of Winnipeg. We see today what a nonrecognition of those principles has led to, and in Bill 36 it is a continuation of that antidemocratic situation.

\* (1640)

In 1991, Bill 68 was presented before the Legislature which basically, among other things, but the most important part of that piece of legislation was the reduction in the size of number of city wards from 29 to 15. The minister then, the then Minister of Urban Affairs, the then member for the constituency of Charleswood, stated, as has been stated by every Minister of Urban Affairs and by every report, that these amendments are aimed at strengthening the effectiveness of local government of the City of Winnipeg, that this will make political accountability more visible, enhance political leadership within City Council, effective urban government and balance the consideration of local area need with what is needed for the city at large, virtually the same language that the current minister used in introducing Bill 36, that the Minister of Urban Affairs in 1987 talked about in 1987. However, Madam Speaker, in only one of those cases, one out of the last three, can we say that the actions fit the words. In 1991, Bill 68 did not do this, and Bill 36 most definitely does not balance local needs with what is needed for the city at large.

The minister then said if the reduction to 15 councillors with a strong mayor does not change things at City Hall, then other possibilities will have to be examined in the future. If we had been pressing into 1991, we might have been able to look ahead and say, oh, oh. Actually, I think we did look ahead and say, oh, oh, because this government is not interested in providing more democracy at City Hall. Their changes will only be worse, and that has been proven true.

The Minister of Urban Affairs in 1991 said that "timely decision making becomes more difficult with a large council." My comment when I read that was, yes, Madam Speaker, democracy is messy. It is not efficient. It is certainly not as efficient as a dictatorship or as an oligarchy, but the whole point of democracy is not the end result of efficiency at the exclusion of everything else. That is what Bill 68 did when it reduced the number of city councillors, and that is what Bill 36 is going to do.

The minister then talked about the trend among Canadian urban centres is toward smaller councils and that reducing the number will bring it in line with other Canadian cities. Both the member for Wolseley (Ms. Friesen) and myself in speaking to that bill in 1991

stated that Winnipeg is unique, as I have stated in my comments last week. We have a unique situation, unique neighbourhoods, a unique composition of a variety of socioeconomic strata, of ethnic strata, of political strata. We are unique in having come from a number of small communities that still retain their neighbourhood characteristics only 25 years ago, 26 or 27 years ago. So we do not need, nor should we look like other cities. We should have legislation in place that responds to and reflects the unique characteristics of Winnipeg. Bill 36 does not do that. It changes it. It makes it worse.

Madam Speaker, very briefly, what is the current situation? I am going to quote here briefly from Glen Murray who is a city councillor and a man who is running for mayor and a man who has said publicly that he does not need nor does he want the elements of Bill 36 in this legislation. I quote: City government in Winnipeg has steadily been transformed from a group of politically independent municipalities with local autonomy to a highly centralized, one-tier, regional city government soon to be directed by a powerful superbureaucrat and with political power vested increasingly in the office of the mayor. This has been done with little or no public input and has happened on an ad hoc basis over a long period of time. Several public consultations with the public that resulted in reports to council or the provincial government were, in the main, ignored.

He then goes on to say: The shrinking of council and the elimination of the few authorities community committees had ended real local authority. Twenty-five years later, after Unicity, it is hard to see the efficiency and the savings of Tory government changes to The City of Winnipeg Act. Exurban development and sprawl are not controlled. Loss of local authority has resulted in local decisions that are often neither relevant nor useful to the neighbourhood they are made for.

Madam Speaker, when Unicity came in, they talked about the need for local community representation. Right now, we have 15 city councillors who each represent over 40,000 citizens. Now, with the possible exception of Brandon, I do not know what the current population—

**An Honourable Member:** Forty thousand.

**Ms. Barrett:** The member for Brandon East (Mr. L. Evans) says to me that the population of Brandon is about 40,000. So, when we talk about the level of representation at City Hall in the City of Winnipeg with 15 city councillors, we are talking about every single one of those city councillors representing, with the exception of Brandon, more people than any other urban centre, rural municipality, hamlet, in this province. So there is less representativeness at local government in the City of Winnipeg than virtually everywhere else in the province because there is more than one city councillor in the City of Brandon. There are 10 city councillors in the City of Brandon.

So when we put that together with the other elements of Bill 36, which give enormous powers to the mayor and her or his appointed Executive Policy Committee, we have a huge diminution of representation and representativeness in the City of Winnipeg.

The other element that Bill 36 is going to exacerbate is one that was talked about in 1991, and that is the alienation of residents and citizens from their local governments. We have seen an alienation across all levels of government, and there are many reasons for that—which would require a much longer period of time than I have to discuss thoroughly. But when you have one city councillor representing 40,000 people, you are bound to have a division. There is no local communication; there is no local connectedness. With Bill 36, without the requirements for community committees, without support for local groups like RAGs, it is going to get even worse.

I would briefly like to discuss the Cuff report. I wish I had actually more time because it is quite a remarkable report not only for what it says, but for the process that was undertaken. Mr. Cuff, in his background section to his report, is very frank and open, actually, and he talks about the fact that you do not have reports in isolation. You do not have reports without connective tissue around it, and the election of the current mayor in 1992 and her re-election in 1995 engendered this report. He as much as says had someone else been elected mayor in 1992 and 1995, the Cuff report would probably not have been requested. The mayor had no real attachment to the City Council,

city process system, or its historical basis. She felt alienated from it, and some of her actions helped that along.

There was a shift to the right in the political spectrum by the election of City Councils in '92 and more in '95, which increased support for the mayor and her bias—which is the word that Mr. Cuff uses—that the system needed to be changed. She saw these changes as partly a matter of style and partly that of substance. The changes that were necessary, and, I believe, without going into great detail that just as the 1991 Wards Boundary Commission was given the requirement that it recommend a reduction in the number of City Council from 29 to 12 to 15, the Cuff report was given a direct and probably, in some cases, an indirect slant by the mayor and the Executive Policy Committee. He was pretty much told what it was that he was to write.

Consultants are not totally independent. Consultants usually are hired on the basis of their past work, and they are hired on the basis of their philosophy and their ideology. [interjection] As my colleague from Brandon East (Mr. L. Evans) says, he who pays the fiddler calls the tune. This is very evident in the Cuff report, Madam Speaker. Again, I wish I had more time to discuss it, but there is one real problem we have with the methodology, well, several of them, but one basic one is that Mr. Cuff conducted 202 interviews.

Now, this is not a small number of interviews, but we do not know who he talked to. We know one element that he talked to. We know that he talked to 16 City of Winnipeg Council members. So he talked to every city councillor—one would hope so. He also talked to Levels 1 and 2 managers, Level 3 managers and other staff and 14 external interviews. He refuses in his document to append a list of the people with whom he spoke. We have no way of knowing who they were. Not what they said, that is confidential, but there is no reason why we should not know who it was that Mr. Cuff spoke with.

\* (1650)

Mr. Cuff then did not take his preliminary findings to City Council as a whole, did not consult. He took his preliminary findings to the City of Winnipeg Executive

Policy Committee at a retreat, so that city councillors as a whole did not have access to the Cuff report until, like, 10 days before the final decision had to be met. So parts of those processes were very, very undemocratic.

He said that he did not anticipate a large crowd at the public hearings during nine o'clock in the morning at City Hall, because for the average person the Cuff report is not about day-to-day frontline service delivery, so the public should have few concerns. Now, if this is not an oligarchic kind of a statement, I do not know what is. Many individuals commented on the speed with which this report was dealt with. Cuff unveiled the report on October 10, 1997. It went to City Council on October 29, 1997, and it was voted on less than three weeks from start to finish, and there were some major changes that took place in that time frame. So there were no public hearings. There were not months and months of public consultation like there was with The City of Winnipeg Act in 1971, with the Taraska report in 1976, with the Cherniack report in 1986, with the Winnipeg Boundaries Review Commission in 1991. All of those reports had extensive public input and public hearings. Not a single thing in this report.

This is because the mayor did not want them. The mayor said, and I wish I could find it here, the mayor said: I do not want it to go too slowly. We have to get it in. We have to rush it through. We have to rush it through.

There are many people that have spoken about the need for public hearings. Another part of the Cuff thing is what its basic philosophy is. Russ Wyatt, a Transcona resident at the public hearings, said, and I quote: this is nothing more than a greedy, self-interested power grab that would make Machiavelli proud and which sickens the rest of us. By forcing this matter through so fast and with such haste, you either have something to hide or you are scared of the public, or maybe both.

I think Mr. Wyatt hit the nail on the head. The City Council—part of the City Council, not all of the City Council, never mind that the Free Press said that it was a unanimous decision. It certainly was not. Four city councillors voted against the Cuff report, and several others had very serious concerns with some elements.

The Cuff report, upon which Bill 36 is based, destroys democracy. The process stunk, Madam Speaker, if I could be that open. The ideology is a right-wing corporate ideology that talks about bottom lines, that talks about efficiency, that ignores the needs of community residents, that ignores the needs of a democratic process. There were only four private citizens making presentations to the public hearings on the Cuff report at City Council in late October at nine o'clock in the morning. Most people work.

One of those citizens from Westwood, not from the inner city, from a Westwood community, stated: many people in the city are unsure of the direction things are going. It is unfortunate that they have decided to move so precipitously.

There were other people who made presentations who spoke about the same thing. Many people—and, again, I wish I had some more time, but not only the process of the Cuff report itself, but the lack of openness in whom he consulted with, the right-wing ideology that spread far and wide throughout his report, the speed with which the City Council, the mayor and her henchpeople shoved this process through, and the unconscionable willingness of the province to go along with this in the light of 25 years of history of open, democratic discussions about major changes to the city of Winnipeg.

The other areas—and I will discuss this in more detail when I talk about the elements of Bill 36. The people of the city of Winnipeg who spoke out and who have spoken out since then who are sharing concerns are deeply, deeply distressed by the powers given to the mayor, the powers given to the Executive Policy Committee on the one hand, and the potential for total disenfranchisement of half of City Council by the structuring of the powers to the mayor and the Executive Policy Committee, so half of the people of the city of Winnipeg could be represented by emasculated city councillors, city councillors who have no power, no influence, no way of getting their constituents' concerns heard by the people who are actually making the decisions.

So internally in council that is the problem but, again, in addition to that, the antidemocratic elements of Bill 36 take away the requirements to have community

committees, eliminate funding and support for RAGs, tell the City Council that the Executive Policy Committee can make determinations as to what form, if any, community consultation will take place.

It is bizarre, Madam Speaker, that this government—well, it is not bizarre. It fits. It fits. This is a government that says, on the one hand, that less government is better government and then, on the other hand, gives that “smaller government” enormous powers, powers that no democracy should allow to have happen, powers that when the next election takes place, and I am calling on the Premier to do that as quickly as possible, because the people of the city of Winnipeg and people of Manitoba are demanding it in many areas, but the antidemocratic, oligarchic Bill 36 and those elements that when they fit in a package of its entirety is just obscene.

When all of that is known by the people of the city of Winnipeg, there will be an outcry. I can guarantee you, Madam Speaker, that after the next provincial election, those odious changes, those changes that make democracy an empty shell in the city of Winnipeg will be reversed by the next government of the province of Manitoba, which will be a New Democratic government in the province of Manitoba. The minister can bet his bottom dollar on those changes taking place.

**Madam Speaker:** Order, please. The hour being 5 p.m., as previously agreed, this will remain standing in the name of the honourable member for Selkirk (Mr. Dewar) and the honourable member for Wellington (Ms. Barrett).

\* (1700)

#### PRIVATE MEMBERS' BUSINESS

**Madam Speaker:** The government House leader did not ask for leave to move this ahead, so I will ask or the honourable member for Thompson (Mr. Ashton) will ask.

**Mr. Steve Ashton (Opposition House Leader):** Perhaps if I could be of assistance, there is agreement between the House leaders. We would like to ask leave that Resolution 35 be read today and that Resolution 33 will hold its place at the top of the list.

**Madam Speaker:** Is there leave to deal with Resolution 35 today and leave Resolution 33 standing in its place on the Order Paper? [agreed]

#### PROPOSED RESOLUTIONS

##### Res. 35—Livestock Operations

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, I move, seconded by the member for Thompson (Mr. Ashton), that

“WHEREAS the Government of Manitoba has enacted Provincial Land Use Policies; and

“WHEREAS there is evidence that the Provincial Government has not implemented these policies; and

“WHEREAS the Provincial Government has adopted the Round Table on Environment and Economy's 'Principles and Guidelines for Sustainable Development'; and

“WHEREAS the majority of Rural Municipalities in Manitoba have no development plans, nor are they members of a regional planning district; and

“WHEREAS the Provincial Government has not ensured that many rural communities are adequately informed of or properly consulted with respect to location and development of large livestock operations; and

“WHEREAS the Provincial Government has vowed to double hog production in Manitoba by the year 2000; and

“WHEREAS there is currently a large amount of conflict surrounding the locations of hog and other livestock operations; and

“WHEREAS the Provincial Government has exhibited poor planning with respect to hog production in Manitoba and has not taken any responsibility for the conflict that has arisen in many Manitoba communities.

“THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the Provincial Government to conform to Provincial Land Use Policy

Regulations and the Principles and Guidelines for Sustainable Development to ensure adequate planning and sustainable development of large livestock operations; and

“BE IT FURTHER RESOLVED that this Assembly urge the Provincial Government to consider immediately consulting with, cooperating with, and providing guidance and expertise to Rural Municipalities to ensure proper planning of large livestock operations; and

“BE IT FURTHER RESOLVED that this Assembly urge the Provincial Government to consider providing leadership in ensuring communities and nearby residents are an integral part of any pending proposals for large livestock developments, and also ensuring that these communities are adequately consulted.”

**Motion presented.**

**Ms. Wowchuk:** Madam Speaker, in beginning with this resolution, I want to say that I want to recognize how important the hog industry is for this province and certainly that we are going to see a growth of this industry in this province. For that to happen, we have to have planning, and we have to have assurances from the government that, when this is happening, it is done in a sustainable way.

We have seen, with the announcement of Maple Leaf and changes that have just been made with the ownership of Schneider's, that there is going to be a great demand for hogs in this province. We know that many Manitoba farmers are looking for alternate uses for the grains that they grow. Especially since the change with the Crow benefit and increase in transportation costs, there is just no way that some of the crops that were grown previously can be grown if they have to be shipped to a foreign market if they cannot be used within the province. That is why we are having a growth in the industry.

There are many parts of the province where there is increased hog production, and it is going along very well, but we know that there are many parts of the province where there are very serious conflicts. I think about the announcement of Maple Leaf in Brandon, and we have heard of several communities where there have

been proposed barns. The communities have been very upset, and they have rejected these barns coming into these areas. What we are looking for from the government in this resolution is for government to show more leadership, to do more planning and to give people supports that they need when it comes to having an understanding of the livestock industry.

Now, Madam Speaker, I have talked to many people in rural Manitoba who have said that they do not oppose the industry, but they feel that the government is working along with the proponents of hog operations without giving the support and the tools to those people who have concerns, people who want more information. For people to ask questions about the hog industry does not mean opposition, but many people are concerned. In many cases, they are concerned about water quality, and I think that is a very legitimate concern. Many people are also concerned about odour. I guess if you live right next to a hog operation, that is a concern, but I think that those of us who have grown up on farms, those of us who live in rural communities understand that is part of the operations.

Now, I know that the department, through Manitoba Pork and through funding through this government and some funding from the federal government, there is research being done on how to eliminate odours, so that will not be such a big problem. I think that eliminating odour is only one of the issues because you may eliminate the odour, but you can still have an awful lot of problems with water.

The real issue is how do you manage the waste? There has to be much more work done on that part of it to look at new and innovative ways of managing the wastes and disposing of it. Now, I know that the government has brought in their waste management guidelines, livestock manure and regulations, and that is a help, but there are also some concerns that had been raised by some people with those guidelines, that there is a fair amount of leniency in them and that the minister has quite a bit of discretionary power to make amendments for people who need amendments.

The real issue, Madam Speaker, is planning and looking at how we can have this industry grow in this province. As I said, we know it is going to grow, but there has to be leadership on the part of the province.

We have lots of ability there. We have land. We know where all the water tables are. We know where all the different soil types are. I think it would be very helpful if the government took a leadership role and looked at the province and designated areas, because there are areas in this province that are not suited to hog production, and there have been some serious mistakes made as far as the expansion of the hog industry.

We only have to look at the Interlake where there are some areas where hog barns were built where planning was not done properly, and that has put a bad light on the whole hog industry in this province. Had there been better planning done, had there been more consultation done with the public, had there been more consideration given to the fact that the water tables are very high in those areas, there might not be the conflict.

The other area that I think about are the people in Netley Creek, as another example where people are very frustrated because of lack of consultation and their inability to have input. Here was a group of people who said that there was a proposed hog barn in their area; they were concerned about the water tables. They were concerned where the lagoon—how they were going to be disposing of their waste and the amount of land that was available for waste disposal. They went to the Minister of Environment (Mr. McCrae), I believe they went to the Minister of Agriculture (Mr. Enns), and raised their concerns saying, look, we are not opposed to the industry, but we want to ensure that a very sensitive area here is not going to be destroyed. They talked about fish habitat, streams in the area, and they were worried about contamination. Again, they could not get the support, and they feel like they are being shut out from government.

Today, we talked to people who are just out of Portage la Prairie, in the Elie area, again where there is a proposed hog barn. The people who live in the area feel that the operation is too big for their area. They feel that there is again a risk to their water. In each case, when people come to us, they have said we are not opposed to hog production. I think the minister has heard this as well. People who have questions to ask are not opposed to the expansion, but they want to ensure that it is done sustainably.

Granted, there are going to be those people who are going to say, sure, let the hog industry expand, but not in my backyard. There will always be those, because it does not matter what kind of industry you are going to do, people may say, yes, I support it but not in my backyard.

\* (1710)

Most of the people who have been talking to us are concerned about the water supply. I think that we have many municipalities that are not doing proper planning. There are no planning districts. They do not have zoning by-laws, and I think that is one of the things where government could show some leadership, where they could be saying, well, yes, there is going to be growth, different kinds of things happening in the province. The municipalities should take the responsibility of planning for this. Then we would avoid many of the conflicts that we have, because what we have seen in many areas is one area has zoning by-laws but another one does not, and they just end up being outside the area, outside of that particular municipality, and again we run into conflict.

So what we are asking for out of the government in this resolution is that this government take more of a leadership role, not that you just say, yes, we are going to have the hog industry expand, and there is money available for hog expansion—that is one side of it—but plan for the future to ensure that 20 years down the road, 30 years down the road, we have not created problems that will result in water being contaminated.

The other issue we talk about is the spreading of manure on the land and the risk of too much nitrate being built up. What we have to do is ensure that we have the proper staff within the Department of Environment to monitor that lagoons are operating properly, that we do not have the nitrates building up in the soil. We raised this issue with the Minister of Environment (Mr. McCrae) during environmental Estimates, and he agreed that this government, after having cut the staffs of the Department of Natural Resources, Department of Rural Development, is going to have to put more staff into place to ensure that we can do the proper monitoring.

Madam Speaker, I would also encourage the government to work with municipalities but not to use a heavy hand on it. Give them supports that they need to develop, give them the direction that they should be going. A concern that has been raised, brought to our attention, is that when municipalities are doing their zoning by-laws, doing their planning, they are given direction from the Department of Rural Development that they should not be passing by-laws that are going to curtail the expansion of hog barns. So we have to give the municipalities the tools that they need, give them the ability to put by-laws in place, but do not try to restrict them when the by-laws and the regulations that they put in place do not conform with the ideas of the provincial government.

I think that the hog industry will grow and it can be done in a sustainable way but with leadership from government. The government will take the leadership role when barns are proposed that they will, if they are not in the right area, just take a leadership role and ensure that they are not building there.

The Minister of Highways (Mr. Findlay) talked about dual marketing being leadership. I am sorry, I would have to disagree with the minister. I would have to say that move by the provincial government was a move backwards, and I have to say that had it not been—

**An Honourable Member:** Everybody is happy.

**Ms. Wowchuk:** The minister says “everybody is happy.” The producers are not happy, and were it not for the strong leadership role that Manitoba Pork is taking and ensuring that they could still offer some protection and some guarantees for producers, even though the government had tried to dismantle any protection that the producer had because, you know, you cannot just think about producing more hogs for the packing plant, you have to think about the producer.

In every area, Madam Speaker, it is always the farmer at the bottom of the line who does the most work for the product, who ends up getting the lowest return. The Minister of Agriculture (Mr. Enns), members of the government have to think about this group of people who produce the food in the country who are ending up not getting a fair return. We have the grain producers who are not getting a fair return for their product

because of changes to the federal government that have made high costs for transportation. Then we have this provincial government who speaks as if they support marketing boards and orderly marketing, but even though a majority of the farmers said that they wanted the single-desk selling maintained, they proceeded on their path to take away single-desk selling. I have to say that we did not support them on that issue, and we will not. That is one of the issues that we will agree to disagree on.

Certainly, on the issue of planning there is the opportunity for the province to take a real leadership role and ensure that we have sustainability. At the present time, it seems to be going. Although we have waste management regulations, there are other areas, there is much more that we could be doing with planning and that we could ensure that the industry grows.

One of the things that I think that I want to mention in closing, Madam Speaker, is that we have to look at ways that we can sustain the family farm. All operations do not have to be large operations or megabarns. The statistics show us that megabarns are not good for communities, they are not the big job creators that people would like us to believe, but family farm, smaller operations have the least negative impact on communities, whereas very large operations have much more negative impacts on communities.

I think that the government should think about the population in your rural communities, the lifestyle of people in rural communities, and ensure that those people who choose to live there have the ability to make a living and continue to live in a safe environment and an environment that will be sustainable for many years to come.

The hog industry will grow. Let us work. Let us see some planning from this government that will encourage smaller operations and work along with municipalities and, rather than restrict municipalities in what they want to do and the by-laws that they want to bring in, make sure that they give them the tools, but also do the research and zoning and planning of the province to ensure that we do not end up with operations in areas that are very sensitive.

Thank you, Madam Speaker.

**Hon. Harry Enns (Minister of Agriculture):** Madam Speaker, I am truly thankful to the honourable member for Swan River (Ms. Wowchuk) for this resolution because, regrettably, I say regrettably, we do not have frequently enough the opportunity to discuss the most important activity that goes on in the province and in the land.

There would be no hospitals to talk about, there would be no personal care homes to talk about, no schools or universities to talk about or worry about whether they are being funded properly if, as the honourable member for Swan River said, we did not do such a basic thing. We as farmers produce food.

The whole question of civilization as we know it comes from when the first surplus food was being produced. For the better part of the odd two million years, if you go by Leakey's Lucy, when we started roaming around this world, you know, we spent all our waking hours gathering roots and berries to feed ourselves and our immediate little family and clan. It was only when we started producing some additional maize or corn, some additional livestock, probably something like that, that we had the time to develop philosophers, educators, doctors, poets, musicians, and the like. So I welcome this opportunity.

Madam Speaker, unfortunately, though, the member, I have no desire to be unkind to her, because she is a decent person and I believe tries to represent her constituents as best she can. I am a modest Minister of Agriculture, although the member for Interlake (Mr. C. Evans) likes to put a crown on me once in a while and taunt me with phrases of King Harry or Prince Harry and this kind of stuff, but the member for Swan River (Ms. Wowchuk) knows that is actually not true, that I am very modest.

\* (1720)

You know, I seldom blow my own horn about some of my accomplishments, and now she forces me to break that self-imposed rule because at least she could have stood up and acknowledged that I have created possibly the best situation for hog producers that they have ever seen in this province by bringing together

two massive companies like Smithfields and Maple Leaf to create the competitive situation that all producers could only wish for their products and that can ensure the best possible price for their pork.

Madam Speaker, it was not that long ago that we had hog farmers up in the public galleries concerned about the leadership that I was exercising. I am told there were even some hog farmers, Conservative hog farmers, that found their way into the New Democratic Party Caucus room to express their rue. There were some of them that for a moment thought maybe that they were losing faith in the government and the Ministry of Agriculture and the course that they were embarking on. Where are they today? They are busy doing what they do best, producing the world's finest pork in ever increasing numbers.

Now, what the honourable member for Swan River does not acknowledge with her resolution is that in the province of Manitoba, unlike the Carolinas, unlike Taiwan, unlike Holland, unlike Sweden, unlike Denmark, where they grow a lot of hogs, we are probably world leaders in ensuring that we do it in a sustainable way. The one area where she could have been supportive, and I would have supported her—and that is what these debates are supposed to be about—she could have called on us and called on government to give the Department of Environment more resources.

I want the Department of Environment to be strengthened. I want them to have a greater capacity to ensure that the regulations that we are passing in increasing numbers and that the farm practices that we are imposing in some cases, and some cases by education, on our farms and our producers, that we have a stronger monitoring, a stronger enforcing, a stronger policing, if you like, capacity. That would have been a legitimate position for a responsible member of the opposition to take this time in the House to call upon me to try to convince my colleagues to keep on leaning on the Minister of Environment (Mr. McCrae) and support him when he asks for these kinds of additional supports. That would have been a helpful addition to this kind of debate.

But let me just for the record indicate what has happened in the last little while. The Planning Act is presently undergoing review. She talked a great deal

about the need for providing the municipal governments with additional planning capacity. We have, as she acknowledged, just recently passed additional livestock waste regulations under The Environment Act. We have had, and it is really just getting started and getting more effective, a farm practices guideline for hogs, beef, dairy and poultry producers that has in place legislation and a quasi-judicial board; a Farm Practices Protection Act, that provides the board with a means of dealing with legitimate complaints that neighbours bring up from time to time.

Madam Speaker, it is not always hogs. I know we tend to profile hogs. One of the current complaints that is before the board right now is coming from a potato farmer for having spread some potatoes after cleaning out the culls of his barn in a manner that is unacceptable to a neighbour, and the board is looking at these kinds of complaints. That board was not there prior to that legislation being passed just a few years ago in this Chamber by this government and by this—no, I was going to say by this minister, but, in fairness, it was the Minister of Transportation (Mr. Findlay) that passed that.

We have set up, established formal regional technical review teams that put the best of our expertise in the Department of Environment, in the Department of Rural Environment, in the Department of Natural Resources, in the Department of Agriculture, to review these plans for the industry and to provide that information to local and to municipal governments. We have, of course, in addition to that, specifically challenged the industry to establish a manure management strategy for Manitoba with the stakeholders providing most of the dollars for that. Those are just some of the things that we have talked about.

Madam Speaker, just in the few minutes remaining to me, let me understand and let me appeal to honourable members opposite. It is so important. It is a creator of over 12,000 or 14,000 or 15,000 jobs. Manitoba Pork, I congratulate them. They just in the last little while are putting out of their own dollars over \$200,000 to train. We are looking desperately for 120 or 125 or 150 people to establish into the hog industry with the necessary skills to run these new barns.

I am not oblivious to the fact that the honourable members say that large is not the answer for everything

and that there is room for the smaller barns, but I am not living in a totalitarian state. She likes the idea that government should be planning everything. People make their own decisions. You know, we do not have anybody in the province with 300 or 400 or 500 chickens laying in their barns or 300 or 400 or 500 broilers in their barns. They are all megathousands. Why is that? They are all working under supply management. They are all working under the single-selling desk.

When the single-selling desk was established for our hog farmers in the province of Manitoba by an NDP administration in 1972—a voluntary one was established by a Conservative administration in '64 and '65, but it was made a single-selling desk in '72—we had 5,000 hog farmers in the province. In the intervening 24 or 23 years, when I took the single-selling desk, we were down to 1,700 hog farmers. What happened?

I will tell you, Madam Speaker, what happened. It is lifestyle choices that rural people are making. Rural people want the same kind of lifestyles as our urban cousins want. They want weekends off, they want regular holiday time off, and that is what is driving this move to largeness. The only way you can do that is by having the larger units where people have regular work hours, have regular holidays, have regular kinds of lifestyles that then can accomplish that. That is not going to change. That is not being driven as an ideological position by this minister or this government. That is simply a matter of fact.

Madam Speaker, I commend this resolution to honourable members. I refute that it is not indicative of any sense of awareness of what really is going on there, but it is kind of, and she confirms it by her hidebound insistence that dual marketing is still a mistake, that it is still not, you know, good for the industry, that given a chance her group or her party would roll back the clock to yesteryear.

So, while I welcome this opportunity and I hope other members will have an opportunity to discuss this very important issue, I have to reject totally the principle behind the resolution before us because it simply has not taken account of what is really happening in the hog industry, what the Ministry of Agriculture is up to, and what the other departments of government are up to.

We are determined that we can provide this very important economic opportunity for not just our hog farmers, but for our rural residents, in the first instance. Surprisingly, you know, some of us received the electoral maps recently which shows kind of the pluses and gains in population on the map. You can tell the rural municipalities that have gained 10 or 12 or 14 percent of population by the number of livestock units in the electoral district. You can tell those that have lost by the fact that they do not have—and the member for Brandon East (Mr. L. Evans) knows that in the southwest, even in my constituency, which moves to central, I lose 5 percent of the population because I do not have enough livestock units in my barn. It is just that simple.

So, if we want a reasonably healthy rural setting, if we want to create the kind of economic background that can reasonably support our educational systems, that can reasonably support our health systems, that can reasonably provide the roads and transportation infrastructure needs that we need in a big province like that, then it is criminal, Madam Speaker, to neglect the opportunity that the hog industry provides, the pork industry provides, and the livestock provides, generally speaking, in the province.

The carefully worded resolution that is before us that talks about lack of leadership in this area, that talks about the concern of the sizes, that talks about putting more regulatory power in the way of taking advantage of this thing like that, is not one that can be looked upon as one that is progressive in this day and age.

Thank you, Madam Speaker.

\* (1730)

**Mr. Leonard Evans (Brandon East):** Well, I always enjoy listening to the Minister of Agriculture (Mr. Enns). He always has an interesting tale to tell. I do not always agree with him, but on a lot of things I do agree with him. We are all agreed in this House that we need to have a secure, stable and growing supply of hogs to support, hopefully, a growing and thriving hog processing industry creating jobs for Manitobans in urban areas and in the rural areas as well.

But my colleague the member for Swan River (Ms. Wowchuk), I do not think at all has been negative in

proposing this resolution, and by no means was she suggesting that we should not do everything in our power to enhance the development of hog production in Manitoba. Far from it. What she is doing, in a very positive way—maybe we do not know all the great things that the government is supposed to be doing because the minister did ream off a number of initiatives being taken in his department and the Department of Environment, and maybe we are not all that familiar with some of those detailed developments; but I think what the member for Swan River is doing is expressing a legitimate concern that there are some problems out there, particularly at the municipal level.

I get calls from all over Westman, as the MLA for Brandon East, on many issues, and I have been getting quite a number on the hog farm problems. I do not even know these people. I do not know what their politics are, and that is beside the point anyway. I mean, I think probably most of them vote Conservative, I would imagine. In Westman, most people seem to vote Conservative, unfortunately.

**An Honourable Member:** It is a blue map out there.

**Mr. L. Evans:** Yes, Brandon East is like a little island in there, in a sea.

**An Honourable Member:** Well, we are working on that one.

**Mr. L. Evans:** Well, you have been working on it for 30 years.

So I get these phone calls. I got one a few days ago from a lady from Hartney, and she was really upset. I do not know whether the Minister of Agriculture's (Mr. Enns) office also got the same call, but they were concerned about what the municipal council was doing. Again, they were not opposed to pig farming. They were not opposed to that, even though she lived nearby. She was concerned about the conflict of interest, I would think, of one of the councillors who also had an interest in the pig operation that was being proposed or that was being developed. So that is a legitimate problem of government, I suppose.

Maybe it is a separate issue, you might say, one of conflict of interest, but I think that is an example of

some of the problems we have got out there at the municipal level; small communities, small numbers of people, it is easy to be involved. Incidentally, she was not critical of her council. She thought her council was pretty good, and they were doing a fair job, but she said, look, there is this problem here. This one fellow is involved in the process, and he is on the decision-making body of our local R.M. So there is that problem of conflict of interest.

I think the other problem we have at the municipal level is they do not have the expertise. I suppose they could go out and hire consultants. That is a possibility.

**An Honourable Member:** We provide them.

**Mr. L. Evans:** You provide them? Well, it seems to me that some of the—again, I do not have all that detailed information. If you do that, that is great, but it seems to me that was the failing, that some of the municipalities were making decisions because they did not have as much information as they should have. Again, I do not think anybody is being negative about this. It is a matter of doing it properly. I mean, you want to ensure a growing, long-term supply of hogs in the province, but you do not want to create animosity among the public so that you get pressures from the public that would perhaps in the long run cause government to play an inhibiting role. You do not want that. So it is a matter of good planning; it is a matter of good public relations.

In countries—and again, I do not know much about what goes on in Holland. The minister referred to Holland. I hope we are going to do a better job than they have done, but there is a lot of animosity. Mind you, they are a very crowded country. I think they have the highest density of population of any country in the world, believe it or not, and that can create problems. But the people are very unhappy about that, and I guess some of their hog farmers are looking at possibilities in Manitoba, which is good. I am glad. I would hope we can get some of those Dutch farmers because they are good farmers. Nevertheless, there is a real public relations problem there and, perhaps, major environmental problem, and you do not want to get that here so that people would become negative on that.

You know, there are people that are bringing forward petitions. I saw one earlier today, a copy at least, signed by hundreds of people in Brandon. They were talking about environmental regulations and the need for better regulations. They were not referring to the hog—well, they were referring to the hog plant being developed in Brandon, but they were also referring to the pig farming, to hog farming, about these matters that we are talking here.

So what I am saying is that the people out there have concerns. I would say if there are two issues that seem to be growing around rural Manitoba in terms of dissent and concern, one is health care and the other is hog production. People are beginning to rumble. They are certainly not happy with health care. I mean, I read letters to the editor in the Brandon Sun from all over the Westman area, people complaining about what is happening to health care in their area. I get phone calls from people in various communities—Killarney, Wawanesa, and so on—expressing complaints about the health care situation in their area, whatever it might be, whether it is what is going to happen to their hospital or whether it is medical supply or whether it is having to hire private nurses to go into a nursing home because the nursing home does not have enough staff, whatever, but I am getting the same type of thing developing with hog farming. People are becoming concerned. You read it in the papers, you hear it on the media, and we get the phone calls. So I suggest to the government that these are two areas of political concern and should be a political concern to everyone in this Legislature.

I agree with the minister, if you want to sustain rural population, you have to have economic operations. What has happened, even though some of us are unhappy about the Crowsnest Pass Agreement being abolished, that certainly has had a positive effect in terms of causing farmers to look for other markets to maximize their return. As a result, as Mr. McCain of Maple Leaf Foods said in his speech in Brandon, you know, one of the main reasons for choosing Brandon as the hog plant location was that this would be the epicentre. Western Manitoba would be the epicentre—I do not know whether that was exactly his words—of hog production because of—well, of course—the ability of the land, because of the Crowsnest Pass rate and all the implications, the transport costs and all that, and that

this was a great area of great potential and that was a sound economic reason for locating it.

Yes, they liked government incentives, but beyond government incentives, you have to have a good, sound economic basis for choosing. Wherever you are choosing Winkler, Morden, Brandon, Winnipeg, wherever you are going, you have to get your economic facts straight and know where you are going to minimize your cost so that you can maximize your profits.

I agree with the minister. I was pleased to hear the minister say that we need more environmental regulations. I do not know whether to go again on all the details here, but I think he was pleading for more leadership from the Minister of Environment (Mr. McCrae) in this respect.

I listened to a friend of mine. We had a meeting in Brandon a few months ago, and my colleague the member for Swan River (Ms. Wowchuk) was there, and we were talking about the whole area of hog production and so on. One of the people present was Dr. Bill Paton of Brandon University. He has written a lot on regulations of the hog industry in protecting the environment and so on.

He told a story about this very successful hog producer in the United States, in Pennsylvania. He had a hog farm, and he had such a terrific operation the way he did it that he even got a medal from the state, an environmental award. His neighbours are very sensitive people. They are lawyers, they are community activists and so on, but everybody was happy with him because he had a really great operation. He was a successful hog farmer, but he did it in such a way that there was no problem in terms of the environment. The community was happy. The state recognized his contribution.

\* (1740)

So that is the ideal. It would seem to me, if I could be so bold, that it might be easier to cope with environmental concerns if you had more small units, lots of smaller or medium-sized units rather than huge conglomerates. It seems to me just the size, you have a few conglomerate type of operations, you are going to

have more environmental problems than if you had many, many small or intermediate size operations. I think that is sort of a fundamental rule.

Of course, someone who is more expert than I might say, yes, but we are going to have better controls, we will have better disposal of waste and all the rest of it, but it seems to me, therefore, that it might be in the public interest to do whatever we can to provide as many incentives as we can for the small operators so that we do get the adequate supply of hogs from more small operators.

I do not know exactly what the definition, again, I do not know that much about it. I have some friends who are in the hog growing business, but I do not know exactly what the magical cutoff is between small, medium and large. I mean, you can argue that one way or the other, but it seems to me that that is a way for government to go, to do everything possible to provide incentives for smaller and medium-sized farmers.

As I said, Madam Speaker, my colleague the member for Swan River (Ms. Wowchuk) has put this forward in a very positive way, simply calling for adequate planning and sustainable development of livestock operations. We have been talking about hogs, but this goes beyond hogs. It goes to all types of livestock. Although I have talked about hogs, and that is very important, nevertheless, we have to recognize the beef industry as well and the entire livestock industry.

So I am not sure whether the minister is going to support this resolution or not, based on his speech. It did not seem he was totally negative, maybe on one side this, on one side that, but, nevertheless, it would seem to me that it is a resolution worth supporting, calling for adequate planning and sustainable development. The minister may feel exasperated because, as he said, well, we are doing all these great things. He enumerated some of them, although he did say that maybe we should be doing more in Environment and we need some more regulations, we need to be more active there, and I guess we would agree with him as well.

So I guess it is a matter of being concerned about the problem and doing everything possible that we can to maximize hog production but, at the same time,

ensuring that we are protecting the environment so that the people of Manitoba can, as they say, have their cake and eat it too. You know, we can have the production, but we can have it in such a way that people are relatively satisfied and appreciate the fact that this is basic to our agriculture and that our agriculture is basic to our economy.

So, Madam Speaker, with those few words, I would hope that the members opposite could support the member for Swan River's (Ms. Wowchuk) very positive resolution on this very important matter. Thank you.

**Mr. Jack Penner (Emerson):** Madam Speaker, I have been listening with significant interest in the debate on this resolution. I am not going to be quite as kind as my honourable colleague the Minister of Agriculture (Mr. Enns) was to the mover of the resolution. I think this is one of the most mischievous pieces of documents that I have seen come before this House, and I will tell you why.

It says here, it calls into question virtually every process that the province of Manitoba has put in place. It calls into question the independence and the integrity of the municipalities dealing with development. It calls into question The Planning Act. It calls into question the Department of Environment, and it calls into question the land use policies that this province—and I am not so sure whether it was this government or the previous administration that, in fact, drafted the land use policies, but they are calling into question the adequacy of the land use policies and the principles and the guidelines of sustainable development.

Well, it was this government that had not only established the principles and the guidelines under sustainable development; previously, there were none, Madam Speaker. I do not fault them because it became politically in to develop and talk about sustainable development. I am not so sure whether the Conservative Party, in fact, did not coin the phrase “sustainable development,” and I was a member of the round table when we started seriously discussing sustainable development and the principles under which that was enshrined.

The interesting thing is that this resolution does three things: it identifies government, No. 1, as the enemy;

it identifies clearly the pork packing industry as the enemy; it identifies aggressive agricultural people as the enemy. That is what this document does, and then it identifies those people that we have elected in rural Manitoba as the enemy because these councillors and reeves that we elect locally to make our local municipal, local government decisions are now being called into question by this document and by the NDP party in this province as the enemy because they are not doing their job.

### Point of Order

**Ms. Wowchuk:** On a point of order, Madam Speaker, the member who was just speaking has just said that in this resolution we are outlining the packing industry as the enemy, the government as the enemy and a municipality as the enemy. I would like you to call him to order and actually have him realize that he is inaccurate.

That is not what the motion is saying at all. What we are asking in this motion is for leadership, some plan for sustainability, co-operation between various levels of government, and I would ask him to speak to the motion, Madam Speaker.

**Madam Speaker:** The honourable member for Swan River did not have a point of order. It is clearly a dispute over the facts.

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**Mr. Penner:** Madam Speaker, I recognize the sensitivity amongst the socialists of dealing with this kind of resolution. As I said at the outset, this was the most mischievous resolution that I have seen come before this House because it allows anybody now to take this document and put it on the Internet and somebody else coming along and taking these little excerpts out of this document and going out in public and quoting from the document. That is what the problem is with these kinds of resolutions.

If the honourable member and the NDP party in this House would have been responsible, it would have wanted to have dealt properly with the issue of hog production and proper planning and the proper identification of the lack of, if you will, regulations

and/or livestock waste management. I think they could have said it. I think they could have pre-empted this whole debate by saying we recognize that the government of Manitoba has done a tremendous amount of work in the last six months in bringing forward good waste management policies, good manure management policies, putting forward farm practices guidelines for not only hog production, but beef production as well as poultry production. It has put in place a farm practices act that is second to none in all of Canada, and it has really put in place technical review committees for which, when I attend municipal meetings in rural Manitoba dealing with hog operations, they are very thankful that they have that kind of expertise to draw upon to help them make decisions.

\* (1750)

Madam Speaker, I find this document interesting because this document really calls into question whether we should allow municipalities the right to make decisions for their people in their own areas. That is what this resolution really does. I think that calling into question the provincial land use policies, which I believe have gone very serious reviews over the last while, and if we still had the Land Use Policy, I think that, quite frankly, the member for Swan River (Ms. Wowchuk), and I am not sure whether she drafted this resolution but must have read the old NDP land use policies that were in place before 1994, because we did make some very significant changes to them.

I want to say one other thing. This whole issue of increased livestock production in this province of Manitoba was not initiated by the Province of Manitoba. This increase in livestock production was brought about by necessity. It was necessary for farmers to look at ways to utilize a product that had become almost valueless simply by one decision of a federal minister, and that was to do away with the support of transporting feedgrains out of this province. That support was a value of \$750 million to western Canada, which has now been taken away in perpetuity, which was by the way promised by the then Prime Minister Pierre Elliott Trudeau and put in place into perpetuity, and that means, in my words, forever we would have Crow benefit. That has been eliminated, so that means that the grain that farmers once were able to put into export position out of this province is no longer feasible to do.

So that means that those farmers that we want to retain in the agricultural community at all in this province, we must look for alternatives. That is exactly what our farmers have done. They have become innovators, and they said out of this adversity appears an opportunity. So they created an opportunity out of an adverse situation. They started looking at livestock as the alternative. Those of us that toured the province a couple of years ago looking at value-added initiatives or for ideas, and the honourable member for Turtle Mountain (Mr. Tweed) was certainly there and so was the honourable member for Morris (Mr. Pitura) were on that tour, and we heard time and time again the reflection on the huge cost that grain farmers now would have to bear if we were still wanting to only do as we had done previously; that is, grow it, box it, and ship it. I am referring to our grain products. Yet, they said, no, we do not have to do this. We can start doing things for ourselves. These are farmers. These are not large corporations taking over the hog industry. These are farmers taking over the hog industry.

We were very fortunate in being able to demonstrate to corporations such as Maple Leaf that we, in fact, in this province could raise enough hogs or attract enough hogs into this province to attract a world-class hog processing facility such as Maple Leaf into Brandon, Manitoba. I noticed how carefully the honourable member for Brandon East (Mr. L. Evans) worded his remarks today just to make sure that he was not in conflict with his colleagues, yet very supportive of the building of one of the class acts in hog production in Canada, which will happen in his town, as a matter of fact, in his constituency. I know how appreciative his constituents will be because they will be able to find jobs at home now, and that is really what we are talking about. That is really what the honourable member for Swan River (Ms. Wowchuk) is drawing into question, whether we should, in fact, try and encourage our young people to stay at home to raise hogs on their farms and to become partnerships in this hog processing and producing facility or industry and, in fact, become investors in the livestock industry in this province.

Whether we like it or not, Madam Speaker, this industry of agriculture is changing and changing dramatically. It is about time that we as a government got on, jumped on the same train that the farmers are

on. They know they are having to change whether they like it or not, and some of them do not.

But there is another issue at stake here. That is that many of the complaints that the honourable member for Swan River (Ms. Wowchuk) has heard, many of the phone calls that she is getting are not from farmers. They are from people living in rural Manitoba that chose to move into the rural communities and live beside farm communities that never had a hog or a cow or any other livestock. They were grain producers. They lived right next door to them, and they said that this is just where we want to live.

Now they are facing the situation where these grain farmers are having to make dramatic investment changes, and all of a sudden the air smells a bit different in the morning. Those are the complaints they are getting. That is what we as government have to deal with. Are we going to allow farmers to maintain their industries in rural Manitoba, or are we going to allow and bend to the whims of those that choose to live out there but not participate in the agriculture community, live there and try and drive the policies for agriculture?

If that is the case, if that is the NDP policy, and if that is their move towards rural diversification, then I say they are on very weak and soft ice. I would suspect that, if they take too many steps forward, they will plunge into very cold, cold water.

I do not think that this kind of resolution is doing the agriculture community any favours at all. This is a slap in the face to municipalities and the decision-making process that goes on in every municipal council chamber. The autonomy that we as a government, as a Progressive Conservative right-wing government, are intent on keeping in place, is the ability for those municipalities, municipal councillors, and rural people to be able to make their own decision.

That is what this document calls into question, and I think that is deplorable. Thank you, Madam Speaker.

**Hon. James McCrae (Minister of Environment):** Madam Speaker, there is an old expression that goes like this: either lead, follow, or get out of the way. You know, listening to the debate this afternoon, I am pretty sure the New Democrats—well, I am positive the New Democrats are not in any position to lead; they do not know how to follow; and the farmers and environmentalists and everybody else in this province are saying to them: get out of the way, because you are simply—nobody understands what is going on.

It is a good thing there is leadership on this side of the House, because the air is clear in Manitoba thanks to sustainable development policies of this government. Production is very much expected to increase significantly, and it will happen in a sustainable environment thanks to the policies of the government on this side of the House. The production would not be happening if it were not for the forward-looking thinking of the agricultural part of our caucus and cabinet, most especially the Minister of Agriculture; but, in order for all of this to happen, in order for all this growth to be happening, to do it successfully so that we can be doing it, this generation and the one that comes after us, it has to be done in a sustainable way.

Now, I have seen over and over and over again New Democrats standing in the way of development and using—

**Madam Speaker:** When this matter is again before the House, the honourable Minister of Environment (Mr. McCrae) will have 14 minutes remaining.

The hour being 6 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow (Thursday).

# LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 27, 1998

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