#### LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, 25 July, 1986.

Time — 10:00 a.m.

**OPENING PRAYER by Madam Speaker.** 

MADAM SPEAKER, Hon. M. Phillips: Presenting Petitions . . . Reading and Receiving Petitions . . .

## PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**MADAM SPEAKER:** The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and ask leave to sit again.

Madam Speaker, I move, seconded by the Member for Inkster, that the Report of the Committee be received.

MOTION presented and carried.

#### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, I wish to provide for honourable members the Eleventh Annual Report of the Prairie Agricultural Machinery Institute.

MADAM SPEAKER: Notices of Motion . . .
Introduction of Bills . . .

# ORAL QUESTIONS MTX

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Madam Speaker, my question is to the Premier.

Earlier this week, both the Minister responsible for the Telephone System and the Premier referred to orientation and briefing material that was given to employees of MTX and SADL who are sent overseas to Saudi Arabia. I wonder if the Premier would be good enough to table that information that is given to the employees as orientiation and briefing material.

MADAM SPEAKER: The Honourable First Minister

HON. H. PAWLEY: Madam Speaker, that can be arranged.

MR. G. FILMON: A further question with respect to the same topic is: In view of the fact that there continues to be indications from people at the Telephone System, employees, as quoted today in the newspaper, saying that they believe that they are not able to apply for jobs, because of the fact of their gender, in Saudi Arabia. I wonder if the Premier - and I recognize that he has already indicated that he wants the whole matter to be reviewed by External Affairs, and by the Canadian Human Rights Commission. I wonder if he would refer the specific matter of the employment practices in Manitoba to the Manitoba Human Rights Commission?

HON. H. PAWLEY: Madam Speaker, I would first like to take this opportunity to respond to a question on this related subject that was directed to me yesterday by the Deputy Leader, insofar as contact with the Saudi Arabian Ambassador.

I'd like to advise the House that we have been in touch with the Saudi Arabian Ambassador to Canada, through my office, through the person of the Clerk of the Executive Council, Mr. George Ford. The Ambassador confirmed that the Kingdom of Saudi Arabia does not discriminate on the basis of religion or sex, that visa applications are processed on a case-by-case basis on their merits, as is the case with other countries of the world.

The matter pertaining to any particular grievance or complaint that any employee of MTX or MTS or Manitoba Data Services - I believe, the employees there are included in eligibility to make applications - that feel they have been refused the right to apply, or denied employment; I would urge them to submit their names to us, submit their names directly to the Canadian Human Rights Commission, so that the Canadian Human Rights Commission - which I believe is the appropriate body because we are dealing with international trade and, therefore, Canada is the appropriate body, along with External Affairs - would have this information when they make their consideration as to whether there are any additional grounds or basis for claiming discrimination, beyond that which was judged to be the case in 1979 when the Bell case was heard, which did involve as well the Manitoba Telephone System at that time.

MR. G. FILMON: Madam Speaker, when this matter was debated in the Legislature in 1978, Hansard indicates that at that time the matter was referred both to the Canadian Human Rights Commission, and a complaint was lodged, I believe by the Federal Minister, Herb Grey, to the Manitoba Human Rights Commission for examination.

I just ask, in view of the fact that the information provided by Mr. Holland and Mr. Plunkett, the president of MTX, indicates that, of the more than 100 people who have been sent in that intervening period to work in Saudi Arabia, none were women and none were Jews; I wonder if the Premier would consider having that particular matter be referred to the Manitoba Human Rights Commission for examination, since it involves Manitoba Crown corporations, Manitoba citizens, and the effect of the employment practices on them.

HON. H. PAWLEY: Madam Speaker, what Mr. Holland and Mr. Plunkett have indicated that earlier reports, suggesting they had indicated that there was discrimation, were untrue. They did indicate that they had not received applications, nor had there been denial of such applications.

Madam Speaker, if there are individuals that feel that they have been rejected because of alleged discrimination, then it is up to those individuals to make their submission, if they desire to do so, to the Manitoba Human Rights Commission.

On our part, we are referring this to the Canadian Human Rights Commission, which I feel is an agency outside of the provincial control or appointments of the Manitoba Government, so there can be no question as to any influence from the government in respect to the finding of the Canadian Human Rights Commission. It's a body that is appointed by the Federal Government. It's a body that deals with national and, because of the international scope of this, it's the appropriate body. That does not prevent any individual who does feel agrieved from making their individual submissions, if they prefer, to the Manitoba Human Rights Commission, rather than to the Canadian Human Rights Commission.

MR. G. FILMON: Madam Speaker, is the Premier suggesting that the Manitoba Human Rights Commission could not be objective on this issue if it were asked to investigate it by the Manitoba Government?

HON. H. PAWLEY: I didn't say that at all. It's a recognition, however, that the appropriate body to deal with this, which is the Canadian Human Rights Commission, because of the international scope, and also recognizing the reality of the issue, that if I had suggested this matter be dealt with the Manitoba Human Rights Commission, the first people to object would be honourable members across the way.

#### **WMC Research Associates contract**

MADAM SPEAKER: The Honourable Member for Lakeside.

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

Some short time ago, Madam Speaker, the Minister did table, after repeated requests from the Opposition, a copy of the agreement signed with the WMC Research Associates and the Manitoba Energy Authority. Madam Speaker, we note, upon perusing the copy of the agreement, that it would appear that the heart and guts of the agreement did not come along with it. There are some seven references to Appendix 1 contained in this short copy. I trust, Madam Speaker, that was just an oversight on the part of the Minister that we didn't receive Appendix 1 when this copy of this agreement was being tabled.

I wonder if the Minister could indicate his willingness to table Appendix 1 along with the agreement.

**MADAM SPEAKER:** The Honourable Minister of Energy and Mines.

HON. V. SCHROEDER: Thank you, Madam Speaker.

I wasn't aware that Appendix 1 wasn't appended and I'm sure that once I locate it, I'll be able to pass it over to the member.

MR. H. ENNS: Madam Speaker, I wish to thank the Minister for his willingness to provide us with that information. It would seem to be very important to some reasonable understanding of the contract.

## Potash mine, Manitoba - drilling contracts

MR. H. ENNS: Madam Speaker, a new question to the same Minister.

In view of the fact, Madam Speaker, that information now has it that the initial or first tenders for the drilling of test holes in the potash development in Western Manitoba have been let, could the Minister indicate who the winning contractor was and the amount of the contract involved?

#### WMC Research Associates contract

HON. V. SCHROEDER: Madam Speaker, just pursuing that comment of the member on the first question, it did take him about a month to find out that there was no Appendix attached to approximately a four-page agreement. So that I think the issue of its absence - I'm sure that I'll be able to provide it sooner. It certainly won't take me a month to provide it.

#### Potash mine, Manitoba drilling contracts

HON. V. SCHROEDER: On the second issue, I'm pleased that he's asked the question. His leader was up in the House the other day saying it was wrong for us to be proceeding with potash development at this time. There have, in fact, been eight subcontracts let. I don't have the names of the successful bidders, but I'm told that two of them happen to be from Manitoba.

MR. H. ENNS: Madam Speaker, I asked the Minister a specific question. Could he indicate to us which Manitoba contractors were awarded the drilling contracts and for the amount of money the contracts involved?

HON. V. SCHROEDER: The member probably didn't hear me. I said I didn't have the names of the Manitoba contractors, but I indicated that two out of eight, I'm told, were successful. There were six other subcontracts let as well. I don't have the dollar numbers. As members know, this is not contracting with the Province of Manitoba; it is contracting with Canamax and they have not provided me with the numbers. They have provided me with the names, but the names escape me at the moment.

MR. H. ENNS: Madam Speaker, I'm truly trying to be reasonable this morning. It is a fine Manitoba summer morning.

Madam Speaker, direct inquiries to the other major partner, Canamax, have indicated that they are not releasing that information. Madam Speaker, we are embarking on a venture that could see hundreds of millions of public money being spent on a very questionable project, I might add.

My question to the First Minister is: Will he assure this House, and will he provide this House with the kind of detailed information that this House is surely entitled to have with respect to this venture?

HON. V. SCHROEDER: Madam Speaker, the money being spent is not Manitoba money; it is Canamax money.

MR. H. ENNS: Madam Speaker, is the Minister now indicating that there will be no public money spent on the potash development in Western Manitoba?

HON. V. SCHROEDER: Madam Speaker, the Province of Manitoba has already expended some \$5 million on acquiring a 49 percent interest in the site itself. There, at the moment, is no further expenditure planned. This particular set of subcontracts is not costing the Province of Manitoba any money. It is a Canamax project, a project incidentally which the Leader of the Opposition said, two or three days ago in this House, Canamax was not proceeding with. He said in this House that they were not prepared to proceed any more, and today we're discovering that the Opposition has discovered that Canamax is proceeding and has confidence.

MR. H. ENNS: Madam Speaker, this House has yet to be told whether Canamax is proceeding at all, has yet to be told whether they're putting in a nickel or \$2 million, and I'm simply asking a question: How much money was the contract for that was awarded in the last few days by Canamax? The Minister's obviously refusing to answer that question.

HON. V. SCHROEDER: The Premier sent the Leader of the Opposition a copy of our agreement with Canamax more than two months ago. That agreement indicates that from the purchase price of our 49 percent interest, Canamax is required to go ahead and do additional exploratory work and they are doing that additional exploratory work. It is not our money, we obtained a 49 percent interest.

If the Member for Sturgeon Creek sold his house, would he then say that he owned the house and had the money? Once you part with the money, that's not your money any more. We paid \$5 million for a 49 percent interest in that site. Canamax is now proceeding with further exploration with their money.

## Manitoba Hydro - unanswered questions

MR. H. ENNS: Madam Speaker, I appreciate your indulgence.

One final new question, a new question to this informative Minister of Energy and Mines.

It's been about a month ago, or better than a month ago, that the government and this Minister indicated to answer a number of questions relative to Hydro matters, none of which have yet been answered. I asked this question several times and will continue to ask

that question; questions that were raised by myself, by my colleague, the Member for Morris, indeed as well, the Member for St. Vital. When can we expect some of the responses to those questions asked with respect to another major development; namely Hydro, from this government and from this Minister?

**HON. V. SCHROEDER:** The member is incorrect. There have already been some answers provided, not all of them, but we have provided answers to some of the questions by all three of those members. I hope to be in a position to be able to provide the rest of the answers by the end of next week.

## Liability insurance coverage - nurses

**MADAM SPEAKER:** The Honourable Member for River East.

MRS. B. MITCHELSON: Thank you, Madam Speaker. My question is to the Minister of MPIC.

Has this Minister lost confidence in providing insurance coverage for the people of Manitoba, in view of the fact that MPIC has refused to provide liability insurance for Manitoba nurses?

**MADAM SPEAKER:** The Honourable Minister responsible for MPIC.

HON. J. BUCKLASCHUK: Thank you, Madam Speaker. I'm not aware that the Manitoba Public Insurance Corporation has refused to provide insurance; in fact, it's the private sector that is refusing to provide the insurance.

The Manitoba Association of Registered Nurses last year did have a policy with MPIC - I'm sorry, at this time - in which MPIC provides the first half-million dollars coverage, the Manitoba Public Insurance Corporation has no treaty with any reinsurer to provide the additional. In fact, MPIC went out and was able to obtain the additional half million through what is called "faculative insurance."

My understanding of the present situation is that no one in the private sector is willing to take a look at providing the reinsurance that MPIC would have to provide, additional to the half million that the corporation already provides.

So it is not a problem with MPIC; it is a problem with the private sector.

MRS. B. MITCHELSON: Madam Speaker, I have a new question for the Minister responsible for the Status of Women.

In view of the fact that the Minister responsible for MPIC is not concerned about the concerns of nurses of Manitoba, will the Minister look into and recommend

**MADAM SPEAKER:** Order please. As the honourable member knows, she is not to cast aspersions on another member of the House

The Honourable Member for River East.

MRS. B. MITCHELSON: Madam Speaker, I'll reword my question.

In view of the fact

MADAM SPEAKER: Would the honourable member please indicate that she has no intention to cast aspersions, rather than just withdraw her question.

MRS. B. MITCHELSON: No, no aspersions, Madam Speaker.

MRS. B. MITCHELSON: Madam Speaker, my question for the Minister responsible for the Status of Women.

It is my understanding that the Minister responsible for MPIC is not concerned about the nurses of Manitoba; will . . .

MADAM SPEAKER: Order please.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please. Would the Honourable Member for River East please indicate to the House that she is not casting any aspersions on the Honourable Minister, and then she can ask her new question.

MRS. B. MITCHELSON: I am not casting asperions, Madam Speaker. My question is: It is my impression that the Minister responsible for MPIC is not concerned about the concerns of Manitoba nurses . . .

SOME HONOURABLE MEMBERS: Oh. oh!

MRS. B. MITCHELSON: . . . and will the Minister responsible for the Status of Women look into and recommend to the Minister responsible for MPIC to continue this coverage, vital to the nurses of Manitoba who are mainly women?

MADAM SPEAKER: The Honourable Minister responsible for the Status of Women.

HON. J. WASYLYCIA-LEIS: Thank you, Madam Speaker.

I have the opposite impression, that in fact the Minister is very concerned and he has given a clear indication that . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please.

**HON. J. WASYLYCIA-LEIS: . . . and he has also indicated very clearly to this House that MPIC is willing to do its share and that the problem truly rests with the private sector.** 

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

MRS. B. MITCHELSON: Thank you, Madam Speaker. My question then is for the Minister responsible for MPIC.

In view of the fact that he is genuinely concerned, will he review the refusal to provide liability insurance to Manitoba nurses?

HON. J. BUCKLASCHUK: I am indeed pleased that the Member for River East recognizes my genuine concern. I would like to inform this House that I've already asked the corporation to review the application by the Manitoba Association of Registered Nurses for coverage for next year.

I would hope that Manitoba Public Insurance Corporation will be able to help MARN, as it has helped a firm in Brandon, as it has helped the Keystone Amusement operators, as it has helped a number of other associations and industries that were unable to obtain insurance anywhere else in Canada, and that was provided by the Manitoba Public Insurance Corporation.

#### **Family Life Curriculum**

**MADAM SPEAKER:** The Honourable Member for River Heights.

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

At 9:00 a.m. this morning the Minister of Education held a meeting with interested parents and organizations, a meeting I learned of by accident, distributed copies of the new Family Life curriculum which certainly, at first glance, is positive, progressive, Made-in-Manitoba, and a wonderful improvement over an earlier withdrawn curriculum. My question to the Minister is that earlier in this Session the Minister said he would share the curriculum with members of this House. When will the curriculum be provided to each and every member of this House?

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: I'm sorry, Madam Speaker, I missed the question, particularly the preamble.

SOME HONOURABLE MEMBERS: Oh. oh!

HON. J. STORIE: I had circulated, earlier in question period, the press release, and have certainly every intention of circulating a copy of the curriculum material, as well as the accompanying Parent's Guide, to members opposite.

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

Can the Minister assure this House that parents will have, in this curriculum, a full opt-out provision?

**HON. J. STORIE:** Yes, Madam Speaker, as I indicated earlier this morning to a number of groups who have expressed concern about an interest in the question of family life.

The curriculum I believe is indeed a Made-in-Manitoba one and one which reflects the values and the concerns of Manitobans and Manitoba parents; and I indicated while the involvement of parents, in our view, is essential in assuring the goals of the curriculum are completely fulfilled, parents depending on their particular interest and concern about relevant material, sections, units in the health curriculum, may opt out of any lesson, lessons, or units.

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

Will the Minister assure this House the sharing indicated by this curriculum is indicative of a greater openness by the Department of Education and other controversial curriculum will be made as equally available to parents, interested parties, and members of this House?

HON. J. STORIE: Madam Speaker, without accepting the premise of the question that in some ways the Department of Education is not open, I want to point out to the member development of curriculum has for some time in the Province of Manitoba involved policy curriculum committees, parents, a broad array of Manitobans; and the development of the Family Life curriculum perhaps went that extra step because of the sensitivity of the questions, but certainly my direction to the department will be to involve, at every step, parents, teachers, educators, Manitobans, when developing curriculum for our schools.

#### Salt water spills re oil drilling

MADAM SPEAKER: The Honourable Member for Virden.

MR. G. FINDLAY: Thank you, Madam Speaker. My question is to the Minister of Agriculture, to deal with reclamation of agricultural land that is needed when saltwater spills occur in the oil-drilling process.

This past Tuesday I visited a farmer who had a saltwater spill as a result of a pipeline breaking in his field. There are about 10 acres of crop that has been killed as a result of the saltwater spill and the probability that land will be back in full production is certainly in suspect for future years.

I would like to ask the Minister, how many of these saltwater spills occur on agricultural land each year in Manitoba, especially over the last five years?

**MADAM SPEAKER:** The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, I thank the honourable member for his question and I'd like to indicate that I will take the specifics of his question as notice and try to provide that information.

I would like to, as well, share with the Member for Virden, from a land-use perspective, and we understand there is an application to the Petroleum Conservation Board for an expansion of the drilling in the daily area; we have some concerns about that application and there is some work being done internally to see whether some alternative proposals can be reviewed and looked at. We will be attending the meeting of the Conservation Board from the land-use perspective, and following up on this matter.

MR. G. FINDLAY: I thank the Minister for his concern about the reduced drilling space question.

My next supplementary question to the Minister is: What is his department doing to assess the reclamation techniques that are being used by the oil industry in the case of these saltwater spills?

HON. B. URUSKI: Madam Speaker, initially I believe the process that the member is saying the government should be doing, I believe some further work and assessment really should be undertaken by the industry and that's precisely the areas we're reviewing now, in terms of what our submission may be to the Conservation Board before granting any further drilling permits; as to what are the benefits and the causes and the losses to both the agricultural side and to the oil industry, so at least an educated determination can be made before any permits and further drilling permits are issued and further assessments should be made. We will be looking at this matter further and, as I've said, I'll take this matter under advisement for further clarification from our own departmental staff.

MR. G. FINDLAY: Is the Minister prepared to release that information to the public of Manitoba, so the farmers know their rights are being protected in this situation?

**HON. B. URUSKI:** Madam Speaker, it would be our intention that the work and the review be undertaken and all the information will be made public, by whomever the review is undertaken, to be made to all interested parties.

#### Hail damage - Deloraine area

**HON. B. URUSKI:** Madam Speaker, while I'm on my feet, I would like to answer a question that was posed to me by the Honourable Member for Arthur last week, dealing with the hail damage in the Deloraine area.

I'd like to advise my honourable friend that all the adjusters in the Deloraine area - that's 10 of them, as well as five from other agencies - have been out working in the area. Some rapeseed crops are having the final decision deferred, since damage occurred while in the flowering stage, so those claims are not completed yet, and the paying of the claims will proceed rapidly once final adjustment in the fields has been done.

#### **Economic Outlook of Manitoba**

**MADAM SPEAKER:** The Honourable Member for Burrows.

MR. C. SANTOS: Thank you, Madam Speaker. I have some questions to the Minister of Finance.

Given the Royal Bank of Canada's release of information about economic performance in Canada, can the Minister inform this House and the people of Manitoba about the projected growth of the economy of the Province of Manitoba?

**MADAM SPEAKER:** The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker.

I thank the Member for Burrows for his question and his interest in the economic state of the Province of Manitoba. I am pleased to tell the member, indeed all members, that the Royal Bank of Canada has upgraded its forecasts for economic growth in the Province of Manitoba.

The Royal Bank of Canada has indicated, as we have stated in this House, Madam Speaker, that Manitoba's economy is projected to continue its strong growth and its growth to lead the nation in terms of economic activity throughout Canada.

I think the other interesting factor that's in — (Interjection) — Madam Speaker, it seems that members opposite are not interested in this information, but I know Manitobans are very much interested to learn of the state of the economy in our province.

What the Royal Bank is saying, Madam Speaker, is private sector investment in Manitoba is to lead the nation in terms of investment in Manitoba as against other provinces.

So I am pleased to say to the Member for Burrows that yes, Manitoba's economy is strong; the Royal Bank of Canada, as one of the agencies that look at economic growth, have upgraded their projections for the Province of Manitoba. I think that's due, Madam Speaker, in part to the diversified nature of our economy, to the strength and determination and cooperation of Manitoba businesses and working people.

#### MADAM SPEAKER: Order please.

May I remind honourable members answers to questions should be brief; and may I also remind honourable members who are asking questions, that questions should seek information set forth in documents, except questions should not seek information set forth in documents equally accessible to the questioner.

The Honourable Member for Burrows.

MR. C. SANTOS: Specifically, can the Honourable Minister inform this House whether his department has some comparative data about economic growth in Manitoba compared to the rest of the provinces in Canada?

HON. E. KOSTYRA: Madam Speaker, I regret I was somewhat long in my answer, but if one looks at the strength of the Manitoba economy, it takes some time to explain, particularly to members opposite, that there is a lot of growth and good news in terms of the Manitoba economy.

But it is true, Madam Speaker, that according to the Royal Bank and according to other economic forecasters, Manitoba's growth is expected to lead the nation. As an example, the Royal Bank was saying Manitoba's growth will be 4 percent this year and 4 percent next year, when the growth nationally is predicted at 3.5 percent and the same is true, Madam Speaker, with respect to private sector investment, as I indicated, and was attempting to state, that's due in part to the determination and cooperation of Manitoba businesses and Manitoba businesse people, to the hard work and cooperation of working people in this province and, in part I would suggest, to the sound policies of this government over the past five years in Manitoba.

#### Credit rating - Standard and Poor's

**MADAM SPEAKER:** The Honourable Member for Morris.

MR. C. MANNESS: Madam Speaker, I direct one question to the Minister of Finance.

Given that our province is doing so well in the minds of members opposite and given that all this comparative data obviously does exist between provinces, was it presented to Standard and Poor's and why did they, therefore, reduce the credit rating?

HON. E. KOSTYRA: Yes, indeed, this information was provided to the rating agency, and I would suggest the members opposite recognize the Province of Manitoba has a lot of catching up to do in terms of other parts of Canada, and as we are experiencing good years of growth, we are starting to catch up to the national average in Canada, but when you are behind you have some distance to gain, Madam Speaker.

Let me say this information was provided to the rating agency and, unfortunately, they chose not to put the necessary emphasis on this factor. But let me repeat, the policies of this government, the decisions this government make, are not merely made on the basis of what is of interest to the rating agencies in New York. We are concerned obviously about their view of Manitoba, but our primary concern is to the people of the Province of Manitoba, to those people that are still unemployed, even though we've got less unemployed in Manitoba than virtually any other part of Canada, that is where our priorities lie, Madam Speaker.

#### **Business Improvement District legislation**

**MADAM SPEAKER:** The Honourable Member for Charleswood.

MR. J. ERNST: Thank you, Madam Speaker. My question is directed, through you, to the Minister of Urban Affairs.

About a year or more ago, the Downtown Winnipeg Association approached the city and the province with respect to a business improvement district legislation that would allow local improvements to take place, paid for by those businesses. Can the Minister yet advise the House if they're going to proceed with that legislation?

**MADAM SPEAKER:** The Honourable Minister of Urban Affairs.

HON. G. DOER: Thank you, Madam Speaker.

As the member opposite knows, the original request from the City of Winnipeg did not provide us with any mechanism to look at the business improvement zones.

Since that time, we have been working with the city solicitor, with the various business representatives, on the various options of proceeding with business improvement zones. We think there can be improvements made over The Municipal Act that was passed, I believe, in 1979, and we're looking at preparing a consultative paper to provide to the business community so they can get a consensus on how they would like to proceed with their zones, and we will be issuing that very shortly so we can proceed in the next Session with a paper that, not only protects the rights of the majorities of businesses that want to improve their zones, but also is consistent with the wishes of the minority of businesses that may disagree.

**MR. J. ERNST:** Madam Speaker, business improvement districts have existed throughout Canada . . .

MADAM SPEAKER: Does the honourable member have a question?

MR. J. ERNST: Yes, Madam Speaker, I do. They have existed throughout Canada; they have existed in The Municipal Act for five years; they have existed all throughout the United States. The Downtown Business Association, Madam Speaker, has directed at the request, along with pertinent information . . .

MADAM SPEAKER: May I suggest to the honourable member that this sounds suspiciously like a speech. Does the honourable member have a question?

MR. J. ERNST: My question, Madam Speaker, is: Why is the delay? Why aren't they coming forward? It affects only the business people, they are going to pay for it; it affects no one else. Why don't they come forward with this legislation?

HON. G. DOER: Madam Speaker, if the honourable member opposite in his former vocation had outlined a procedure that had some consensus with the business community, perhaps we wouldn't be going through the process this year.

There's no question that we agree with the principle of business improvement zones and I've been consulting with the Member for Business and Industry, Trade and Technology Ministers. It's not as simple to provide a business improvement zone in the City of Winnipeg as it is in some other communities in Manitoba. For example, Madam Speaker, how do you resolve the situation where a business wants to be in one zone, but another set of businesses want to be in another zone? How do you resolve those disputes?

Rather than just passing legislation - for example, on the south side of Portage Avenue, there is a business that wants to be included on the south side of Portage Avenue business zone, and the north side of Portage wants it to link up to the north side of Portage - rather than passing legislation and not having a consensus on how it would work, we're going to send back a whole procedure we've outlined. We've got about 20 pages of procedures that they should look at. When they have given us the input, we will proceed in the next Session with intelligent legislation.

#### Omand's Creek area

MR. J. ERNST: Madam Speaker, I have a new question to the same Minister.

In August of 1985, the province's department of propoganda issued a news release outlining the Omand's Creek property is acquired by the province, for which they paid in excess of \$1.5 million. The same propoganda issue indicated, Madam Speaker, that the Urban Affair Review will be taking a fresh look at alternative uses for the Omand's Creek site. Is the Minister now able to tell us if they have looked at those alternative views?

HON. G. DOER: I'm pleased to say the Minister of Labour and I have met with a number of members of the community from the Omand's Creek-related areas. They expressed a number of options to us, whether

we should have a passive area or an active area. We listened to those opinions. We have put together a paper which is going to be advertised in the newspaper for more public input, more formal public input, and we will be proceeding with plans to carry out the designs for the Omand's Creek area that the province has purchased to prevent the commercial enterprise in that area.

We think the citizens in the adjacent area have got a lot of excellent ideas. They have been presenting briefs to the City of Winnipeg Council for years and years and years, and I think we can act on their concerns in a very intelligent way.

#### TABLING OF AGREEMENT

MADAM SPEAKER: The Honourable Minister of Industry. Trade and Technology.

HON. V. SCHROEDER: Thank you, Madam Speaker. First of all, I'd like to table the agreement between the Manitoba Energy Authority and WMC Research Associates, together with Annex 1, for the Member for Lakeside.

#### WMC Research Associates contract

HON. V. SCHROEDER: Secondly, I had taken some questions as notice yesterday. First, with respect to that same report, the WMC Report, I was asked whether a Native business development corporation had been set up. I just want to indicate, although it was referred to in that report as an option, it was not recommended in that report. We have, instead, done a number of other things, including hiring a Northern benefits officer to improve information to Northern and Native business people about Northern Hydro development. There's an alert system giving early information to Native businesses on opportunities which could be available to them. That has been put in place.

Hydro has applied its Northern business and employment policies to both Nelson and Burntwood, and the non-Nelson and Burntwood Northern major projects. We've helped some Northern Native businesses get funds from already-established programs, including the Federal Government's Special ARDA, the Native Economic Development Program in the Department of Indian Affairs and Northern Development.

#### Manitoba Hydro - Native permanent employment

HON. V. SCHROEDER: As well, there was a second question taken as notice with respect to opportunities for permanent employment for Northern Natives at Manitoba Hydro. Manitoba Hydro has instituted programs to help prepare Natives for permanent employment, both at Limestone and throughout the corporation, and because most of Manitoba Hydro's permanent jobs are technical in nature, the preparation has largely involved training programs, together with the Provincial Government and the University of Manitoba, the Native Engineering Program, now in its first year, is under way.

Hydro has targeted Native people in its Corporate Affirmative Action Plan, and in the last year, Hydro has doubled the number of Native people in its technical jobs classifications, and policies are in place to further enhance this, particularly in apprenticeship programs.

As well, through the community colleges and universities, Hydro is offering scholarships to Native students in hydro-related technology. So you can see, Madam Speaker, we're doing a number of things to ensure that Native Manitobans are going to obtain permanent employment from Manitoba Hydro.

**MADAM SPEAKER:** The time for Oral Questions has expired. In fact, we're a minute over.

#### ORDERS OF THE DAY

**MADAM SPEAKER:** The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, could you please call Second Readings in the following order as they appear on Page 4: Bills No. 40, 43, 24, 12, 27 and 31?

Following that, could you please call Adjourned Debates on Second Readings in the following order: Bills No. 4, 18, 28 and 33.

## SECOND READING BILL NO. 40 - THE CORPORATIONS ACT

HON. A. MACKLING presented, by leave, Bill No. 40, An Act to amend The Corporations Act; Loi modifiant la Loi sur les corporations, for Second Reading.

#### **MOTION** presented.

**MADAM SPEAKER:** The Honourable Minister of Labour.

**HON. A. MACKLING:** Thank you, Madam Speaker. I gave the Page a couple of copies of my remarks, one for the Opposition critic, another one for the Clerk.

The present Corporations Act was brought into force on November 1, 1976. For the benefit of the newer members of the Legislature, I may mention that this act is similar to The Canada Business Corporations Act, and was recommended to the Legislature by a non-partisan special committee comprised of some of the most knowledgeable corporate lawyers in Manitoba.

This act was designed to streamline corporate procedures for the benefit of the businessperson, the public and the solicitor; to provide maximum possible disclosure in all areas by corporations; to dispense with meaningless formalities; to permit more efficient utilization of staff time in the Corporations and Business Names Branch and provide faster service to the public; and to make the law more responsive to the modern day marketplace.

These objectives have been, to a large extent, realized. This is illustrated by the fact that almost all of the other Canadian jurisdictions have now enacted similar uniform legislation.

Therefore, in furtherance of these goals, the Corporations and Business Names Branch is proceeding

with the automation and microfilming of its recordkeeping system in order to cope with continually increasing public demands on its services and, at the same time, provide the usual expeditious service to which the public has become accustomed.

This bill's provisions will help to facilitate the conversion of the present manual system to the new computerized system, as well as enable the branch to administer the act more effectively.

In particular, this bill will allow the branch to use an anniversary date filing system for corporation annual returns. That is, rather than having to cope with a surge of filings during one period of the year, these filings will be spread out over all 12 months.

Additionally, the bill will allow special Act corporations to continue under The Corporations Act. In this way, special Act corporations will become subject to the general corporations legislation in Manitoba, and their special Acts will no longer be necessary.

I can assure the House that a detailed explanation of the provisions of the bill will be available to the members during consideration of the bill in committee.

I, therefore, recommend this bill for adoption by the House.

**MADAM SPEAKER:** The Honourable Member for St. Norbert.

MR. G. MERCIER: Thank you, Madam Speaker, I have a question for clarification to the Minister.

Madam Speaker, in view of his previous statements about numbered companies, does this bill provide for any greater degree of disclosure from numbered companies versus companies who have a business name?

HON. A. MACKLING: Madam Speaker, that is a separate question and I am still looking at the whole issue of the extent of disclosure that would be helpful in dealing with corporations. The subject matter of that issue had not been discussed with those interested in the legal profession or others, for example, who used this information very frequently; that's the media. Therefore, there have been no recommendations in that area encompassed in this bill.

MADAM SPEAKER: The Honourable Member for Riel.

MR. G. DUCHARME: Madam Speaker, I move, seconded by the Honourable Member for Springfield, that debate be adjourned.

MOTION presented and carried.

## BILL NO. 43 THE TEACHERS' SOCIETY ACT

HON. J. STORIE presented, by leave, Bill No. 43, An Act to amend The Teachers' Society Act; Loi modifiant la Loi sur l'Association des enseignants du Manitoba, for Second Reading.

#### MOTION presented.

**MADAM SPEAKER:** The Honourable Minister of Education.

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

My remarks on Second Reading of this bill will be very brief. However, I do have detailed copies of the amendments. Reference was made some days ago by the Member for St. Norbert about the precedent that was established by my colleague, the Minister responsible for MPIC, with respect to the detailed explanation of amendments. I have copies for the critic and deputy critic of Education with the appropriate explanations, because I think it is a practice which needs to be followed, Madam Speaker.

Bill No. 43, The Manitoba Teachers' Society Act and amendments thereto, sets out the objects and the political structure of the Manitoba Teachers' Society. Consequently, any changes the Society might want to make to the objects and the structure can only be brought about by amendments to this act.

At the annual general meeting, delegates approved several changes over a number of years, changes which are related primarily to the internal operative structures of the Society. Bill No. 43, Madam Speaker, will update the act to conform with present-day administrative structures within the society. The bill also updates the objects of the society itself. It provides for a change in the provincial executive and guarantees remote local associations a minimum of two representatives to the Society's AGM, Annual General Meeting. As well, provision is made to give remote local associations full membership.

MADAM SPEAKER: Order, order please. May I remind the Honourable Minister that on Second Reading he is not to talk about the specific details of the bill.

HON. J. STORIE: Thank you, Madam Speaker. I will certainly take your admonishment under advisement.

MADAM SPEAKER: Just advice, not admonishment.

HON. J. STORIE: . . . advice, Madam Speaker, under advisement, and refer only to the generalities and not to the specifics. This issue, of course, has been raised by Madam Speaker on other occasions and I realize it is not appropriate to talk about the specifics and maintain certain responsibilities to the generalities.

Madam Speaker, in general, the bill also provides for Les Éducateurs Franco-Manitobains to act as an agency of the Manitoba Teachers' Society on all matters pertaining to Society business.

While there are no substantive changes to the act, the changes are simply an update of the internal operating procedures and structures of the Manitoba Teachers' Society itself. It's one of the few professional societies that has to refer back to the Legislature every time there are internal by-law changes.

So, Madam Speaker, I recommend Bill No. 43 to the House

MADAM SPEAKER: The Honourable Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Madam Speaker.

I move, seconded by the Member for Portage, that debate on this bill be adjourned.

MOTION presented and carried.

## BILL NO. 24 THE TEACHERS' PENSION ACT

**HON. J. STORIE** presented, by leave, Bill No. 24, An Act to amend The Teachers' Pension Act; Loi modifiant la Loi sur la pension de retraite des enseignants, for Second Reading.

#### **MOTION** presented.

**MADAM SPEAKER:** The Honourable Minister of Education.

**HON. J. STORIE:** Madam Speaker, as in the previous case, I do have sheets which outline the existing sections in the proposed legislation and comments, by way of explanation, for the critic and the deputy critic.

Madam Speaker, Bill No. 24, An Act to amend The Teachers' Pension Act, is being introduced to make some administrative changes to the act, and to clarify some sections and provide for some new benefits through The Teachers' Pension Act, which flow from, in fact, the amendments which were made to The Pension Benefits Act some time ago.

Madam Speaker, the administrative changes delete obsolete references to sections that were repealed by amendments to The Teachers' Pension Act, passed in 1985. There is a need, Madam Speaker, to clarify certain provisions within the act to the application of the 50 percent test, and the transfer of benefits out to members of the Teachers' Retirement Allowance Fund upon termination. So that is the general principle which the bill addresses, Madam Speaker.

In addition, for many years, teachers have been denied the right of transfer of pensionable service prior to 1973. This bill makes provision for such transfer and for reinstating service for purposes of reciprocal agreements with other provinces.

In addition, Madam Speaker, one other section generally deals with the ability of the fund to provide lump-sum payments when there are administrative benefits and financial benefits for doing the same, if the benefits, for example, are too small to administer on a monthly basis.

So, Madam Speaker, those are the amendments to The Teachers' Pension Act. Again, the detail is provided to members opposite, and I look forward to their comments in debate on Second Reading.

**MADAM SPEAKER:** The Honourable Member for Roblin-Russell.

**MR. L. DERKACH:** Madam Speaker, I move, seconded by the Honourable Member for Springfield, that debate on this bill be adjourned.

MOTION presented and carried.

# BILL NO. 12 - THE LEGISLATIVE ASSEMBLY AND EXECUTIVE COUNCIL CONFLICT OF INTEREST ACT

HON. R. PENNER presented, by leave, Bill No. 12, An Act to amend The Legislative Assembly and Executive

Council Conflict of Interest Act; Loi modifiant la Loi sur les conflits d'intérêt au sein de l'Assemblée législative et du Conseil exécutif, for Second Reading.

#### **MOTION** presented.

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Madam Speaker, the focus of this bill is a series of amendments to The Legislative Assembly and Executive Council Conflict of Interest Act, and some consequential amendments to The Legislative Assembly Act.

The amendments are both technical and substantive in nature. On the technical side, Madam Speaker, we propose to clarify certain inconsistencies and tighten up various requirements in the legislation. Some of the technical problems have been raised by members themselves, for example, in the course of preparing their annual statements of assets and interests.

One of the technical changes formalizes the existing procedure whereby the Clerk of the House prepares forms to assist members in listing their assets and interests. This will now be clearly a statutory requirement.

The substantive proposals fall into two major categories. Firstly, there is the question of public access to the written statements of assets and interests filed by members. When this legislation was originally proposed to the House, the object of requiring such a statement was to provide a ready means of verifying or negating an alleged violation of the other requirements of the act, for example, the requirement to disclose and withdraw from any meeting which considers a matter involving the member's assets or interests.

In the legislation which was eventually adopted, the statements were closed to public scrutiny, and could be used only for the very narrow purpose of confirming or denying the existence of an asset or interest in respect of which a conflict-of-interest allegation had already been made. In the minds of many, this put the situation backwards, because unrestricted access to the statements would normally be required to establish a conflict of interest in the first place, or at least to establish the grounds upon which a conflict of interest might be alleged. As well, our research has shown that, in almost all provinces, but not all provinces where MLA's are required to file such statements, the statements are available for public inspection.

Therefore, the amendments provide that, beginning with the current Session, all statements of assets and interests filed with the Clerk will be open to public inspection. Any statement filed in respect of the previous Legislature will continue to be subject to the old rules and that's only fair that should be so.

The second category of substantive amendments we are proposing relate to the penalty provisions, both in terms of the range of penalties and their enforcement. Under the present act, Madam Speaker, the mandatory penalty for a knowing violation is disqualification from office. There is also the possibility of a restitution order against the member but that is, in a sense, more in the nature of a civil remedy than a penalty.

The problem is that the legislation creates a wide range of possible violations which vary significantly in their potential seriousness. Some are more technical; some are very serious indeed. The solution which we are proposing is to adopt an appropriate range of penalties, rather than relying on a single or undifferentiated penalty.

A court which finds that a member has violated the act will still be empowered to disqualify the member from office in the most serious of cases. However, for less serious violations, the court will have the option of suspending the member from the Assembly for up to 90 sitting days, or imposing a fine up to \$5,000.00. The amendments retain the discretion of the courts to issue a restitution order. That's still there.

The proposed amendments also define more specifically the consequences of receiving some of these penalties. For example, a member who is suspended, and this is now spelled out, will not be entitled to sit in the Assembly or on committees or in other specified meetings for the duration of the suspension, and will not be entitled to receive any pay, allowance or expenses in respect of the period of suspension. The bill, however, also provides a reversal mechanism if a suspended member is successful on appeal, so those lost pay benefits and so on can be restored.

We are also proposing one important change in the enforcement provisions. Under the current act, all alleged violations are ultimately resolved in the courts, and that's what we thought to be the best locus to begin with. We continue to support this principle as the only fair and objective way to adjudicate alleged conflicts of interest. That is, they should be removed from the political forum where there's the possibility, at least in terms of the optics, of the public thinking that it's a political rather than a judicial resolution.

However, with respect to an alleged failure by a member to file the annual statement of assets and interests, there is a good reason, we believe, for a different approach. Because the statements must be filed at the beginning of each Session, the failure to file by definition occurs at a determinable time and when the Assembly is in Session. It is also., unlike the allegation of a conflict, a black-and-white situation, that is either the statement is filed or it's not. Either it's there in the Clerk's Office or it is not. Under these circumstances, there is no need to involve the court process as is normally the case when there is a dispute as to facts. The straightforward and expeditious way which we are proposing in the amendments is to leave it to the Assembly itself to order and enforce the suspension required by the statute.

Once the member files a list of assets in accordance with the act, the suspension would automatically terminate, and the member would be entitled to resume his or her activities as an MLA. I should emphasize again, however, that this procedure applies only to a failure to file the required annual statement. All other violations and penalties, including any allegation that the statement itself is incomplete or inaccurate - and that of course could be a matter of a disputed fact or that the member has not filed appropriate amending statements during the course of the Session would be adjudicated in the courts. Such allegations might well involve a dispute as to facts.

The amendments to The Legislative Assembly Act in this bill are consequential to the proposed changes in the Conflict of Interest legislation. For example, they

will provide a mechanism for filling a seat vacated through disqualification under The Conflict of Interest Act. They will also assure that the privileges of the Assembly cannot be claimed to interfere with any conflict-of-interest proceedings initiated against a member.

Madam Speaker, I just want to make an additional remark. I would urge all members, particularly those who are new to this House - I include in these remarks specifically the Member for River Heights - to study this bill very carefully in terms of other matters which might be raised, including the assets to be listed. Members in this House on both sides worked very, very hard to make sure that we identified those kinds of assets with respect to which there can really be a conflict.

In order to avoid paralyzing the Assembly, you can make the list and the potential conflict by definition so wide that there's virtually nothing that anyone can speak or act on without being in a conflict situation. For example, the Member for River Heights raised the question of one's personal home. Well, the Member for River Heights would not be able to speak on the question of the Enderton caveats or any amendment to The Real Property Act, if that were a requirement. We could end up being so meticulous in terms of listing every possible asset that, not only would we unnecessarily cause a greater loss of privacy than is absolutely necessary, but we would paralyze the work of the Assembly.

I've also urged members who are new to the House to look at the list very carefully so they don't fall into the kind of error that the Member for River Heights did when she said, well, it only requires disclosure of a 10 percent interest in real property so that, if you had a 9.5 percent interest in the land, you wouldn't have to declare it if a bridge is being built.

Well, the act in fact is very clear that you have to disclose any interest in land, no matter how small. There was a lot of work put in by both sides in the articulation of this bill. We genuinely on both sides wanted to have the best kind of bill without, as I say, paralyzing the work of the Assembly. So that, in addressing the amendments which deal with only two specific areas, namely, the question of disclosure and a differentiation of the range of penalties and their enforcement, I would hope that members address those concerns and, if they have other concerns, that they do read the bill very carefully and read the proceedings in this Assembly and in committee to get a sense of what we went through in order to have this bill as it presently is. I believe that, absence those two particular weaknesses which are now being addressed, Madam Speaker, this is the best bill in the country, and it can do the work.

We know that there are concerns nationally and provincially in the minds of the public. We believe that there should be a conflict of the therest bill; we believe there should be a strong conflict of interest bill, but we don't believe that it should go to that kind of extent where privacy is unnecessarily invaded and the work of the Assembly paralyzed.

I commend this bill to the House.

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Madam Speaker, I move, seconded by the Member for Morris, that debate be adjourned.

MOTION presented and carried.

#### BILL NO. 27 -THE LIQUOR CONTROL ACT

HON. R. PENNER presented, by leave, Bill No. 27, An Act to amend The Liquor Control Act; Loi modifiant la Loi sur la réglementation des alcools, for Second Reading.

#### MOTION presented.

HON. R. PENNER: Madam Speaker, consequent upon these proposed amendments, the definition of liquor, which will be controlled of course by the act, will be changed to provide that any potable liquid containing more than 1 percent alcohol by volume will be defined as liquor for the purposes of the act.

The definition formerly provided that any potable liquid containing more than 2.5 percent proof spirits was liquor. This equates - that is 2.5 percent proof - to 1.43 percent alcohol by volume. So in the first instance, we're using what is now more and more the national and accepted standard, that is by volume, and we're lowering the amount from 1.43 percent alcohol by volume to 1 percent, which gives us a greater control.

The reason for this change is to accommodate changes in the federal malt liquor standards as those standards apply to extra light beers. As proposed by the federal standards, extra light beers shall contain not less than 1.1 percent and not more than 2.5 percent alcohol by volume. So with this change in our act, we will control the sale of extra light beers by The Liquor Control Act, and those beers cannot be sold outside of the control provisions of the act. So that's what this does.

The members may well ask about products such as Sarasoda, which is now on the stands and has .9 percent by volume. May I ask, well, shouldn't we now just in a sense ban the sale in that way of Sarasoda by lowering the control standard to .9 or .8? The Alcohol Foundation of Manitoba, from whom I have a report, recommend against that, and I would be pleased to share that with the members during the course of the debate. We feel that where we should go at the moment is with respect to the sale of the extra light beers and with respect to national standards.

Madam Speaker, in other changes, the Licensing Board, we have a Liquor Control Commission and we have a Licensing Board. We have two bodies acting in an administrative and quasi-judicial capacity. The Licensing Board will now be responsible for disciplinary hearings for licensees, with any appeals from its decisions to be heard by the Commission, that is the Board of Commissioners.

Previously the Commission, the Board of Commissioners, was responsible for disciplinary hearings and also for the reconsideration of its own decisions. This procedure is likely, in our view, a violation

of due process requirements, and so we're making sure that you have a separate body dealing with the issue at first hand and, subsequently, with any appeal.

A transitional provision is contained in this bill, authorizing the board to reconsider any decision of the commission, where the request for reconsideration is outstanding at the time this bill becomes law.

Another provision will allow liquor manufacturing companies and their representatives to provide samples of liquor to licensees. This will give manufacturers and their representatives an opportunity to suggest that a product be listed on a licensee's menu and provide him or her or it with a sample of the product to taste. The Commission will control, by Commission regulation, the provision of samples to ensure that they are in fact truly samples and only sufficient for that purpose. It would be very small quantities, but it's only appropriate, in our view, that licensees who cater to a particular clientele, before they order new products - and new products are coming on the market all the time - have an opportunity to see whether it's the kind of product that they want to have behind the bar or wherever they keep it.

Finally, there's an amendment which will allow attendees at trade shows to purchase bottles of liquor which they may have sampled during the show, for consumption in their own homes. That is, they can't consume it there, but they can buy it and take it home. This opportunity is already available for use in unlicensed areas and this will now allow, for example, trade shows at the Convention Centre to operate in that way.

There are other amendments, Madam Speaker, to The Liquor Control Act, which will be displayed when we bring in the Charter Compliance Bill, because they deal strictly with enforcement questions. The Charter Compliance Bill, which will come in subsequently, deals only with Section 8, having to do with reasonable search and seizure. So that's where those amendments will be.

I commend this amending bill to the House.

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Madam Speaker, I move, seconded by the Member for Morris, that debate be adjourned.

MOTION presented and carried.

#### BILL NO. 31 - THE SOCIAL ALLOWANCES ACT, THE MUNICIPAL ACT AND THE MENTAL HEALTH ACT IN RELATION TO LIENS

HON. L. EVANS presented, by leave, Bill No. 31, An Act to amend The Social Allowances Act, The Municipal Act and The Mental Health Act in relation to liens; Loi modifiant la Loi sur l'aide sociale, la Loi sur les municipalités et la Loi sur la santé mentale en matière de priviléges, for Second Reading.

#### MOTION presented.

MADAM SPEAKER: The Honourable Minister of Employment Services and Economic Security. HON, L. EVANS: Thank you, Madam Speaker.

I am pleased this morning to be able to make a statement explaining the action of our government to assist Manitobans in obtaining a fair and better social assistance system.

As Members of the Assembly may be aware, the present social assistance provided by municipalities in the province is presently considered a debt and, under the provisions of The Municipal Act, municipalities are permitted to place liens against recipients for the total amount of assistance they receive.

This situation has become unacceptable for a number of reasons. For one thing, our government believes that generally social assistance should not be considered a debt. We believe that social assistance provides a safety net to which all contribute and which is there for any and all of us when we are in serious need of the basic necessities, food, clothing, and shelter, which sustain our lives. One of the underlying principles of our welfare system in this country is that it is our right to receive this assistance without incurring a debt.

For another, the present system permits a major inequity of practice within and among municipalities who may now choose whether or not to exercise their ability to place liens for welfare provided.

As well, Madam Speaker, both the Government of Manitoba and the Government of Canada assist municipalities in providing social assistance through cost-sharing under the terms of the Canada Assistance Plan. The placing of liens by municipalities for all assistance received is unacceptable to the conditions of the federal-provincial agreement, and the situation must therefore be remedied to ensure continued cost-sharing.

In the Speech from the Throne delivered on May 8 of this year, it was stated that our government would act to restrict the placement of liens for municipal assistance received.

The legislation which we are considering today, Bill 31, proposes to amend the existing legislation to restrict the placing of liens by municipalities against municipal assistance recipients. It also proposes, and this is rather important as well, Madam Speaker, that we remove all such liens that do now exist. I understand, from my staff, that the best estimate we can make of that is that we're looking at over \$100 million worth of liens that now exist in the province.

Specifically, Bill 31 proposes that The Municipal Act be amended to allow municipalities to place liens against welfare recipients in the following special limited circumstances only, and I'll enumerate those five circumstances:

- When social assistance provided covers major repairs of the home, if they happen to be living in their own home;
- when assistance provided covers the paying of the principal portion of a mortgage. That is the equity that is developed in the home paid through the social assistance system. This portion will be liened.
- When assistance provided does cover tax arrears payments. In other words, when they come into the system and, for whatever reason, there are tax arrears that are paid by the system, then a lien will be placed for that reason.
- When assistance has been provided as a result of error or fraud;

when assistance is provided as a result of maintenance liability.

These restrictions will continue to apply to the provincial social allowances program as well.

The legislation also proposes to amend The Social Allowances Act, removing the current provision which enables the province to place liens against social allowance clients for excess assets, and providing for an obligation on the part of the province to inform a client when a lien is being placed.

As well, proposed amendments to The Mental Health Act, contained in Bill 31, provide for the discharge of all liens placed by the province for mental health services received prior to the introduction of Medicare.

As well as restricting the provision of welfare as a debt by municipalities, this legislation will result in a more equitable welfare system within each municipality, across all municipalities, and between the provincial and municipal welfare programs.

If social assistance is to support those in need to help them regain the means of supporting themselves, Madam Speaker, the debt and burden of welfare as a debt must be eliminated. I am pleased that our government is taking this action in the current Session of the Legislature to improve the welfare system that we have in this province, and I invite all members of the Assembly to support this legislation.

Thank you.

**MADAM SPEAKER:** The Honourable Member for Emerson.

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

MOTION presented and carried.

## ADJOURNED DEBATE ON SECOND READING

## BILL NO. 4 - THE FAMILY FARM PROTECTION ACT

**MADAM SPEAKER:** On the proposed motion of the Minister of Agriculture, Bill No. 4, standing in the name of the Honourable Member for La Verendrye.

MR. H. PANKRATZ: Thank you, Madam Speaker.

I feel obligated to raise my objections and speak on this Bill No. 4. I believe the Provincial Government has bitten off considerably more than it can chew because this bill jumps beyond its jurisdiction and into some federal jurisdiction. This government and this Minister will again, I'm sure, state it's the Federal Government that does not allow it, and so forth; that it's the Federal Government who is not cooperating in order to prevent foreclosure on farms, machinery, and the assets of these farmers that are in trouble.

Madam Speaker, the Minister of Agriculture, during the election and after, stressed the need to help the farmers, that this would be their priority. It was also stated by the First Minister that agriculture would be their priority. It is, in my opinion, obvious that is, by all means, not the priority of this government. (Mr. Deputy Speaker, C. Santos, in the Chair.)

It is obvious they have put the priority of the farmers way down on their priority lists. It is obvious the farmers are suffering, and suffering basically because of lack of income; that they cannot cover the costs, the input costs, the cost of living, the payments, the expenses, the taxes, etc. That's the reason, basically, why these farmers are in trouble.

Some of the farmers who are in financial trouble are paying education tax and I think our Minister of Agriculture is well aware of this. I'm referring to the education tax on the agricultural land, Mr. Deputy Speaker.

Some of these farmers do not have a contract or a quota or products that they are producing. Some farmers are paying high rates of interest to MACC, still at the present time, around the 12 percent and 13 percent mark interest rate. Today, the credit union is charging 9 percent. This government raised and reduced the rate of interest to young farmers, from 50,000 to 100,000.00. That is no money on the farm, in the agricultural world today. I think he definitely, intentionally, does not try to deal with the issue at all.

During the Agriculture Estimates, the Minister stated some farmers would have to fold; some farmers are in trouble which could not be helped. He stated maybe a dozen or two, something like those, but basically 25 percent of all farmers are in some kind of financial trouble.

Why does this government want to make political points with these farmers who are facing foreclosure? This Minister should help the farmers who are in trouble. He should not try to make political points with these farmers who are financially in trouble - Mr. Minister, just listen to me and before I'm through, you'll know the reasons why. I'm really happy to see that you're with us when I'm making this presentation.

The Provincial Government automatically reduced the support price on the beef producers in order to recover part of the money which they had invested in them. Did you have any meetings with the farmers before you were holding these, before you decided to do this? What about the world wheat price? What control do farmers have on the world wheat price? They must depend on government to stabilize the market. This government wants to give the public the impression they are doing a great job, and especially for the farmers.

Let's check a few money losers they are involved with. For instance, let's take ManOil - approximately \$10 million of free money - no interest they're paying - plus they had a loss in 1985 of half a million; plus they had a loss of that. If you take \$10 million and the interest rate on that, on a daily basis you're paying \$3,000 interest. Then you pump 100 gallons of oil at \$14 a barrel, that's \$1,400 income. I don't think I have to go any further with that to state what I'm trying to bring across to the Minister here.

You've got co-ops that are breaking up land, setting up co-ops that are breaking up land which are basically money losers. Now, I'm not knocking the system. There might be some good points in it and during the Estimates we will check this out, but I'm just bringing this to the attention, that they are actually money losers; bringing more money on the market and today it's costing the Province of Manitoba money. I'm not

denying maybe we shouldn't be doing it, but what I'm trying to bring to the attention of the Minister and members of the government, that you should use the same scenario with trying to help the farmers who are in trouble.

My question is why don't you offer the same to the farmers who are in trouble today? You want to make political points at the expense of these farmers.

At The Pas you are removing or closing the Agriculture Office because you want to save \$35,000 for secretarial staff at the Agriculture Office. You've got Manfor, which employs roughly 650 people, which lost 31 million. That's \$45,000 per person in one year. Here, at The Pas, you're going to close the Agriculture Office, which is a definite plus to the approximately 150 farmers in the area. I just can't understand how the Minister of Agriculture can allow these things to happen.

The Minister of Agriculture is trying hard to recover all the losses which he had in the Beef Stabilization. What did he do with the hogs? Are you recovering that loss, Mr. Minister? Is that going to be recovered, or who picked up that loss?

The Minister of Agriculture is involved in agriculture himself in a turkey operation. — (Interjection) — That's right, it's a good operation. I believe some of these points, and I'm not trying to talk totally negative because there's a lot of good points and I think they could be related to or possibly improved on in the farming sector which is in trouble.

He's got a quota operation, a set price on the product - the cost of production - which has a profit factor built into it, so the people of Manitoba are guaranteeing the man his costs of operation, plus a profit. He's guaranteed that. That's set by the province, by the Marketing Board.

Does he not have a responsibility to the farmers who are in trouble in the Province of Manitoba today to do the same, those which do not have a quota system like he has? Does he have no concern for these people?

I'd like to just deviate a little bit to some other remarks that some other members made. For instance, the Minister of Labour introduced pay equity. That must be the best legislation for these farmers. How does this affect the farmers? I'd like to ask that question. These farmers want to exist; they want to survive. That's what they're concerned about.

In many cases, the farm operation is a family affair; husband and wife are working together in the fields and the barns. I'm sure the Minister of Agriculture is well aware of this. What share of day care are they receiving? What are they getting? UIC premiums? Can they go on Unemployment? What about Workers Compensation, sick leave, pension plan, health benefits? Does this government have a responsibility to these farmers and, if so, how does it show that to them?

Must we not be responsible for our affairs? The Member for Inkster, he put in his resolution about hazardous waste - I'd like to read exactly that one portion: "THEREFORE BE IT RESOLVED that this Legislative Assembly believes it is wrong for this generation to impose such hazardous conditions on future generations."

That's great. But what about the money which this government is owing? Does that not have also its implications on future generations and how will it ever

be repaid in that sense? The province's deficit is approximately at \$8 million dollars; it doubled in the last four years. Do you not believe the future generations will have to pay for this lavish spending of this government today, or who will?

Our Member for Morris has asked the question quite a few times to the Minister of Finance: how do you expect to repay this money? Give us some guidelines what your projection is on it with regard to ManOil, Manitoba Properties Incorporated borrowing. To date, he has not received any projections whatsoever.

The Minister of Health, on July 16, Wednesday, the debate on education and private schools, I must say I liked some of the comments he made because it says we have to treat the people fairly regardless of nationality or religion. I also stated there would never be enough money, which I realize, because the demands usually are greater, they exceed it; but, Mr. Deputy Speaker, I ask the question, how are you treating these farmers fairly? If you want to treat people fairly in the Province of Manitoba which you are elected to do. How can you state you're treating these farmers fairly by charging them education tax on the lands when the people are going broke?

In many cases these farmers are paying \$5,000, \$6,000, \$7,000; just education tax on agricultural land. Then again on the other hand a big broiler operation will not pay any education tax or turkey operation for that matter on the buildings; they pay no education tax. That is treating people in Manitoba fairly, this government what they're claiming to do? I think it must be far from the truth. If this bill is implemented in its present form, I believe the bankers will charge more interest.

One of our local bankers indicated to me it will affect the rest of farmers who need credit because we must protect our investments. I can't understand how this Minister feels it will not, because we have a report Mortgage Loans Association of Manitoba, and I'd want to read that to you in regard to Bill No. 4, The Family Farm Protection Act, unlimited property mortgage security.

The lenders are virtually trustees for individuals who have deposited their savings with them or purchased life insurance or annuities and lenders reinvesting these funds which belong to many citizens, are required to do in a safe and secured manner. Indeed, in some instances, the type of security for such reinvestment is determined by the Provincial and Federal Governments, such as regulating the amounts which can be loaned on a real property mortgage security.

If the strength of the security is undermined, then likewise the capacity to lend on the strength of such qualified or questionable security will reduce the potential for investments both for the lenders and the borrower in the areas of farm credit.

It is suggested by our association that such relief, as the government may determine is appropriate, should not be achieved at the cost of undermining real property mortgage security which, if carried out, will no doubt have the affect of limiting the capacity of lenders and at the same time adversely affecting all farm lending.

Then I would like to - June 19 in the Free Press, Manitoba chartered banks warned that the Provincial Government's proposed Family Farm Protection Act could hurt farmers in the long run. Rather than helping farmers as intended, the legislation offers no assistance or solution, just delays and confusion. If enacted, the legislation would ultimately reduce the supply of funds available to farmers and increase the cost of the money. This flawed effort would make most viable farmers suffer and only postpone the inevitable for others who aren't, he added.

The question is why this government felt it better to draft legislation rather than to offer - and here they're giving you a good suggestion and I think you should listen to this very carefully, Mr. Minister - and offer farmers more assistance or support through loan guarantees or direct government lending. If you really want to help the farmers then make their payments. You can borrow money at losses, interest-free to Saudi Arabia, MTX and ManOil, different co-ops, bail out credit unions, co-ops, Flyer, Manfor, unlimited amount, but here you feel by giving young farmers from 50,000 to 100,000 at reduced interest rate, you're really doing them a great deed.

The Minister in charge of ManOil offered interestfree money, approximately 10 million. This company has lost half a million last year alone. But to try to justify, they explained they pay payroll tax, sales tax and the spinoff and all the other taxes. Well, these farmers also pay these taxes; these farmers pay all these taxes plus they pay education tax on the land, and I can't stress that strongly enough.

For this Minister of Agriculture to take the federal beef plan, maybe improve on it and the money that he's putting into the provincial plan, and help along that total plan could be one where the people in Manitoba - the farmers, the beef producers in Manitoba - would be able to show a profit and then they would not have to be in some way or shape or form, this legislation would not affect them. I believe if it were not only a political ploy the Minister would tell us exactly how many farmers are in trouble, and how many will have to fold. This is totally, in my opinion, a political bill

Farmers in distress just want to survive, and I wish the Minister would realize that. How many more will have to fold because of the additional interest and hardships it is creating? This government, on the other hand, will state, brag about the years they have been in office. On one hand you're going to brag about the number of years.

I'd like to go back to the previous government that was in office, that one term of the PC Government; they had the Weir Commission study the assessment. Five years later we still haven't got any response, any results. The inequities still are out there. We need a government that will have a better perception of what is going on in the farm sector.

Our Member for Fort Garry expressed concerns how this bill will affect the urban areas, the jobs in the urban areas, the long-range credit. Have you done a study on it? Can you give us some of these answers? What impact will this bill have on the urban sector which supplies most of the services to the agricultural sector? Will the province be liable for removing or stalling the security which was or is in place? These questions and possibly more should be answered or studied before a bill of this magnitude is implemented.

This government changed the legislation on Child Related Income Support Program. I want to read that

to you. I find that very interesting. Anybody that has some farm knowledge, I think is just going to - in the recent budget, the Finance Minister announced a number of initiatives to benefit farmers, and farm families during the present financial crisis in agriculture, and I want to stress that, an increase in the net assets allowed to program eligibility from \$50,000 to \$200,000, Mr. Minister. What have assets got to do with income? If the Minister had any knowledge of farming he would be embarrassed to even introduce this bill in the House, and then say it's going to help family farms which are presently in a financial crisis in agriculture. That is giving crumbs where food is needed.

It just proves again this was totally a political ploy. This government with MTX and other investments like that have betrayed the people of Manitoba. Not only the farmers, Mr. Minister. This government has proven to me in reviewing the budgets, etc., that it is not capable of handling the financial affairs of this province Like the NDP like to say, ordinary Manitobans. Well, it is us ordinary Manitobans, I believe, who have been betrayed. The Jobs Fund has been increased again and is used for political gain in many cases.

So, Mr. Deputy Speaker, it's time the government would end trying to make political gains at the expenses of the poor farmers. The first responsible step for this government is to scrap this ill-conceived legislation and get to work on something which will be more realistic. So, Mr. Deputy Speaker, I believe this government is using the farmers to make political gains. So on these grounds I must declare my opposition to Bill No. 4. Thank you.

MR. DEPUTY SPEAKER: The Member for Arthur.

MR. J. DOWNEY: Thank you, Mr. Deputy Speaker.
I move, seconded by the Member for Lakeside, that the debate be adjourned.

MOTION presented and carried.

## BILL NO. 18 - THE STATUTE LAW AMENDMENT (ELECTIONS) ACT (1986)

MR. DEPUTY SPEAKER: On Bill No. 18, on the proposed motion of the Honourable Minister of Municipal Affairs, The Statute Law Amendment (Elections) Act (1986); Loi de 1986. . . standing in the name of the Member for Fort Garry.

MR. G. MERCIER: Mr. Deputy Speaker, I adjourned this bill for the Member for Arthur.

MR. J. DOWNEY: Mr. Deputy Speaker, just one correction. It was standing in the name of the Member for St. Norbert, not Fort Garry, I believe you indicated. I would — (Interjection) — just like to - he indicated Fort Garry. Oh, I see, okay, I didn't read the Order Paper.

Mr. Deputy Speaker, I rise to indicate at this particular time that there does not appear to be at this particular point any major controversy, and I'm prepared to allow this bill to go to committee.

QUESTION put, MOTION carried.

#### BILL NO. 28 -THE NORTHERN AFFAIRS ACT

MR. DEPUTY SPEAKER: Bill No. 28, standing in the name of the Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Mr. Deputy Speaker.

With respect to Bill 28, after perusing it, it is our opinion that this bill should be recommended to the committee. In view of the fact that the bill is one of a housekeeping nature, which brings it up to the aspects that the rest of the province is in with respect to the elections of community councils and local committees, and with respect to the fact that we are also bringing it in line with the metric measurements in Canada, and also with the fact that the Northern Association of Community Councils has recommended the approval of this bill, it is our intention to recommend this bill to committee.

MADAM SPEAKER: The Second Reading of Bill 28, is it agreed?

The Honourable Minister of Northern Affairs.

HON. H. HARAPIAK: Madam Speaker, one question was raised during the previous debate on the question and that was dealing with the conflict of interest. They were wondering how this would affect the bill. We want to inform the House that the bill will now bring the Northern Community Councils under the Municipal Affairs Bill, under Chapter M255 of The Municipal Conflict-of-Interest Act, so this bill will bring it under the same act. With that, I refer the bill to committee.

QUESTION put, MOTION carried.

#### **BILL NO. 33 - THE MUNICIPAL ACT**

MADAM SPEAKER: On the proposed motion of the Honourable Minister of Municipal Affairs, Bill No. 33, standing in the name of the Honourable Member for Arthur.

#### MR. J. DOWNEY: Thank you, Madam Speaker.

I have a few comments I want to make in regard to this particular bill because we had the opportunity to discuss with the Minister, on another occasion with the concerned reeves and councillors of a couple of municipalities, dealing with the question of ward boundaries and representation within the municipal districts.

I would have to say as well, Madam Speaker, that one would have to question somewhat the difference of principle, and I understand some of the political feelings in rural Manitoba for it as to the difference as to whether or not one is a resident or is not a resident of the jurisdiction in which they are to represent, being on the provincial scale or the federal scale of government, the two top levels of government.

To my knowledge there is not the stipulation that one has to be a resident of that particular jurisdiction. The rural feeling, however, is and has been somewhat, that it is a person who is living within that municipal district or that particular ward or that R.M. would in fact have a better understanding of the area. I say

"area," because most of the municipal work at large is dealing with physical assets and physical matters within their jurisidiction, not so much as the population concerns as is the other two levels of governments, the people needs. Although I'm not saying the R.M. councils are not concerned about needs of people, they have certain jurisdictions in those areas; but to a large extent it's either roads, it's drainage, it's the other concerns, the physical concerns that are more their activities

Madam Speaker, the meeting, that was carried on between the officials and the Minister in which two of my colleagues were involved, raised the issue of one that had currently gone before the municipal board. The decision, in fact, has caused the inequity, I think, or a possible major inequity to take place where one end of the municipality could have all the members representing the southern part or the northern part in that particular area.

I would recommend to the Minister that he take a further look at this part of the act when it comes to committee and listen to some of the recommendations that were made by those councillors and the reeves, particularly the reeve from Harrison, who is extremely concerned about the problems that they are facing.

It's a matter, I think, Madam Speaker, of when you give the responsibility to municipal councillors that they have the responsibility to carry out the responsibilities given them, that they are ham strung or they aren't given the responsibilities of - and as well the municipal board - making sure that the municipal councillors who are elected, and I make some comments dealing with geographic nature, dealing with certain trading patterns, that the municipal councillors are allowed to be elected for those jurisdictions and not - and I say "not" - forced to use a population variance of 25 percent which is now the case.

I think the Minister, in his discussions with the individuals who we had the meeting with, was a little too quick to respond that he couldn't do anything about it at this particular time. I think this would be an opportunity during the committee stages of this bill to introduce amendments that would in fact alleviate the problems that they're having in some of these municipal governments.

The Municipality of Swan River, for example, is concerned that if they put in an application to change their ward boundaries that it would fall within The Municipal Act and, rather than correcting the problem that they have of having too big an area for one councillor versus another, that under The Municipal Act, under the population variance clause, the municipal board would in fact cause a greater problem than they're now having. So they're afraid to touch it, Madam Speaker.

The question to the Minister, and I want him to before committee make an assessment of what he said during that past meeting, try to, with his department, work on some amendments that may well alleviate some of the problems even though I know that in the act that there isn't any change to take place one year prior to municipal elections. He may well say that he can't do it because of that clause. I would say, Madam Speaker, that he is the Minister and he has the ability to, for this particular case, accept the current situation and try to alleviate the difficulties.

My impression of the meeting and his discussion with those individuals was that he was sympathetic to their concerns. I say this, Madam Speaker, particularly when we deviate, and I say as politicians we're deviating from the principle, No. 1, of a representative for a local council having to live in a municipality, or having to live in that ward in which he or she is going to be elected, as opposed to municipal politicians and as opposed to federal politicians. We are not restricted to live in our constituencies.

For goodness sake, if we were restricted to live in our constituencies, then the Cabinet Ministers and the majority of the government members here would have to move back home again. The Member for The Pas would have to move back home again if he was restricted to living in his constituency. I'm sure there are many others who would find themselves in the same position.

So I'm saying we've deviated from that principle at the third level of government, at the municipal level of government. I can't see why there can't be a deviation on the principle of population, on the 25 percent population factor as well.

It would give some relief to those municipal councils who now feel that there is an unfair load on one councillor representing one ward versus another, and I ask the Minister to give further consideration because it is a major concern. In fact, I can tell you the reeve of the Harrison Municipality is and has been extremely upset over this matter.

Again, Madam Speaker, when it comes to municipal boundaries, ward boundaries, to the determination as to where they are, I think it should be the council that make that determination. I don't have any problem if there's a six month or a one year prior to an election clause in there, but I think if you give them the responsibility to carry out their work, then let them do it. Don't hamstring them. That's the same with the Municipal Board when it comes to determining how the boundaries should be worked.

Madam Speaker, the other parts of the bill that we're dealing with here, it appears to be fairly straightforward, dealing with the pension plan, the reporting of the secretary.

The public utilities activities, when it came to asking them to make certain decisions, as the Minister has indicated in his remarks, the Utilities Board have said it is not within their jurisdiction and we don't have any trouble with that.

I, as well, Madam Speaker, would expect a little bit more explanation from the Minister dealing with the limitations on the mill rate, the limitation being removed to allow hospital grant increases. Are there any other restrictions placed on them, or is this just an allowance to go free, to allow the municipalities to increase the amount collect and provided to hospitals at their own wish, or again do we have the Department of Municipal Affairs putting in place a caveat on the use?

The concerns that I've had over the past, and I want to talk just briefly about it, Madam Speaker, and that's dealing with the problems that many municipalities have had, and that's where they weren't able to collect taxes on land set aside for wildlife management areas or conservation areas. That, I think, was an important move. As I understand the amendment to the bill, that it is just formalizing it in the legislation, something that had been changed not too long ago and he's carrying out the legislative commitment to allow that to happen just a little bit easier, if that's my correct understanding.

I support that, Madam Speaker. I support the government paying for their areas of responsibility when it comes to the paying of taxes, or grant in lieu of taxes on wildlife management areas.

I possibly should, as well, try to prepare an amendment, Madam Speaker, to make sure that the province picks up their responsibility when it comes to paying for the spraying of grasshoppers that municipalities have been carrying out. They have been somewhat negligent in their responsibilities, in picking up those responsibilities, and I should possibly add an admendment, Madam Speaker, that would force the government to pay municipal govrnments the cost of spraying government road allowances for such things as grasshoppers. That may be an amendment that I will have prepared for the committee stage and would hope that the Minister would support it. Seeing, though, he can't get support from the rest of his colleagues, he could certainly get it from the Opposition members.

Madam Speaker, with those comments and concerns, at this point we are prepared to allow this to go to committee and will be looking at possible changes that may improve the Minister's department.

MADAM SPEAKER: The Honourable Minister of Municipal Affairs.

HON. J. BUCKLASCHUK: I'll review the concerns and comments expressed by the Member for Arthur. I'm quite prepared to deal with those at the committee stage.

QUESTION put, MOTION carried.

MADAM SPEAKER: It seems it is the will of the House to call it 12:30. (Agreed)

The hour being 12:30 then, the House is now adjourned and stands adjourned until 2:00 p.m. on Monday.