

First Session - Thirty-Seventh Legislature

of the

# Legislative Assembly of Manitoba DEBATES and PROCEEDINGS

Official Report (Hansard)

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# MANITOBA LEGISLATIVE ASSEMBLY Thirty-Seventh Legislature

Member	Constituency	Political Affiliation	
AGLUGUB, Cris	The Maples	N.D.P.	
ALLAN, Nancy	St. Vital	N.D.P.	
ASHTON, Steve, Hon.	Thompson	N.D.P.	
ASPER, Linda	Riel	N.D.P.	
BARRETT, Becky, Hon.	Inkster	N.D.P.	
CALDWELL, Drew, Hon.	Brandon East	N.D.P.	
CERILLI, Marianne	Radisson	N.D.P.	
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.	
CUMMINGS, Glen	Ste. Rose	P.C.	
DACQUAY, Louise	Seine River	P.C.	
DERKACH, Leonard	Russell	P.C.	
DEWAR, Gregory	Selkirk	N.D.P.	
DOER, Gary, Hon.	Concordia	N.D.P.	
DRIEDGER, Myrna	Charleswood	P.C.	
DYCK, Peter	Pembina	P.C.	
ENNS, Harry	Lakeside	P.C.	
FAURSCHOU, David	Portage la Prairie	P.C.	
FILMON, Gary	Tuxedo	P.C.	
FRIESEN, Jean, Hon.	Wolseley	N.D.P.	
GERRARD, Jon, Hon.	River Heights	Lib.	
GILLESHAMMER, Harold	Minnedosa	P.C.	
HELWER, Edward	Gimli	P.C.	
HICKES, George	Point Douglas	N.D.P.	
JENNISSEN, Gerard	Flin Flon	N.D.P.	
KORZENIOWSKI, Bonnie	St. James	N.D.P.	
LATHLIN, Oscar, Hon.	The Pas	N.D.P. P.C.	
LAURENDEAU, Marcel	St. Norbert		
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P. P.C.	
LOEWEN, John	Fort Whyte	N.D.P.	
MACKINTOSH, Gord, Hon.	St. Johns	P.C.	
MAGUIRE, Larry	Arthur-Virden	P.C. N.D.P	
MALOWAY, Jim	Elmwood	N.D.P.	
MARTINDALE, Doug	Burrows	N.D.P.	
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.	
MIHYCHUK, MaryAnn, Hon.	Minto	P.C.	
MITCHELSON, Bonnie	River East	N.D.P.	
NEVAKSHONOFF, Tom	Interlake	P.C.	
PENNER, Jack	Emerson	P.C.	
PENNER, Jim	Steinbach Morris	P.C.	
PITURA, Frank	Lac du Bonnet	P.C.	
PRAZNIK, Darren	Transcona	N.D.P.	
REID, Daryl		P.C.	
REIMER, Jack	Southdale Rupertsland	N.D.P.	
ROBINSON, Eric, Hon.	Carman	P.C.	
ROCAN, Denis	Assiniboia	N.D.P.	
RONDEAU, Jim	Fort Rouge	N.D.P.	
SALE, Tim, Hon.	Wellington	N.D.P.	
SANTOS, Conrad	Rossmere	N.D.P.	
SCHULENBERG, Harry	Springfield	P.C.	
SCHULER, Ron	St. Boniface	N.D.P.	
SELINGER, Greg, Hon.	Fort Garry	P.C.	
SMITH, Joy	Brandon West	N.D.P.	
SMITH, Scott	Kirkfield Park	P.C.	
STEFANSON, Eric	Dauphin-Roblin	N.D.P.	
STRUTHERS, Stan	Turtle Mountain	P.C.	
TWEED, Mervin	Swan River	N.D.P.	
WOWCHUK, Rosann, Hon.	Swall Kivel		

#### LEGISLATIVE ASSEMBLY OF MANITOBA

#### Thursday, July 6, 2000

The House met at 10 a.m.

#### **PRAYERS**

#### ORDERS OF THE DAY

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you please call second readings in the order they appear on the Order Paper, and following that we can proceed to debate on second readings, beginning with Bill 15 and then proceeding through the bills as they appear on the Order Paper.

#### SECOND READINGS

#### Bill 13-The Taxicab Amendment Act

Hon. Steve Ashton (Minister of Highways and Government Services): Mr. Speaker, I move, seconded by the Minister of Family Services (Mr. Sale), that Bill 13, The Taxicab Amendment Act (Loi modifiant la Loi sur les taxis), be now read a second time and be referred to a committee of this House.

#### Motion presented.

Mr. Ashton: Mr. Speaker, I am very pleased to be able to introduce this bill today. I look to the Opposition House Leader, because after the events of the last day or so, I think I would note that normally having responsibility for the taxicab industry in the city of Winnipeg is seen as being a fairly challenging role in Cabinet, but this now looks like a piece of cake compared to some other things I am working on.

I just want to indicate it is a very straightforward bill. It increases the size of the Board for a very good reason. There has been difficulty in getting a quorum. But I do want to indicate that one of the key things that we are doing as a government when it comes to the taxicab industry is we are trying to build a better relationship between the Board and the industry.

I know the Opposition House Leader will remember some of the controversy we have seen

in this Legislature related to taxicab issues. I certainly spoke out quite clearly in opposition. I, in fact, encourage members to read Hansard, since they are in the business of doing that, in support of some of the legitimate concerns of people in the industry. It is not a very easy business to be involved in, I can say, Mr. Speaker. I do not think people realize the pressures that taxi drivers are under, both financially, the long hours and the risks and threats to their own personal safety.

I want to indicate that one of the things that we are trying to do is get more reflection on the Board of industry concerns. In fact, one of the advantages of increasing the size of the Board is it will have the ability to have more reflection of the industry on the Board itself. I want to indicate we are also looking at some of the more punitive measures brought in by the previous government. I think we need to develop much more of a trust relationship between the industry and the Board.

We are looking at a number of those issues right now. There are some concerns that have been expressed to me by numerous delegations, and I have tried to have an open-door policy with the taxi industry. We are looking at issues ranging from inspections to some of the other concerns that are out there.

I want to indicate, too, one of the priorities for us is to deal with some of the real concerns that taxi drivers have in terms of their own personal safety. One of the things that I certainly indicated as Minister is that I want to look at, for example, whether we can bring in a pilot project on security cameras. They have worked very successfully in Australia. They have been brought in in Toronto.

I think people have to recognize that taxi drivers are subject to violence and they are often subject to theft, fares, the term is basically, who stiff them, who take a ride and disappear. It is very difficult for the police to enforce that. We are committed to working with the industry to try and improve that.

I want to finish by encouraging members to support us in our efforts. Because it was not that long ago, Bill 26, I believe 1993, there was a great deal of controversy in this House related to the taxi industry. I really believe at times there were very misguided approaches taken on the taxi industry. You know, confrontation, a very formal, legalistic approach that was adopted in that particular approach, I think does not have the same benefits that more of a partnership approach has. I have every faith, having raised issues related to taxi industry in the past and having worked very closely with the taxi industry as minister, that we can turn that around.

I know there are members opposite who have a close relationship with the taxi industry as well. What we have to start doing is accepting more of a partnership, accepting a real sense of what taxi drivers really do. I have said this in the past, and I will say it again: a lot of people do not realize that essentially many taxi drivers, when you look at the costs of the licence, are buying a job. I tell you, if it was not for the taxi industry, there are many ethnocultural communities in this province for which this industry has been a key element of supporting families and supporting people coming to this country as new Canadians.

I do not think people realize just how critical many of the people in the taxi industry are in their own communities and in the community generally. It is a lot of hard work, long hours, subject to personal risks, subject to all the economic pressures that are in place. It is an industry that is one I am really pleased to be able to represent.

I know there were some people who said, well, early on, you have got a controversial portfolio in the taxicab side. I accept it, not just as a challenge, but I accept it with great enthusiasm. Because our goal as a government, through this bill and through the other initiatives we are taking related to the taxi industry, is going to be to build a new era of co-operation between the board, the industry and the government. We are going to turn around some of the frustrations, some of the distrust that has happened the last number of years. I believe we will have a new era in terms of the taxi industry

in the city of Winnipeg, a new partnership and this bill is a major part of starting that process. Thank you, Mr. Speaker.

Mr. Harold Gilleshammer (Minnedosa): Mr. Speaker, I move, seconded by the Member for St. Norbert (Mr. Laurendeau), that debate be adjourned.

Motion agreed to.

# Bill 33-The Highway Traffic Amendment and Consequential Amendments Act

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, I move, seconded by the Minister of Highways and Government Services (Mr. Ashton), that Bill 33, The Highway Traffic Amendment and Consequential Amendments Act; Loi modifiant la Code de la route de modifications corrélatives, be now read a second time and be referred to a committee of this House.

Mr. Speaker: It has been moved by the Honourable Attorney General, seconded by the Honourable Minister of Family Services (Mr. Sale), that Bill 33, The Highway Traffic Amendment and Consequential Amendments Act (Loi modifiant Ia Code de la route de modifications corrélatives), be now read a second time and be referred to a committee of this House.

Mr. Mackintosh: Mr. Speaker, I am pleased to present to the Legislature this bill. It deals primarily with the impoundment of motor vehicles and off-road vehicles for drinking and driving related offences and driving suspended. It also adds an automatic licence suspension for a police chase when a person is convicted under the recently proclaimed flight provision in section 249(1) of the Criminal Code.

\* (10:10)

These amendments reflect Manitobans' concern about the serious harm caused by drunk driving and repeat offenders. The Bill toughens Manitoba's existing laws regarding the impoundment of vehicles. It increases periods of vehicle impoundment when the offence relates to driving with a blood alcohol level over 0.16 or

refusing to provide a sample of breath or blood, and targets repeat offenders, in particular.

Members opposite should not be surprised at the introduction of this bill because it is based, in large part, on proposed amendments that we urged on the Government last session and which unfortunately were rejected. It also reflects our concern that it is important as we move ahead in dealing with the challenge of impaired driving, in particular, that we focus on those who are the greatest risk to the public, and that is those who continue to ignore the law, continue to threaten the safety of lives of Manitobans.

In particular, Mr. Speaker, we believe it is important to move to an era where we are focussing on consequences in the interest of public safety that are tailored to the blood alcohol content, and so we move to, in this bill, a regime which looks at the BAC level.

When it is over 0.16 there are more significant consequences. It is important that we do whatever we can within the bounds of the authority of the provincial Legislature to get this kind of threat, get these people off the road in the interests of our safety.

There are a number of significant changes to the vehicle impoundment program that I would like to bring to the attention of honourable members. First, a vehicle will be impounded for 60 days on a first offence when a driver has a blood alcohol content over 0.16, or if the driver refuses to supply a sample of breath or blood this doubles the current 30-day impoundment period for those offences. Next, a vehicle will be impounded for 180 days on a second offence when a driver has a blood alcohol content over 0.16 or refuses to provide a sample.

Mr. Speaker, the current legislation does not distinguish between second offences and subsequent offences. Depending on the basis for the impoundment, a third offence will result in a longer period of impoundment than a second offence. Some third offences will result in an impoundment period as long as 240 days, versus the 90 days currently provided for. In this regard, the increase in impoundment lengths will target hard-core repeat offenders.

There have been recent instances of high-speed chases all too often ending in tragedy. In response to this serious threat to public safety, the Government is introducing an automatic licence suspension for anyone convicted under the Criminal Code of fleeing from police officers in a high-speed chase. This suspension is based on an offence that was recently added to the Criminal Code this year. We view this type of dangerous offence with the utmost seriousness and have imposed the longest mandatory licence suspension periods available under The Highway Traffic Act, that is, two years for a first offence and seven years for a second offence.

We will be able to discuss this bill in more detail at committee stage. I look forward to providing members with any detail they require in support of this bill. Thank you.

**Mr. Darren Praznik (Lac du Bonnet):** Mr. Speaker, I would move, seconded by the Member for Minnedosa (Mr. Gilleshammer), that debate be adjourned.

Motion agreed to.

# Bill 38-The Statute Law Amendment (Taxation) Act, 2000

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, I move, seconded by the Minister of Justice (Mr. Mackintosh), that Bill 38, The Statute Law Amendment (Taxation) Act, 2000; Loi de 2000 modifiant diverses dispositions législatives en matière de fiscalité, be now read a second time and be referred to a committee of this House.

#### Motion presented.

Mr. Selinger: Today, it is my pleasure to speak to Bill 38, The Statute Law Amendment (Taxation) Act, 2000. This bill provides the legislative authority for the tax changes announced in the Budget. Today, I will outline the contents of this bill. Members will have the opportunity to examine the Bill in detail at the committee stage, and at that time I will provide the Opposition critics with detailed committee notes that provide a more thorough explanation of each section of the Bill.

In broad outline, this bill accomplishes three things. First, it introduces over two years a new income tax system that will feature a single set of brackets and rates calculated directly on taxable income. Under the old system that is being replaced, Manitoba had a three-tax system, including a tax on basic federal tax, a tax on net income and a net income tax. While introducing a new system, our government is also providing a reduction in taxes paid by Manitobans.

Second, this bill provides a substantial redrafting of The Income Tax Act to maintain consistency between the Manitoba act and the federal act. These amendments arise from a federal review of provincial income tax acts administered under federal-provincial collection agreements. They repeal a number of spent provisions. They provide updates and various cross-references to provisions of the federal act and give recognition to the fact that the Act is now being administered by the Canada Customs and Revenue agency rather than the Department of National Revenue. The revised act also features plainer language and a more logical organization. As a result, I believe members will find the Act will be easier to understand, as well as members of the public. Finally, this bill enacts the other tax commitments made in budget 2000, including an increase in the property tax credit, an increase in the tobacco tax rate, and a number of changes to several taxation statutes that are primarily technical in nature.

I will take a few moments to elaborate on each of these three points. Mr. Speaker, I am pleased to acknowledge the important role played by ministers of Finance in the former government in achieving the federal-provincial agreement that now allows all provinces, including Manitoba, to levy personal income tax directly on the taxable income rather than indirectly on basic federal tax. I know that Manitoba was one of the earliest provinces to argue for this change. As the Member for Kirkfield Park (Mr. Stefanson) explained in his '98 budget, almost every federal budget introduces changes to the personal income tax system that automatically impact provincial as well as federal revenues. Too often these changes are made unilaterally by the federal government with minimal consultation or agreement with the provinces.

Switching to a tax on income system will allow us to provide responsible and balanced tax relief in a manner best suited to meeting priorities that are determined in Manitoba. The changes to the income tax system contained in the Bill will benefit Manitobans in several ways. Manitoba's income tax will be simpler and more transparent. The net income tax and surtax will be eliminated, and a three-bracket structure will be implemented where tax is calculated as a percentage of income rather than as a percentage of federal tax. In this way, Manitobans will be able to see directly what portion of their income goes to provincial income tax.

We have replaced the Manitoba tax reduction with the family tax reduction which provides significantly more support to families with children and to persons living with disabilities. We are significantly enhancing the value of the non-refundable tax credits and the charitable donations credit. This is done by increasing the amount against which the credit is calculated and by increasing the credit rate by nearly three percentage points. We are adjusting the bracket levels upwards so the more income will be taxed at lower rates. Taken together, these changes will reduce taxes by \$102 million across the board for all Manitobans. I am particularly pleased that these changes will remove 15 000 low-income Manitobans from the tax rolls.

With respect to the tobacco tax, this budget announced an increase in the rate. The increase is expected to generate an additional \$12.5 million in the current fiscal year, but, more importantly, it is hoped that this increase will serve to curb the number of young smokers. It has long been recognized that youth are pricesensitive when it comes to tobacco products, so even a small increase can have an impact.

In addition, a number of technical amendments are being made to provincial tax statutes. Several taxes are amended to put in place common interest and penalty provisions as the province moves forward in the development of a new computerized taxation system. A key feature of the new system is a taxpayer's ability to view his or her account with a government on a consolidated basis. The consolidated nature of

the data base necessitates these changes for simplicity and ease of use.

Some technical amendments are made to the retail sales tax. Clarification of the tax-exempt status of repair parts for farm machinery is provided for both the farmer and the farmequipment supplier. For the telecommunications industry, a technical amendment respecting the tax application to long-distance service will align Manitoba with other provinces and avoid the potential for the same service to be taxable in two different jurisdictions. The directors' liability provisions are clarified to state that directors are responsible for all tax debts of a corporation, paralleling provisions of the federal government and other provinces. Finally, the provision of the Act dealing with additional penalty applied in the cases of neglect or carelessness is amended to allow a taxpayer the right to appeal these additional penalties.

The corporation capital tax is amended for the corporations that amalgamate or wind up operations during a year, such that the appropriate amount of tax is remitted. The amendment makes Manitoba's tax treatment of these transactions similar to the treatment in Ontario and Saskatchewan.

The provincial fuel tax legislation is amended to incorporate the terms of the International Fuel Tax Agreement. Manitoba has been a member of IFTA since January 1995 with only minimal provisions set out in legislation. In an effort to level the playing field for Manitoba carriers, the Province intends to step up enforcement activities, particularly with respect to carriers coming into the province without the required IFTA licence and decals.

In order to establish offences for non-compliance, it is first necessary to establish the requirements in legislation. This enhancement will not affect the current advantages enjoyed by Manitoba's trucking industry as the consequence of the province's IFTA membership. Rather, it will make the IFTA association stronger, since each member contributes to the enforcement of the agreement for all other members. This amendment parallels IFTA legislation enacted in other provinces.

An offence for obstruction is added to the fuel and tobacco tax statutes similar to a provision already in place under The Retail Sales Tax Act to assist road enforcement officials in carrying out their assigned duties. The obstruction provision provides the authorized employee with another tool, the ability to issue an offence notice in situations where the operator of a vehicle which is stopped under reasonable and probable grounds to believe an offence is in progress refuses to co-operate with or is abusive to the employee.

The Revenue Act was amended to prevent potential erosion of revenue as a result of recent Public Utilities Board rulings. The amendment clarifies that charges for delivery of natural gas to a customer remain taxable even if a different person than the person selling the gas performs a delivery. There is no additional tax as a result of this amendment.

Mr. Speaker, this bill puts into effect key elements of the budget policy approved by this House. I call on the members to support it. Thank you.

**Mr. John Loewen (Fort Whyte):** I move, seconded by the Member for Minnedosa (Mr. Gilleshammer), that debate be adjourned.

Motion agreed to.

## **House Business**

Hon. Gord Mackintosh (Government House Leader): On a matter of House business, if you could just take note that after Bill 15, on the debate on second readings, would you please call Bill 28. Thank you.

**Mr. Speaker:** Bill 28 will be called after Bill 15 when we get to debate on second readings.

### Bill 43-The Sustainable Development Amendment and Consequential Amendments Act

Hon. Oscar Lathlin (Minister of Conservation): I move, seconded by the Minister of Aboriginal and Northern Affairs (Mr. Robinson), that Bill 43, The Sustainable Development Amendment and Consequential

Amendments Act (Loi modifiant la Loi sur le développement durable et modifications corrélatives), be now read a second time and be referred to a committee of this House.

#### Motion presented.

**Mr. Lathlin:** Mr. Speaker, as Minister of Conservation it is my pleasure to introduce for second readings Bill 43, The Sustainable Development Amendment and Consequential Amendments Act.

This bill, Mr. Speaker, is an important component of our multifaceted strategy to implement sustainable development for the benefit of present and future generations of Manitobans. It amends both The Sustainable Development Act and The Environment Act.

Over the past decade, Mr. Speaker, the Government has spent a significant amount of energy and expense in developing numerous sustainable development strategy documents. For the most part, however, those documents have done little more than gather dust. We believe that implementation of sustainable development policies into practice cannot be delayed any longer.

The future well-being of Manitobans, their economy and their environment is at stake. It is for this reason that we have recently announced our Sustainable Development implementations Strategy.

Mr. Speaker, Bill 43 will accomplish three things, and I will address those three specific areas of the Bill in a few moments. However, to understand the details of the Bill and place it in its proper context, some background remarks are required.

The term "sustainable development," Mr. Speaker, became popular in the mid-1980s following the release of the Brundtland Report entitled Our Common Future. In response to the popular acceptance of the notion of sustainable development, Manitoba has over the past decade enacted The Sustainable Development Act and the Manitoba Round Table created on Sustainable Development and also the Sustainable Development Co-ordination Unit.

In 1996, Mr. Speaker, the Government produced its white paper on sustainable development. This document was rejected by virtually all sectors. Following this setback, the Government wisely commenced a multistakeholder process, the Consultation on Sustainable Development Implementation, better known by its acronym COSDI. The result then was a comprehensive report, the COSDI report, that recommended numerous changes that would need to be made in order to begin implementing sustainable development into decision making.

As many of my colleagues are aware by now, the Government has recently announced its endorsement of the COSDI report. I am pleased to advise that this bill sets the groundwork to begin implementing many of the changes recommended in the COSDI report.

To refer to some of the specific details of the Bill, Mr. Speaker, the first feature of Bill 43 is its removal of all references to the Manitoba Environmental Council from The Environment Act. As you are aware, one of the initial steps the Government took last year was to amalgamate the former departments of Natural Resources and Environment along with the Petroleum and Energy Branch to create a single Department of Conservation. One of the results of this amalgamation is that I now have two statutory bodies, the Round Table and the Manitoba Environmental Council, consisting of over 40 people providing me with advice on environment and conservation matters. As there is considerable duplication between these two bodies, it is practical to merge the two to form one independent advisory body. Bill 43 makes the legislative changes necessary to achieve this.

This new body will be able to effectively provide advice and recommendations on the actual implementation of sustainable development and the COSDI recommendations in particular. In amalgamating these two bodies it is important to note, Mr. Speaker, that we hope to keep a core membership from each one to ensure that there is continuity with the good work that has gone on in the past. We know that members of the Round Table and the Manitoba Environmental Council are extremely dedicated and are hardworking individuals. Again, we hope to draw on the abilities of the several for-

mer council members in the newly constituted round table.

Mr. Speaker, this leads me to the second main feature of Bill 43 relating to the Round Table. Since its formation, the Round Table has been primarily occupied with the defining of sustainable development policies and the refining of sustainable development strategies through the Round Table. The Government developed a series of resource and sector-specific sustainable development strategies to guide the decision making.

While these strategies provided some general guidelines for government, up to now they have not been implemented in any meaningful way in government operations. Bill 43 will, Mr. Speaker, strengthen and reposition the round table to perform a key role in the implementation of sustainable development and the COSDI report in particular. While references to the Manitoba Environment Council are being removed, Bill 43 effectively retains the main functions of the Council by adding these functions to the powers and duties of the round table under The Sustainable Development Act. Subsection 2.1. of Bill 43 adds a new clause to subsection 4.2. of The Sustainable Development Act which states that: at the request of the Minister, the round table shall review and report to the Minister on any existing or proposed policy, legislation, regulations or programs. This is very similar to the role of the Manitoba Environment Council under subsection 8.5. of The Environment Act which is being repealed.

#### \* (10:30)

In a similar fashion, Mr. Speaker, subsection 2.2. of the Bill adds a new clause to subsection 4.3. of The Sustainable Development Act, empowering the round table on its own volition to conduct a study or investigation on any matter related to sustainable development and report with recommendations to the Minister. This is very similar to the role of the Manitoba Environment Council under subsection 8.4. of The Environment Act, which is likewise being repealed. It is therefore clear none of the key functions of the Manitoba Environment Council are being lost. These new functions which Bill 43 adds to the round table are, of course, in

addition to its existing powers and duties under Sustainable Development Act. enhanced round table will provide one effective advisory body to advise government in all matters relating to sustainable development. While we have not finalized membership of the new round table, we intend to retain several previously appointed members, as well as several previous Manitoba Environment Council members to the round table, thus benefiting from the experience of the membership of both members of the round table and the Environment Council. The new round table will play a key role in the implementation of the recommendations of the COSDI report.

The third and final component of Bill 43 is its repeal of the reference in section 5 of The Sustainable Development Act to the sustainable development co-ordination unit and its replacement with a reference to the Department of Conservation. This is found in section 3 of the Bill, Mr. Speaker. This brings the duties to the Sustainable Development Co-ordination Unit into the everyday operations of government through the Department of Conservation.

Due to recent organizational changes, through our integration efforts in the Departent, the Department is well positioned to assume these tasks as we begin focussing the mandate solely toward conservation and sustainable development.

The main organizational change to speak of is the establishment, with my Department, of the Environmental Stewardship Division that I have mentioned previously in the House. This Division will be responsible for integrating the Sustainable Development Strategy into the day-to-day operations of the Department and, just as importantly, will take the lead role in implementing the recommendations of the COSDI report. In this latter regard, the new division will work closely with the reconstituted round table, with the new Aboriginal Resources Council, the Department of Intergovernmental Affairs, as well as with many other government departments and private stakeholders.

In concluding, Mr. Speaker, I am confident that these legislative amendments will serve to establish much of the necessary groundwork as we embark upon the challenging and vital task of implementing sustainable development in Manitoba.

Thank you, Mr. Speaker, for the time to put these comments on the record and recommend these amendments to the members of this Legislature.

Mr. Larry Maguire (Arthur-Virden): I move, seconded by the Member for Lakeside (Mr. Enns), that we adjourn debate on this bill.

Motion agreed to.

#### DEBATE ON SECOND READINGS

## Bill 15-The Water Rights Amendment Act

**Mr. Speaker:** On the proposed motion of the Honourable Minister of Conservation (Mr. Lathlin) Bill 15, The Water Rights Amendment Act, standing in the name of the Honourable Member for Ste. Rose (Mr. Cummings), who has 19 minutes remaining.

Is there agreement to leave the Bill standing in the name of the Honourable Member for Ste. Rose?

An Honourable Member: No.

Mr. Speaker: Leave has been denied.

Mr. Harry Enns (Lakeside): Mr. Speaker, I really doubt whether members opposite understand what the Government is doing with this bill, what the Minister is doing here. Let me spell it out for him. You know, an individual farmer by the name of Mr. Hildebrand, he beats the government in due process of the courts, and the law, and all of that. This government's reaction is, this minister's reaction is: Well, you cannot beat us. We will change the law. We will change the rules midterm.

And that is what this bill is doing. That is what this bill is doing. Now, is that fair? Does that appeal to the sense of fairness of members opposite?

I just point that out to begin with. That is why this bill is here. That is why this bill is here. A farmer in southwestern Manitoba took the

Department of Natural Resources to court on a case involving drainage of water with the full, due process of law that we all say. We are, after all, the lawmakers here in this building. We are the lawmakers of the province. We make the laws. We made the laws that this farmer challenged through our court system and beat the Government, and beat the Department in this particular case. So our reaction now is, let us change the rules. Let us change the rules. That is what Bill 15 is.

I simply object to that. I will certainly make sure that the individual—and it is seldom that the whole weight of government, the whole weight of a department is focussed on one individual farmer. I will certainly invite Mr. Hildebrand to make his concerns known at committee stage of this bill. But, I would ask honourable members opposite to pay particular attention to that presentation that will be made. That is an opening concern that I have with respect to this bill.

The bigger concern that I have with respect to this bill is that I really believe that it undermines the conservation districts that we have with some effort developed throughout the better part of agri-Manitoba.

Let me speak a little bit about conservation districts, Mr. Speaker and honourable members opposite. It is a system that was developed, as most things were developed by a Conservative government of many years past, dating back to the late '50s and the early '60s, whereby particularly matters of, initially it was essentially drainage, but in latter years it has encompassed considerably more.

In fact it does much of what the Department of Conservation is all about in terms of land use, in terms of appropriate designation for land use, but it still maintains as a central core of their reason for being is the management of water within that district. And these districts vary. They can be three, four, five municipalities, two or three municipalities, generally taking in a natural watershed area where the municipalities have been brought together in a legal corporation as a conservation district.

\* (10:40)

I know that the Minister finds it much easier dealing with these districts. They turn over a lot of drainage money to these districts to be administered at the local level. But, Mr. Speaker, it compels, it forces, if you like, local governments and individuals to come to their own solutions. I will not deny that this takes time, in some cases years, as there are many different issues, particularly involving water.

I would like to particularly acknowledge the work that my colleague the Member who is sitting right beside me did during his tenure of office in the last administration. For many years we were unable to expand the formation of these districts much beyond six or seven. But under his stewardship that went up dramatically to I believe we have in the order of 11 or 12 or the 12th one pending. It was certainly my goal as the Minister of Natural Resources, it was the goal of the governments that I served that all of agri-Manitoba should be covered by these conservation districts

Mr. Speaker, I object to Bill 15 because I honestly believe that Bill 15 undermines the successful operation of these districts and will block the further expansion of these districts. If the Department, if the Minister is assuming this kind of hands-on control for the diversion of any kind of water-and we are talking minute amounts here, 25 000 metres per day. I suspect that my colleague the Member for Emerson (Mr. Penner) has more of that water on his back quarter right now, and if he wants to drain that he has to get a permit from the Minister.

Well, finally I want to say this, and I say this with the greatest of respect to the Minister, the greatest respect to the Department that I had the privilege of having been minister for. If I wish to be somewhat immodest, I have had the privilege of being minister of that department covering a span of four decades. I was minister of that department in the '60s, in the '70s, in the '80s, and in the '90s. So I have a little bit of understanding of the workings of the Department.

Mr. Speaker, this department does not have the resources to carry out the impacts of this bill. I would simply ask him: What is the state of his licensing program right now? It is in shambles. It is in shambles because of the lack of resources.

We have not dealt with his Estimates, but unless he is prepared to put substantially more people and substantially more money into this aspect of his department's affairs, then this bill is what closes off that little bit of a legal loophole that they got embarrassed by when Mr. Hildebrand beat them in court, but it creates a bureaucratic nightmare. It creates a bureaucratic nightmare.

Mr. Speaker, I make you one pledge. I am well aware that the local governments, the municipalities officially are supporting this bill. But I will also tell you, within four or five years they will be pleading with us to repeal it. I would simply ask the Government and this particular minister to have some second thoughts about this bill to see whether or not it would not be more prudent to, in fact, encourage the conservation districts to take on this responsibility, to further development encourage the conservation districts, rather than assume upon themselves and upon this minister's role to be responsible for every permit, for every bit of water that is to be moved throughout agri-Manitoba.

Mr. Speaker, I cannot support this bill. 1 look forward to this bill coming before committee. I suspect we will be hearing from individual farmers who will have expressions of concern that I wish honourable members would listen to.

Mr. Jack Penner (Emerson): I rise today with some concern about some of the elements of the Bill that we are debating. Similar to my colleague who has just spoken, I also have been a steward of the Department of Natural Resources who were responsible for this bill. Also, I rise today as a farmer and with some trepidation and understanding that Department and this government might want to defend itself beyond the realm of the law. The only way a government can do that of course is by making a new law under which they then can challenge the rulings of a previous court.

I think that course of action is extremely dangerous for any government because it supersedes the rulings of a group of people that we have given the authority to, to pass judgment on based on a case of law that has been dealt with in this Legislature and federal legislatures. We are the lawmakers. Let us never walk beyond that or try and remove ourselves from that responsibility because that is our main function. As legislators, we are the lawmakers, and we charge judges and the other legal participants to weigh and assess and pass judgement.

We as individuals, now I speak as an individual farmer out there, depend on this Assembly to abide by the rules that have been laid out under that law by regulations, and we as farmers and citizens of this province depend on this Assembly to abide also by the laws that they pass for themselves. So, if one of those laws is challenged and if one of those laws is deemed to be inadequate for the purposes of government and that challenge has been made by an individual and won, government must also respect that.

#### \* (10:50)

The danger that we see in what is happening today is that government wants to enforce its authority beyond what the law was and create a new law to give it greater authority to then go back and challenge under that. I think that is the process that I see here, and I think the Minister and this government is walking on extremely dangerous ground when they do these kind of things.

The other thing that I see in a couple of sections of this act are that the individual's rights of earning a living without the intervention of the Minister into his rights are being impeded upon. I think the Minister needs to very carefully assess at least three parts of three sections of this act because it gives the Minister total authority on all properties, and the previous member in his speech alluded to it of 25 000 litres of liquid being moved or diverted. Twenty-five thousand litres, quite frankly, is less than 10 000 gallons, which we spray in one day. I mean, one could make the case under this law, under that section of the Act, that one could not remove 10 tanks of water from a slough to spray my crops on another quarter because it would be diverting water without a licence. I think that is how silly this act becomes in a way, but it is not really silly, Mr. Speaker. It is not silly. It is an application of authority way beyond where this Legislature should allow authority to take place. It supersedes anything that we have seen previously in law.

I think this kind of encroachment on individuals' rights should be challenged if this law is in fact passed. I think you will see challenges to this law by individuals on a number of cases. I think, simply, a challenge by a Mr. Hildebrandt in his right to exercise on his property an action that would allow him to make a living is simply—

**An Honourable Member:** Dump water on the neighbours.

Mr. Jack Penner: I know the Honourable Member opposite says, yeah, and in the meantime dump water on his neighbours. Well, there are applications of current law, and there are processes currently in place that actually prevent that. The law is relatively clear on this, and the regulations are relatively clear on this. But what the challenge was whether Mr. Hildebrand had the right on his own property, and this minister is going to ensure that individuals' rights on their own properties are taken away. I know the municipalities, in many cases, support this action because what the previous member just spouted across the way here is in fact true. The municipalities have argued long and hard that there should be a process put in place that would prevent individuals from dumping water on another neighbour in another matter, and there is a provision that prevents that. It is called the conservations act.

If this minister would have come along and said we have roughly seven watersheds in this province, and I will pass a law saying that there will be seven conservation districts in this province and that these conservation districts will be given authority under this act for the movement of water and drainage within this act, as most of the conservation districts that we have in the province now have authority over, then I think the Minister might have been on the right course. I will use the phrase that the Premier

(Mr. Doer) likes to use periodically: Then he would have been on the right road to Damascus. But now, what he is doing now is simply enacting a piece of legislation that is going to be deemed by many individuals, individual operators, and many of them being farmers, as draconian and authoritative and extremely dangerous because it will put power into one person's hands that should never be put into one person's hand.

As the previous members have said, the department of resources or the Department of Conservation or the Department of Environment, we are not sure which it is these days, and the environmental people do not know where to go and the resources people do not know which way to turn because it is total confusion within that department right now. Much of the problem stems from the fact that this minister has not clearly enunciated what the direction is without taking this kind of draconian action.

Now, Mr. Speaker, I would say that, if the Minister wanted to do true justice, the Minister would only need to say we will make one change in the Act in that we require the formation of conservation districts in this province-most of province is currently covered conservation districts and they do have that authority-and that we would give permit and licensing to those conservation districts and the authority too. I think the Minister would solve a lot of problems. He would not create nearly the amount of headaches that he will now create for himself, because he does not have the policing authority, he does not have the policeman running around, he does not have the officers, unless he is going to change every environmental officer and every conservation officer and require that every enforcement officer in this province is going to have the authority to come out and look when a heavy rain occurs that Jack Penner does not run across the field with a tractor to draw a trench running water into a ditch to get it off his land that the crop can in fact survive.

This act prevents that. Mr. Speaker, this act prevents that. That is where the problem lies. It is time that this minister recognized the follies of his way and rethink this act. I would suggest to the Minister that he seriously consider some

major amendments to this act before it can in fact be passed. I know many of the municipalities have thrown their hands up and say, we do not know who has the authority now. We really do not know. We do not know if we can put a culvert in to run water off somebody's field and build a ditch to get it into a drainage system, a river, or a stream. We do not know who has the authority because of the court's ruling.

It is time that the law is clarified but not in the manner that this minister is proceeding with. I would strongly urge the Minister and this government to take a hard, serious look, a second look at this bill before they bring it forward to debate in committee and propose some amendments in the Committee to this bill that will make it more amenable to individuals trying to make a living in these hard times, as farmers are, and as many farmers are showing today that their fields and their quarter-sections are under water and they need the right to be able to make drainage on their own property to get that water off there in time for those crops to survive and for their families to be able to live in this coming year. That is how serious this bill is.

Yet right now nobody knows whether they legally can or cannot. All I ask in these few short minutes is that there be serious consideration given to some serious amendments that would make the Bill more amenable to the individual operator in rural Manitoba trying to make a living off his land. Thank you, Mr. Speaker.

Mr. Leonard Derkach (Russell): Mr. Speaker, I rise today to put a few comments on record with regard to his bill. My two previous colleagues who have spoken on this issue have indeed expressed the concern that I believe a lot of individuals in rural Manitoba have as it relates to this bill.

Unfortunately the present government has reacted not to a situation that exists with regard to drainage in Manitoba but indeed has reacted to a court case that the Government lost. I think that this is a case, one case, and then having to amend the law because of one case certainly does not make this a better piece of legislation in the Province of Manitoba.

When I look at the legislation, Mr. Speaker, and what it entails, I wonder in a practical sense whether the Minister has really given this a lot of attention in terms of how he is going to be able to administer this piece of legislation in the province of Manitoba. Now, we all know that in the fall of the year after harvest many people who live in the lower lands and the flatlands of this province need to do drainage works in order to be able to get the spring water off their land, in order that they can put in a crop. In addition to that, many people also have put works on their properties in order to get water off after large rainstorms like we have had in the past few weeks.

Mr. Speaker, there is no way that this minister has the resources within his department to be able to police and to be able to assess whether or not permits should be issued for all of these pieces of land right across this province. Even the municipalities themselves could not address the issue within their own jurisdictions, and they would have larger resources than this minister has within their municipalities.

#### \* (11:00)

So I do not know what this minister is intending with this piece of legislation and why he would want to assume that responsibility when, indeed, there are mechanisms in place today where you can empower different organizations, whether it is municipalities or conservation districts, to be able to issue those permits, and to be able to assess whether or not those drainage works are done in a proper and appropriate manner. How is this minister and his staff going to determine whether or not every single quarter section in this province would be a legitimate place to drain water from, or to? I do not know how he can do that and how his staff can do that.

# Mr. Conrad Santos, Deputy Speaker, in the Chair

I do not believe there was a lot of thought given to this legislation, except it was a reaction to a court case where an individual challenged the law and won. That happens every day, but that does not mean because of a situation like that, we immediately change the law. If we do not like the law, because we have the power we are going to change it. I do not think that is a good principle to operate under, and I do not think this minister should be operating under that principle.

I also believe that this minister and his staff have far more important things to do than simply direct all of their attention to the drainage issues that exist across this province. There are some major issues with regard to water. There is no question about that.

But that is why conservation districts have been established. These conservation districts have been established on the basis of watershed. Organizations, the conservation districts themselves, the municipalities, have decided on where the boundaries of these conservation districts should be. They have also worked very diligently at trying to put in a common-sense approach to drainage. In other words, they have worked from the bottom of the stream upwards to the head of the stream to make sure that there is some plan put in place. And we call that water management.

In some cases, conservation districts have put in dams and have put in bodies where they can collect water from an area. We call those retention ponds. And there is a common-sense approach to this where people get together who are affected by these works and who can agree. Not everybody wins in a situation like that. Sometimes there has to be some give and take. But by this bill, the Minister has taken away all of that collaborative approach to solving problems as they relate to water. He has said that he knows better. By this bill, this minister says: I know it all, and I will determine where these works should be and where they shall not be; and, I will decide who can and who cannot get a permit.

Now, why would this minister want to do that? I do not understand that. I do not think a lot of Manitobans out there understand it.

Now, the municipalities reacted as well. They went scurrying to the Department and told the Minister that, look, you take over the responsibility. We cannot manage it anymore. All the Minister had to do was say: Wait a

minute. Let us take another look at this. This is a problem. It is not a problem we have to solve today. It is not a problem we have to solve overnight. It is a problem that has existed for 20, 30, 40 years and longer.

But we have been working toward a solution. Whether it is the former administration the administration before that, each administration worked toward a solution. As resources became available, we were able to expand the conservation districts across this province who were assuming the responsibility for drainage. And what was happening was a common-sense approach, one that was working, one where water was required to be retained. It was retained either behind small dams or in retention ponds, but there was local input into all of this. Nobody knows better than the local people of where water should flow and how it should flow.

What are the best decisions made, Mr. Deputy Speaker, for issues like that? We always call on community resources when we want to solve a problem in a community. Now, why would we not call on the resources that exist out there in conservation districts to solve the problems that exist with drainage? We should challenge them. I say that we should challenge the conservation districts to indeed put in management plans for water so that indeed if there is going to be water drainage or water retention we challenge the conservation districts to be able to solve those issues.

Mr. Deputy Speaker, I know of cases where municipalities have been requested by the Minister to close up drains. That provision was always there in legislation, where the Minister perhaps has the final authority in a case where there is a dispute, where a problem cannot be resolved. I can understand then going to the Minister in an appeal to get a problem resolved, but for the Minister to have complete jurisdiction from day one over any movement of water in this entire province is just unbelievable.

Now, as my colleague from Lakeside said, the Estimates of the Minister of Conservation (Mr. Lathlin) have not come before this House yet. We will be looking at what resources he will be placing in order to be able to manage this. But I would say, and I think I could say quite boldly, that he does not have the resources, neither does this government have the resources, to be able to put in place, to be able to manage that on a day-to-day basis, because circumstances change right across this province from day to day.

Right now in the Gimli area we have a situation where there is an overabundance of water. That water has to be drained, but because we have legislation pending in the House, municipalities are reluctant to do any work. So what happens is people who live near the lake in the lowlands are now suffering because their crops are dying because municipalities are reluctant to move. The municipalities are pointing to this bill.

Now, what is this minister going to do once he passes this legislation? Is he going to release all of the staff to the Gimli area, to the Interlake area, to be able to assess all of those issues that exist, to be able to decide whether or not permits will be issued? Now, how can he do that? Is it not better to empower local people, whether it is municipalities or conservation districts, to deal with those matters?

So, Mr. Deputy Speaker, I have some real difficulty with this legislation. Yes, I understand that municipalities are caught in a bit of a quandary right now because of the court case and because of the introduction of this legislation.

Had the Minister said that is the law, the court has decided that that is the interpretation of the law, municipalities abide by the law, there be no problem today, municipalities would have moved ahead because they would have known that the law was the law, but this minister has altered that. He has said, oh, no, because we lost the court case we are going to change the law. So municipalities now say, all right, Mr. Minister, you want to be the smart guy, you decide how you are going to deal with this and we will put the responsibility on your shoulders.

I do not know for whatever reason this minister and this government want to assume this responsibility, but I think it is a wrong-

headed approach in terms of dealing with water management in the province of Manitoba.

I think time will prove us right, but we simply have to await that day. So I hope that this minister has been listening not only to me but to my colleagues and indeed that common sense will prevail and that he will bring forward some amendments that put this bill into a state where it is more practical than it is in its present state before the House today.

There is one other area that disturbs me in this bill, Mr. Deputy Speaker, that I cannot avoid mentioning, and that is the power of the Minister to enter lands. Now, you know, that is an area that might be challenged by people out there, because there are still some laws in this land that respect private ownership of property. This is no different than the Minister taking onto himself the power to enter my house. Now, would we tolerate that? Would you tolerate a minister having the power to enter your backyard? Well, this minister has taken that responsibility onto himself and taken that power.

He says through this legislation: I am now going to be empowered to enter your property. I do not need your permission. I do not need you to be present. I can enter your property anytime, and I will cross your property regardless of what is on that property because I have that right. I am the Minister. Or I will authorize any of my bureaucrats to enter your property without permission.

#### \* (11:10)

Now, Mr. Deputy Speaker, I have not seen in recent years this kind of authority taken by any single minister, and maybe that is an attitude that this government has about the respect of land ownership of people in Manitoba, but I believe, I seriously believe that this minister has overstepped his bounds in terms of his authority to enter lands and to take onto his shoulders the responsibilities for drainage across this province.

Mr. Deputy Speaker, I hope that this minister is listening. I hope that his staff is listening. I hope that somehow more common sense will prevail, that this does not become simply a reactionary approach to a situation,

that, indeed, they will relook at this legislation and bring forward in committee stage some amendments that will make this bill more palatable to the individual producers and farmers across this land and to Manitobans in general.

Thank you very much, Mr. Deputy Speaker.

Hon. Jon Gerrard (River Heights): Mr. Deputy Speaker, I rise to speak on Bill 15, The Water Rights Amendment Act. This bill, of course, is the Government's reaction to the recent appeal court ruling of Raymond Abe Hildebrandt versus the Queen, wherein Justice Helper stated that The Water Rights Act was designed for water allocation licensing and did not apply to controlling land drainage, in essence.

The bigger issue here which is important to deal with is the long-standing chaos over the issue of controlling agricultural land drainage by individuals on private property and supporting drainage works by municipalities. In some situations, such drainage can have negative consequences in terms of impacts on nearby lands, downstream waterways, habitat and other environmental issues. Some aspects of the impacts may be small for an individual project but cumulative when many individuals are involved with widespread drainage activity in a single watershed.

The Province, represented now by the Department of Conservation and the Water Resources branch, has at no time in the last 40 years, whether it is Conservative or NDP governments, come successfully to grips with the questions of how to control such activity effectively and fairly, and, more importantly, of defining precisely what is to be accomplished in the area of water management in this province.

In years past, at the senior management and political level, the issue was viewed more as a nuisance by previous politicians, whether on the Conservative or the NDP side. Lower-level operational staff saw it in more positive terms and tried to do things in a positive way and frequently were able to do that.

In the last several years, perhaps because of increasing local public concern and complaints,

the Government began to pay more attention to this, dedicating additional staff to land drainage, licensing, raising the priority of the issue, and this, of course, has led to controversy, legal action, confrontation and the situation where we are now.

The main problem, even with this amendment, with The Water Rights Act and its agricultural land drainage, application to remains. That is that the Act simply states that no one shall drain water without a licence. without definition of the purpose and without setting criteria to limit the application to the kind and scope of land drainage activity that warrants such control. What is needed is appropriate regulations pursuant to the Act and a guiding principle and purpose in order to guide activities within the Province related to water management. In reality, this could have been done at any time over the last 40 years by Conservative or NDP governments but has not been done in a satisfactory fashion. [interjection]

We would have acted instead of waiting, as you have done and acting as this bill does with some real questionable groundwork.

When the Government gets back its power over land drainage by means of this bill, what are they going to do to ensure that power is exercised in a useful, helpful and with clear objectives and clear criteria so that the process comes into play where it serves a useful purpose and does not come into play as interference in what people do when there is no useful purpose for government to be involved?

There is an important line here for government, and clearly the issue of water management is a hot one in this province. I can say, as I have been to many communities, many coffee shops, many individual farmhouses, in this province over the last two or three years that water management issues come up very frequently. They come up not only in the context of drainage, because I think it is important that what we are looking at here is water management, how it is achieved.

There are some critical issues. What area is to be used and seen as a water management unit?

To some extent, the set-up of conservation districts has been a step in that direction. The definition of subwater basins, if the Minister of Conservation (Mr. Lathlin) will define more clearly what he means by subwater basins so that they are realistic, manageable and functional from the point of view of water management issues.

I think that it is important to have, in water management, not only a view of drainage, but an important view of water impoundment, water irrigation, use of waters, development in some areas of marshes for healthy environments for water purification in a natural way and so on.

It is noteworthy that one of the hot issues in terms of drainage because of the increased activity that has occurred has been the increased problems with flooding downstream. In many areas of this province, this has become an increasing concern that, because of drainage, the people downstream will be affected, are being affected, have been affected over the last number of years because of increased run-off, the whole problem that we are dealing with in the Red River basin of increased flooding. Areas of southwestern Manitoba where last year we were concerned about flooding issues, the drainage needs to be viewed in the context of overall water management, what we are going to do to impound and hold back water so we do not have increased flooding at the same time as we have manageable drainage.

I think it is noteworthy that a comparison between Manitoba and Saskatchewan and Alberta shows that, as a result of 40 years of not very much action by NDP and Conservative governments, on a comparative basis, we are way behind in the amount of irrigation activity in this province compared with Saskatchewan and Alberta. We are way behind.

At no point in the agricultural history of our province is this actually more important if we are going to move to increase value-added products, if we are going to have, as we have, the benefits of irrigating potatoes, but now for a whole variety of reasons the potential for high-value crops which need to be irrigated in a stable fashion is high. We should be moving vigorously in this direction.

This bill does not give us the guidance or a framework for doing that, and we would hope that in the Minister's statements in the committee and in the flow-through from this bill that we will have a much more positive view of how this province is going to be managed and how farmers and the agricultural community are indeed going to benefit, and not just as the Minister seems to be doing now, putting one more regulation on top of another.

#### \* (11:20)

Water clearly is a very valuable commodity we have followed for many years in this province, sadly a province of putting that water down the drain, clearing it off the land, yes, but thinking of it as a waste product rather than a good that, in fact, we should harness. We should make sure we are using every drop of that water to irrigate lands, to help in areas where we are building industry and providing sufficient water for industry and for industrial development. Clearly, the Government needs to think far beyond where it is at the moment in order to put in place a water management proposal which is wise and which does not interfere with good things while enabling and facilitating some very positive developments in this province.

#### Mr. Speaker in the Chair

Effective and appropriate control of agricultural land drainage really is best accomplished, quite frankly, by a co-ordinated effort by the Province, municipalities and conservation districts working with individual farmers and individuals who are using the land.

The co-ordination of roles and responsibilities needs to be clearly laid out. Whether this is done in legislation or whether this is done in the regulations that accompany the Act, it needs to be explained by the Minister so that, in fact, we have some reason to believe that he is heading in a direction where we are going to see the kind of co-ordination and effective working relationships that are needed.

There has always been a level of cooperation between the Province, municipalities and conservation districts, but what has been lacking has been a very real framework of a clear understanding of the relative roles of each of the overall goals, the framework for water management policy, quite frankly, in this province. That is what we need. That is what the government should have provided, not just a bill for additional licensing.

The primary role in managing licensing clearly would be more effective and more cost-effective at a local level. There needs to be some understanding of the principles which are being applied in other jurisdictions very effectively, the principles of subsidiary, Mr. Speaker, where different levels of government have different responsibilities, different actions, and the actions are apportioned to those which can carry out those responsibilities the most effectively and the most cost-effectively.

So, Mr. Speaker, what is needed now, quite frankly, is not just this change but a more thorough change to probably three pieces of legislation, The Water Rights Act, The Water Resources Administration Act, The Municipal Act and The Conservation Districts Act in order to put together an approach that will functionally work to control land drainage but put in place at the same time the mechanisms for promoting irrigation-wise water management and not just view this as a drainage issue.

The changes should also determine the appropriate and co-ordinated roles and spell out those roles for the Province, for the municipalities, for the conservation districts, put in the context of the rights of individual farmers, individual landowners, individuals who use the land in one way or another.

That is what we could have hoped that the Minister might present. We are seeing a step. I look forward to the discussion in the committee stage because I think that there is a great deal of work that needs to be done in this area, but, clearly, we need to go far beyond what is present in this particular legislation. Thank you.

Mr. Edward Helwer (Gimli): I would just like to take a few minutes to put a few remarks on the record regarding Bill 15, because this bill certainly is a very important bill. It is very important to me and to my constituency, and especially to the Interlake area, because we have

kind of a unique situation in the Interlake area. The Gimli constituency is located between the two lakes, Lake Manitoba on one side and Lake Winnipeg on the other, and I represent the municipalities along Lake Winnipeg, which is the Rural Municipality of St. Andrews, West St. Paul and the Rural Municipality of Gimli.

All of these municipalities have the same problem. Because of the way the situation is—Lake Winnipeg is lower than Lake Manitoba—all the drainage is towards Lake Winnipeg. All the water from Highway 6 and east basically ends up in my constituency right along Lake Winnipeg. It is not only me. The Member for Interlake (Mr. Nevakshonoff), of course, who represents Bifrost has a similar problem there.

So we really do have a real drainage problem in the Interlake, and this bill, although we do need to give the Department some authority, I think goes too far in taking away the power of the municipalities. The Department of Conservation does a lot of good work, and they have some very good people who do help the municipalities, but the problem is we have to be able to control these drainages right from Lake Winnipeg and work back and size the proper culverts, and one thing and another, and the drains, so that it does take the water from the west.

But, I think, Mr. Speaker, this bill goes too in taking away the power of the municipalities and also taking away the power of the individual farmers. You are never going to control the individual farmers. If they want to make a drain to drain their water, they are going to do it. You cannot necessarily control that because it is on private property. But you can if you can get the municipalities to work together in a conservation district. That is the real answer. That I certainly agree with, and that is so the municipalities have a say as to what can be done and what goes on. They are going to control their own destiny to some extent. That is what we have to do, is give some of this power to the conservation districts so that they can control their own water and the drainage system.

The problem that arises-especially this last couple of weeks it certainly has shown up with all the rain that we have had in the Interlake. But that is not the first time it has happened. It happens every time we get a 5- or 6-inch rain. Most of our drainage systems are not made to handle that kind of water. They are made to handle maybe a 2½- or 3-inch rain but not as much as 8 or 9 or 10 inches in a matter of two weeks. This creates a lot of problems.

\* (11:30)

During the last number of years, we have made a lot of improvements to a number of drains in the Interlake. As an example, Netley Creek, which we started at Lake Winnipeg and worked back. We are back I would say about 10 miles now where we have cleaned the drain and put in proper-sized culverts, and it certainly has helped. It gets this water away quicker.

But there has to be a co-operation of municipalities. They have to hold the water up, not let it go out all at once. We have some lakes such as North Lake, as an example just west of Teulon there actually, let that fill up with water during the rains and drain the water off the farmland first and then let it go in a controlled manner instead of letting it go all at once and flooding everybody down on the flats and drowning out the crops.

It has happened many times. Our farmers in the Interlake and the Gimli constituency have lost again this year, I would say, a good 25 percent to 30 percent of their crops because of the water. It is probably worse in my area than in any other area in Manitoba because of the fact I get the water from the west coming in through my municipality and floods my farmers.

The Department does need some authority. I agree with that. But I think it goes too far in taking away the power of municipalities. I would rather, if the Department would set up conservation districts in areas such as the Interlake area to get the municipalities to work together and get them proper advice, get them proper engineers so they can design the proper drainage and given the proper tools so that they can get the proper surveys and design these drains so that they do work.

Actually, the Department has worked very closely with our municipalities and has worked

very well with them and has done a lot of work in helping the municipalities design drains. I certainly hope that continues because that is important because the Department has to have that power to be able to design the system so that it looks after not only one municipality but takes into consideration all the municipalities. But I still believe that a conservation district is a proper way to go, and I would hope that the Minister would look at that and try to be able to make some of these things happen without being in this bill.

I also want to just mention, the Member for River Heights (Mr. Gerrard) talked about water management. I think that is what we are talking about in this bill really is water management, trying to control it. But I think it goes too far in taking away the power of municipalities again, as I said.

An Honourable Member: We have to work collaboratively.

Mr. Helwer: That is right, and especially on some of the major problems, major drains, because of the facts you are crossing highways, you are crossing railways, you are crossing people's property and one thing and another. It is difficult to build these proper drains without giving the Department some power, of course. They have to have the ability to go in and make changes and to clean these drains and to size the culverts properly.

I would like to encourage the Minister and his department, though, to put more funds into the Department so that they can do a proper job of cleaning the ditches, cutting the weeds and cutting the grass so that it does not hold up the water. I think by cleaning these drains in the fall—I realize when you get a summer rain like this they are already grown up and it is very hard to do much but the grass and the weeds in the ditch have a big effect on the water as to how much volume the drains can take. So it is important, I think, that the Department have the ability to be able to clean the drains and to make sure that they are in the condition where they will take the water.

With that, Mr. Speaker, I realize the importance of this bill. I also realize that it

maybe is going too far. I agree with my colleagues that-

An Honourable Member: Poorly drafted.

Mr. Helwer: Well, I think it is going a little too far. It is taking away the power of the municipalities and maybe a little too far. But I would agree with my colleagues that the forming of conservation districts, whereby you put that power into the control of local hands—[interjection] Well, Mr. Speaker, good water management would go a long way to solving some of the problems that we have in the Department.

So with that, I just want to conclude by saying that I agree with my colleagues that we do need some changes. The Department has done a fairly good job, and I would hope will continue to work with the municipalities to solve some of the water problems.

Thank you.

Mr. Frank Pitura (Morris): Mr. Speaker, I rise to put a few comments on the record with regard to Bill 15, The Water Rights Amendment Act. I know that time is probably of an essence here, and hopefully it will not take too long. I would like to see this bill passed to committee this morning.

My first reaction to seeing the legislationand of course, having had some discussion with some of the staff in the Department, certainly I can appreciate the Department's immediate response to the court case that occurred in southwestern Manitoba where The Water Rights Act, as it stood, did not encompass the licensing authority for on-field drainage. As much as I can appreciate the Department's reaction, in terms of bringing forth this bill, it really only addresses an immediate problem. It really does not address the long-term solution of water in the province.

I think one of the statements that I have been told a few times and read is that Mark Twain, I guess was quoted as saying that water ain't for drinkin', it's for fightin' over, and that is exactly what is happening. Of course, this legislation has been tabled in this House as a reaction to one's right to fight over water.

But, if I talk a little bit about the Red River Valley and the implications that this legislation has for the valley, Mr. Speaker, in the Red River Valley when the valley was first settled, of course, it was basically grassland and low-lying lands subject to flooding and impoundment of water. So as part of the development process of the valley, drains were constructed more or less on a square-mile basis and some major drains put into place to carry this water to the river, which allowed for this very highly productive land to come under cultivation, and that is what we see today.

As an example, too, this legislation—and it is going to have an impact—is that if every producer is required to have a licence to drain water off their land into a municipal drain, which would be authorized by the Province; then the recent rains, the 5.5 to 7 inches that we received here about 3 weeks ago in the Red River Valley, most of the farmers would not have been able to utilize their tractors to try to promote the movement of water off their land. They would have required a licence from the Province. So this brings about some major problems, Mr. Speaker.

This is where I do not think this legislation is a solution, because it really does not deal with the problem. All it does is creates I think a bureaucratic nightmare for producers who would like to get a licence to drain water off their fields. I do not know if the Minister's department has really evaluated and analyzed what this legislation would do with regard to their department's responsibility, because if every producer-and there are many producers in the Red River Valley that do drainage on an annual basis, cleaning out drains, creating new ones, doing some laser drainage work in the fall. All of this would have to be licensed, though all of these producers want to have this work done, preferably in the month of October.

So is the departmental staff going to be in place to be able to look at each individual situation and grant the licence on a very timely basis? I think not, unless there are a huge number of staff that are going to be hired to, in fact, cover the province and to grant the licences for each individual that would like to drain water. Of course, if they have to look at the

implications of the entire watershed, I can just see that this is going to be a long, long waiting list of farmers waiting to receive approval to drain water.

Mr. Speaker, if we look back through some of the history in the province and the history of water management, I am not sure, about 30 years ago, I believe, the Whitemud Watershed was put into place and that watershed is still working today. It is working reasonably well, and it is a multimunicipal.

Then, after that, there was a conservation districts legislation of which, when I was a bureaucrat, I was a part of the construction of that legislation, and that allowed a single municipality to go into a conservation district. But my colleague from Russell had indicated earlier that we now, in terms of watershed conservation districts, have 13 of these districts in the province. They are addressing the overall issue of water management and water licensing and drainage licensing.

So, Mr. Speaker, I just wanted to say that really this legislation should be amended to reflect the urgency of some areas of the province with regard to on-field drainage. Really, when we take a look at such things as the IJC report that was tabled not long ago in the month of March, we have indicated on a number of occasions to the IJC that what we are talking about, in terms of the whole Hudson Bay drainage basin, is not so much protecting ourselves against high water in that basin as it is to be able to manage the water in the total basin, whether it be basin storage, whether it be a comprehensive larger storage, or whether it be planned and co-ordinated drainage.

I think what this government should be taking a look at, rather than this legislation, is incentives to be out there for municipalities to get together to establish watersheds. I think that it is very important, Mr. Speaker, that we consider when decision making is in the hands of local authorities and there is local input, that those decisions are the best decisions for those people living in that area because they have to live with the consequences of those decisions. If you have the Province making those decisions on their behalf, the Province really has no feel

for what the consequences would be for their decisions.

\* (11:40)

So I can appreciate why the Department is proceeding with this legislation, but I also have to register my concerns about the fact that in many areas of the province, very shallow surface drains are needed to move water off land. This is going to require licensing. It is going to involve the complicated process that is going to be held up in terms of the bureaucratic handling of it because of the paperwork that is involved, because of the on-site inspections.

All of those things are going to impede the process and the progress of farmers, particularly in my constituency, of being able to move water off their land in a timely basis in order to protect a crop that is already growing or to prepare for the planting of the crop in the next years.

So I think that, as regards this legislation, the Minister needs to take another look at it. I would hope that he would be willing to bring in a number of amendments to this legislation so that certain areas, particularly flood plains, may be looked at in a different light.

In summary, Mr. Speaker, I caution the Government on this legislation. I do not think that it will accomplish what it is supposed to do. I would like to see the Government give serious consideration to watershed management districts or conservation districts and the incentives to be able to allow municipalities to get together and to form these districts.

With those few comments, I am willing to see it pass on to committee.

Mr. Speaker: Is the House ready for the question? The question before the House is second reading of Bill 15, The Water Rights Amendment Act.

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

Some Honourable Members: Agreed.

Some Honourable Members: No.

Some Honourable Members: On division.

Mr. Speaker: On division.

# Bill 28-The Northern Affairs Amendment and Planning Amendment Act

Mr. Speaker: On the proposed motion of the Honourable Minister of Northern and Aboriginal Affairs (Mr. Robinson), Bill 28, The Northern Affairs Amendment and Planning Amendment Act (Loi modifiant la Loi sur les Affaires du Nord et la Loi sur l'aménagement du territoire), standing in the name of the Honourable Member for Morris.

Mr. Frank Pitura (Morris): I just want to quickly make a few comments on this piece of legislation, Bill 28, The Northern Affairs Amendment and Planning Amendment Act, and see it move on to the committee stage.

First I would like to extend congratulations to the Minister of Aboriginal and Northern Affairs (Mr. Robinson) for bringing this legislation forward. I think what it does is it addresses The Northern Affairs Act and The Planning Act and The Municipal Act, the three acts, because The Municipal Act was a new act a couple of years ago, and what it does is it reflects those changes in The Municipal Act and The Planning Act and brings them into The Northern Affairs Act, so that it clears up some of areas that Northern Affairs cloudy communities had to deal with, with respect to the legislation.

Some of the highlights of this act, Mr. Speaker, is that the Minister is allowed to delegate the approval of Crown land dispositions within an incorporated community boundary to the council of the community.

I think that is a positive step where the Northern Affairs community can have more control over the land within its boundaries, whether it be incorporated land or whether it be Crown land. So I think that is a very positive move towards the development of Northern Affairs communities.

**An Honourable Member:** Do not forget to thank the Minister for briefing you on the Bill.

Mr. Pitura: Yes, Mr. Speaker, I want to take this opportunity right now to thank the Minister of Aboriginal and Northern Affairs (Mr. Robinson) for taking the time and for working with his staff and sitting down with us and briefing us on the legislation, because that really helps us in terms of being able to understand what the legislation is all about, and therefore the ability to move the legislation through this House works much easier and more efficiently if the Opposition is briefed on the aspects of the legislation.

Another area, Mr. Speaker, I think that is very positive in this Northern Affairs Act is that it actually links The Northern Affairs Act to The Planning Act so that there is direct linkage and the move from one to the other, so that Northern Affairs communities will have a better idea as to where they sit in the legislative process.

Another highlight, Mr. Speaker, is the fact of the functions of a municipal board. I guess under The Municipal Act, if a community had an appeal hearing where an individual wanted to appeal a decision by their local community council or the local incorporated town council such as South Indian Lake, they could go to the Municipal Board, and the Municipal Board would have to arrange to have a hearing.

This legislation allows more efficiency to be put into the process where the Minister can appoint a person or persons to sit as a municipal board to hear the appeal which tends to create efficiencies in being able to address some of the issues with Northern Affairs communities.

Overall, Mr. Speaker, I was very happy to see that this piece of legislation and the amendments of this legislation and the Minister's intent with this legislation was to continue the course that was really established by the previous government in empowering more and more northern communities to be in charge of their own destiny as communities.

I think that this empowerment is very important because there are a tremendous number of resources in the North. There are a number of communities that have a lot of people

with a lot of good ideas, a lot of vision and a lot of energy, and by this legislation I think it allows them to be able to access and direct their energies towards the development of their own communities.

I think a very good example was the recent incorporation of South Indian Lake as a northern community in Manitoba, very positive. That kind of empowerment, I think, is available to other communities. This legislation allows the Minister to delegate that responsibility and authority to those communities to put in place community councils.

I think that overall the legislation is a very positive move, and I congratulate the Minister once again on bringing forth this legislation. Certainly the key part is towards more empowerment to northern communities.

I am ready now to pass it on to committee, Mr. Speaker.

Hon. Jon Gerrard (River Heights): I rise, Mr. Speaker, just to put a couple of words on the record. First of all, to say that I welcome the discussion at the committee stage of this bill, and second, to ask the Government to make sure that at committee stage it is handled in a way that will facilitate input and participation by people in northern Manitoba.

Because of the distances involved, this is often more difficult for people from the North, so I think this needs to be taken into account so that we get adequate input from the people in the North

\* (11:50)

Mr. Speaker: Is the House ready for the question? The question before the House is Bill 28, The Northern Affairs Amendment and Planning Amendment Act, second reading.

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

Some Honourable Members: Agreed.

Mr. Speaker: Agreed and so ordered.

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Hon. Gord Mackintosh (Government House Leader): Is it the will of the House to call it twelve o'clock?

Mr. Speaker: Is it the will of the House to call it twelve o'clock? [Agreed]

The hour being 12 noon, I am leaving the Chair with the understanding that this House will reconvene at 1:30 p.m.

## LEGISLATIVE ASSEMBLY OF MANITOBA

## Thursday, July 6, 2000

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