

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 27 August, 1986.

Time — 2:00 p.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 same and asks leave to sit again.

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

MOTION presented and carried.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Madam Speaker, I take pleasure in tabling the Report of the Commission of Inquiry in the matter of Wilson D. Parasiuk, issued by Mr. Justice Samuel Freedman yesterday.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.

Are the honourable members interested in continuing with Routine Proceedings?

Order please.

Notices of Motion . . . Introduction of Bills . . .

ORAL QUESTIONS

MTS - judicial inquiry re MTX

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, I begin by thanking the Attorney-General for the tabling of a report with respect to the affairs of the Member for Transcona, a report which I have not had an opportunity to peruse or read, and following upon that report - and I might indicate that it is as a result of an inquiry by former Chief Justice Samuel Freedman - a public inquiry with powers of subpoena to investigate the affairs of a particular business transaction that involved the Member for Transcona and an alleged business associate of his.

I ask the Premier: in view of the fact that he was willing to appoint a full public inquiry into the affairs

of the Member for Transcona and the allegations on the matter of an award of contract, why will he not appoint a full public inquiry into all of the allegations; into the information contained in two separate sworn affidavits that allege kickbacks; that allege white envelopes stuffed with money being delivered in the course of doing business by MTX, a subsidiary in Saudi Arabia; that allege falsification of visa documents; discriminatory hiring practices; endangering the employees by having them work contrary to Saudi religious laws; falsification of sales records; bootlegging of IBM software; and all of these other issues that involve the overseeing of three separate Ministers over the past four years? Why will he not appoint a full public inquiry to clear the air, the black clouds that hang over the heads of three separate Cabinet Ministers who had responsibility for MTS over those past four years, when he was willing to do so on one charge against the Member for Transcona?

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, the Leader of the Opposition just made reference to charges of kickback, white envelopes being delivered, falsification of visa documents, falsification of sales documents; and, Madam Speaker, those are criminal allegations.

There is no criminal allegation at any time involving the Member for Transcona. Those were matters of allegations pertaining to conflict of interest and impropriety.

Madam Speaker, when there are criminal allegations, we deal with criminal allegations decisively and swiftly as we did with A.E. McKenzie Seeds, when we referred those criminal allegations to the Royal Canadian Mounted Police, and after the Mounted Police have done their job, there is a public inquiry by way of a trial which took place with A.E. McKenzie Seeds and appropriate convictions were delivered.

Madam Speaker, when there were kickback allegations involving Department of Highway employees in the constituency of the Member for Pembina, kickback allegations that commenced during the time that the Member for Pembina was a Minister, we did not call for a public inquiry.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please. Order please.

We will conduct question period in an orderly fashion. A question has been asked; a member is answering the question. We would like to hear both of them.

HON. H. PAWLEY: Madam Speaker, as I indicated, when there were criminal allegations involving kickbacks in the Department of Highways, the Highways employees in Carman, in the heart of the constituency of the Member for Pembina, such kickbacks having occurred during the time when the Member for Pembina was

the Minister of Highways, we did not order a public inquiry. We launched a criminal investigation, Madam Speaker, and as a result of that criminal investigation, appropriate charges and sentences were handed out. Madam Speaker, that is the parallel, not this scurrilous accusation that the Honourable Leader of the Opposition is continuing in his efforts to contribute to in this House with, I must say, no credit to himself.

MTS - Cabinet Ministers' knowledge of MTX and operations

MR. G. FILMON: Madam Speaker, in view of the fact that over the past four years, three successive Ministers responsible for the Telephone System have been responsible for engaging in what has been called by the Minister responsible for the Telephone System, a high-risk foreign investment; in view of the fact that during that period of time and certainly more recently on at least four separate occasions, the House, the members of the media, the members of the public have been misinformed by the Minister and senior officials on issues, such as a flogging incident in Saudi Arabia, such as the employment of Theresa Aysan, such as a \$1.5 million unsecured unauthorized loan, such as return of equipment, hundreds of thousands of dollars of equipment, that place a shadow of doubt over the affairs and the administration of three successive Ministers, will he not attempt to now clear the air for those Ministers as he has done for one other Minister, the Member for Transcona, by calling a full public inquiry with powers of subpoena to look into the whole issue?

MADAM SPEAKER: Order please.

For the information of members on both sides of the House I would like to take this opportunity to remind honourable members of a few citations from Beauchesne.

Citation 357(1) "In putting a question a member must confine himself to the narrowest limits.

"In making a question, observations which might lead to debate cannot be regarded as coming within the proper limits of a question.

"The purpose of a question is to obtain information and not to supply it to the House."

Secondly, Citation 359(2) "The question must be brief. A preamble need not exceed one carefully drawn sentence. A long preamble on a long question takes an unfair share of time and provokes the same sort of reply."

Also, may I remind honourable members of Beauchesne Citation 358(2) "Answers to questions should be as brief as possible, should deal with the matter raised, and should not provoke debate." If we can continue conducting Oral Question period according to those rules, the whole House shall benefit.

The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, I appreciate your advice on this matter, and I'll attempt to be in keeping with your wishes on the questions.

Madam Speaker, in view of the fact . . .

MADAM SPEAKER: Order please.

These are not my wishes. May I remind the honourable members these are your rules, the Rules of the House.

The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, I shall attempt therefore to comply with the rules as you have stated forth previously.

Madam Speaker, my question for the Premier is: in view of the fact that even during the past four or five days, the Minister responsible for the Telephone System has been unable to answer questions with respect to serious matters occurring under his jurisdiction at the Telephone System, has been unable to answer questions with respect to the change of locks, been unable to answer questions with respect to MTX's participation in a Venture Capital Program that is of fairly recent knowledge within the area of the administration of this government; in view of the fact that the Minister knew nothing about the \$1.5 million unsecured, unsecured loan; and in view of the fact that yesterday he acknowledged that he had met within the past year with Sheik Al Bassam with respect to various items presumably surrounding the operations of our companies in Saudi Arabia, has the Premier asked the Minister responsible, as I asked yesterday with respect to allegations in the affidavit, about his knowledge of any of the matters contained in any of the affidavits that have been put forward or the information that has been coming out as to whether or not this Minister or his predecessors have had personal knowledge of many of the items that are now coming forth in the committee hearings on MTX?

A MEMBER: Quit covering up.

HON. H. PAWLEY: Madam Speaker, we are not covering up. What we are witnessing and it comes as no surprise to me is a continuation of scurrilous innuendo from the Leader of the Opposition . . .

MR. H. ENNS: On a point of order, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Lakeside on a point of order.

MR. H. ENNS: Madam Speaker, quite correctly, you took it upon yourself just a moment ago to remind all of us about certain rules and traditions with respect to this House. One of the rules that is of long standing is that one does not cast aspersions or motives to any member. The Premier has just done that now on two occasions with respect to describing my leader's comments as being scurrilous. The word is unparliamentary, Page 110 of Beauchesne. I would ask you to apply the rules with some fairness.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please. Order please.

MR. H. ENNS: I insist that the speaker withdraw that reference.

MADAM SPEAKER: Order please, order please. — (Interjection) — Luckily, that's not the one I'm using. Order please.

As honourable members well know, we have tried diligently to apply the rule that says members shall not cast aspersions on other members of the House, and that all members are honourable members.

The Honourable First Minister.

HON. H. PAWLEY: I am prepared to withdraw the remark "scurrilous," and replace it with "reckless" allegations.

Madam Speaker, I will await the opportunity, not now, to suggest that honourable members might want to withdraw their allegations of "cover-up" which connotes, as well, motive in this Chamber. There happens to be one rule for all 57 members of this Chamber.

Madam Speaker, in regard to the allegations that were raised in the speech, tailed off by a question by the Leader of the Opposition, his speech contained many inaccuracies, inaccuracies insofar as suggesting that the Minister of Telephones was unaware of this, or unaware of that, or he was misinformed. Those matters, Madam Speaker, fortunately, have been placed upon record in this Chamber time and time again for the edification of honourable members across the way but, as has been the case over the last number of days, the honourable members across the way have ears, but choose not to hear.

Madam Speaker, insofar as the actions of this government, I am proud of the actions of this government in like the A.E. McKenzie matter, like the matter involving the kickbacks in the constituency of the Honourable Member for Pembina. While he was Minister we launched an RCMP investigation, and when the RCMP investigation was completed - and there were recommendations as to criminal charges - criminal charges were laid and those charges were dealt in public session; public session, Madam Speaker, and that is normally the way that it is anticipated that such matters are handled within a democratic society. We will not bend to the kind of innuendo that is left sometimes in this Chamber, Madam Speaker, not just on this issue, but in previous issues that we are well acquainted with. Madam Speaker, as well, we won't move without . . . forward insofar as the Coopers and Lybrand Report is concerned.

Madam Speaker, if the honourable members want to ask general questions, they will receive general answers.

MADAM SPEAKER: The Honourable Leader of the Opposition with a supplementary.

MR. G. FILMON: Yes, Madam Speaker.

My question for the Minister responsible for the Telephone System: did he have knowledge of the \$1.5 billion unsecured, unauthorized loan prior to its having been revealed in the committee last Thursday morning?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, I received documentation, I've received affidavits, I've received letters; all of that has been sent to the RCMP and the public audit, and that will be the body that will deal

with any irregularity, any wrongdoing, any lack of management judgment or decision. That's the way in which this Minister will conduct those things; that is the responsible thing to do.

The honourable member just recently, Madam Speaker, talked about this Minister refusing to give answers. He dominated question period and didn't allow anyone to get on their feet to ask any question or answer any question.

The honourable member has received a letter from Mr. Turner of Cybershare, which I hoped he would like to share with other members of the House, because it indicates clearly that the involvement of MTX or MTS in respect to the Grassroots programs is one that Mr. Turner believes is in the best interests of Manitoba and he puts the record straight for the Honourable Leader of the Opposition.

MADAM SPEAKER: The Honourable Leader of the Opposition with a final supplementary.

MR. G. FILMON: A new question to the Minister responsible for the Telephone System.

In view of his response about the venture capital involvement of MTX, why couldn't he give that information when I asked him the question in the House earlier this week?

HON. A. MACKLING: Madam Speaker, this Minister will not provide just a brief answer knowing the way in which the Opposition uses any answer given. If there is the slightest bit of lack of completion in respect to it, they will say I didn't give a full answer. They will find some problem.

Madam Speaker, I didn't know whether the cash had flowed, whether there actually had been a completion of the agreement. As a matter of fact, as the facts are, Madam Speaker, there has been no flowing of the cash. I've asked Mr. Curtis to review that contract in light of the decision we made, suspending the operations of MTX, and that review is taking place.

MTS - suspension of senior officials re MTX

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker.

Tragically, despite the pressure from the Opposition, both the official and the unofficial, and I believe from public opinion, we are unlikely to get a public inquiry on MTS-MTX and the government will limit that inquiry to the RCMP investigation and also to the audit by Coopers and Lybrand.

On the basis of that, will the Minister responsible for the Telephone System suspend the President of the Manitoba Telephone System, Mr. Gordon Holland; the V.P., Financial Services, Maurice Provencher; and Michael Aysan until such time as these investigations are complete?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, as I indicated in the House some weeks ago, it is not the position of

this government to fire people and then have a hearing or an accounting later. What we have done when there have been concerns, very serious concerns which, if validated, would constitute the basis for criminal charges, we acted immediately upon them.

That investigation is ongoing. We established a management audit to look at the operations of MTX and its relationships with MTS - broad, complete terms of reference, Madam Speaker, to provide complete advice to this government as to the management decisions that may be necessary in respect to that operation.

In addition to that, we appointed Charles Curtis, whose integrity no one would question, as Acting CEO of MTX; and, Madam Speaker, we suspended the operations of MTX to ensure that no contract would be pursued, no new contract, no new undertaking, without the specific authority of Mr. Curtis or the MTX Board.

All of those measures are the responsible way to deal with allegations, concerns about impropriety, not the kind of innuendo and trial of people that the honourable member's practise in this Chamber.

MRS. S. CARSTAIRS: Madam Speaker, a supplementary question to the same Minister.

Will the Minister consider such suspensions in light of what has happened with regard to the Workers Compensation Board and other agencies of government in which individuals have been suspended while investigations are under way?

MADAM SPEAKER: Order please, order please. Order please.

May I remind honourable members that if they have questions, that they rise in their place to be recognized so they can put their questions. They do not put their questions from their seats. The Honourable Member for River Heights has asked a question. The Minister is about to answer her question.

The Honourable Minister responsible for MTS.

HON. A. MACKLING: I thank the Honourable Member for River Heights for that question, and I'll disregard the continuing chatter of the Member for Pembina. I know that he doesn't like sharing the limelight on any questions with any other members of the House, Madam Speaker.

Madam Speaker, we are confident that the RCMP will be giving us advice as soon as they believe that there is any clear indication of public wrongdoing on the part of anyone. We are confident, also, that Mr. Curtis will bring to us recommendations for any administrative changes that he may deem appropriate.

And we are also confident that the management audit, with complete comprehensive terms of reference as has been given to them, will provide this Minister and this government with the kind of recommendations that are based on a reasonable assessment of management decisions in the past.

Frontier Airlines - compensation to passenger

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

MRS. S. CARSTAIRS: Actually, Madam Speaker, a single question to the Minister of Consumer and Corporate Affairs.

In light of the discontinued service of Frontier Airlines, and in light of the fact that there seems to be no compensation package available in the Province of Manitoba for consumers of that product, will the Minister consider establishing a general fund, a compensation fund, under a travel industry act similar to one available in the Province of Ontario?

MADAM SPEAKER: The Honourable Minister of Consumer and Corporate Affairs.

HON. A. MACKLING: Madam Speaker, I share with the Honourable Member for River Heights, and I'm sure all members of this House, concern for consumers of transportation services that are frustrated and anxious about what appears to have happened in respect to Frontier Airlines.

The honourable member and other members will recall that in reporting to this House, I've indicated that I have met with the tourist industry, the travel agencies, and asked them to come forward with recommendations as to an appropriate course of action in this field.

At one time, when my colleague, the Attorney-General, was Minister, and I pursued those interests, there was a request to the federal agency to establish a national fund, and it would involve really a nominal amount of transportation purchase of 50 cents a ticket which would provide a universal fund to deal with these situations. Unfortunately, that national fund has not developed and we have separate systems developing across the country, separate systems that, because of the size of jurisdictions like Manitoba, would not be viable unless there was a very substantial cost to the consumer themselves.

We are looking at that situation. We will be pursuing it.

MTS - financial statements for 1982 and 1983 re MTX and SADL

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Madam Speaker. My question is for the Minister responsible for the Telephone System.

Madam Speaker, the Minister tabled, with committee, the financial statements for the Saudi Arabian operations of MTX for fiscal years ending December 31, 1984 and 1985.

Since MTX was involved in Saudi Arabian operations since mid-year in 1982, would the Minister make available the financial statements for the Saudi Arabian operations in 1982 and 1983?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, I would certainly see that it should pose no problem to provide financial statements.

I think it would be interesting, also, to know all of the commitments and all of the interest of the former

member, the former Minister, the Member for Pembina, who was so anxious in encouraging the further investment of the Telephone System in Saudi Arabian contracts.

MADAM SPEAKER: The Honourable Member for Pembina with a supplementary.

MR. D. ORCHARD: Madam Speaker, a new question to the Minister responsible for the Manitoba Telephone System.

In view of the fact that MTX operated without registration for one year, how will those financial statements that the Minister just promised me be made available to the House when, in fact, they will be financial statements of Al Bassam Datacom, the wholly-owned subsidiary of the sheik? How will he make those statements available to the House and, indeed, Madam Speaker, available to the Coopers-Lybrand investigation group?

HON. A. MACKLING: Madam Speaker, the Honourable Member for Pembina reinforces the rationale for the appointment of Coopers and Lybrand to not, in an ad hoc fashion, attempt in this Chamber to analyze and recommend in respect to the business arrangements that we have asked for them to review; and that review will take place, and that review, as I've indicated, will be a public document, save and except any areas where they recommend there's a problem about confidentiality. Then the honourable member will have a comprehensive picture to see before him about the whole operation.

MADAM SPEAKER: The Honourable Member for Pembina with a supplementary.

MR. D. ORCHARD: Madam Speaker, I look forward to the Minister tabling those financial statements for December 31, 1982, and December 31, 1983.

Madam Speaker, I have a new question for the Minister "irresponsible" for the Manitoba Telephone System.

Madam Speaker, can the Minister indicate whether, in fact, MTX is still operating . . .

MADAM SPEAKER: Order please.

The Honourable First Minister on a point of order.

HON. H. PAWLEY: There is a certain decorum that's expected in this Chamber and the very least that we can do is ensure that members address their questions in the appropriate way to the Ministers that they intend a response from.

I would advise no Minister on this side to respond to a question put in the manner that the Member for Pembina has placed his question.

MR. C. SANTOS: The word "irresponsible" is unparliamentary according to Beauchesne.

MADAM SPEAKER: Order please, order please.

If the honourable members have advice they'd like to give on the point of order, I'd be most appreciative of it if they gave it to me standing rather than from their seat.

Order please, order please.

On the point of order, the word "irresponsible" is one of the words listed as unparliamentary in Beauchesne, Page 107, Fifth Edition. Also, may I remind honourable members, Citation 319 also says, "Members should be referred to in the third person as 'the Honourable Member for . . .'," and that is the traditional way that we have addressed honourable members in this House.

The Honourable Member for Pembina, I'm sure, would like to rephrase his question.

MR. D. ORCHARD: Madam Speaker, I apologize to the Honourable Member for St. James for the Freudian slip that I just made, and I apologize to the member.

MTS - suspension of activities of MTX

MR. D. ORCHARD: Madam Speaker, I'd like to ask the Minister responsible for the Manitoba Telephone System whether indeed . . .

Madam Speaker, may I pose the question to the Minister responsible?

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

MR. D. ORCHARD: Thank you. Madam Speaker, I have a question for the Minister responsible for the Manitoba Telephone System.

First of all, can the Minister indicate whether MTX's office in Atlanta, Georgia is still operating and, if so, is it included in the freeze of operations by MTX, imposed by the Minister; and how many staff and what are the yearly costs of maintaining that office for MTX in Atlanta, Georgia?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, MTX has ongoing work in progress in a number of areas, including New Zealand. Those operations that are ongoing, pursuant to contracts, are not under suspension.

The honourable member knows that any ongoing commitment, in accordance with the terms of reference that have been provided in respect to the suspension of operations, does not preclude the ongoing commitments in the several areas of contracts that are outstanding.

If the honourable member wants all of the detail on that, I'll be prepared to give him contract-by-contract an outline of ongoing contracts.

Federal Government funding policies

MADAM SPEAKER: The Honourable Member for Transcona.

MR. W. PARASIUK: Thank you, Madam Speaker. I thought I'd take this opportunity while I can to ask a question of the Premier. I think this is a question that

is of great importance to Manitoba and in the national interest.

In view of the fact that the Premier will be meeting the Prime Minister at a First Ministers' meeting in September, and in light of Federal Conservative Government announcements that the Federal Government is going to reduce expenditures across the country as part of a deficit reduction program while at the same time publicly stating that it's going to pump hundreds of millions of dollars, possibly billions of dollars, into the Province of Quebec to shore up the Conservative Party's sagging political fortunes in that province, will the Premier ask for assurances from the Conservative Prime Minister that this gross example of pork barrelling will not come at the expense of the national interest, will not come at the expense of nation building and other related goals such as justice and fairness, and, in particular, at the expense of the West and Manitoba which were promised a new deal by the Federal Conservatives when they sought office two short years ago?

MADAM SPEAKER: Order please. Could we please have some order.

The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, at last, we have received a question of some substance and some importance during this question period rather than the drivel that we've received for the last 40 minutes from honourable members across the Chamber.

Madam Speaker, during the worst days of the Trudeau Liberal administration, we never anticipated that we'd reach a time when there would be more gross maladjustment insofar as the distribution of federal money across this country than right now during the times of the Mulroney Conservative Government in Ottawa.

Madam Speaker, it's not just this New Democratic Party Government in Manitoba speaking to that. I would refer honourable members to comments that were made at the Premiers' Conference in Edmonton two weeks ago, including recent comments by the present Premier of the Province of Alberta, Premier Getty.

Madam Speaker, let me assure the Honourable Member for Transcona and all members in this Chamber, as well as all Manitobans, indeed all Westerners, that one of the key issues of priority at the forthcoming First Ministers' Conference in Vancouver, November 21, will be the insistence that the Federal Government awaken to the fact that there's more than just central Canada, more than just Ontario and Quebec, that there is a west, there are the Atlantic Provinces, Madam Speaker.

And we will speak out, even if Western Conservative MP's are incapable, or Atlantic Province Conservative MP's are incapable. We will speak out for the West, we will speak out for the Atlantic provinces to ensure, Madam Speaker, that there's a fair treatment by the Federal Government insofar as all Canadians are concerned.

MADAM SPEAKER: Order please.

The Honourable Member for Brandon West with a point of order.

MR. J. McCRAE: Madam Speaker, you often rise in your place to call members to order for one reason or another, and I believe the honourable members opposite should be reminded of the rule that when the Speaker rises in her place, the member speaking is to resume his seat.

MADAM SPEAKER: Order please. I would hope that all members would have respect for the rules.

The Honourable Member for Transcona with a supplementary with no preamble.

MR. W. PARASIUK: Thank you, Madam Speaker.

I'd like to pose a supplementary and I'll be especially careful to have no preamble. It might be a long question though. Will the Premier seek to get an explanation from the Prime Minister about why the Federal Conservative Government has pumped more than \$150 million into the Prime Minister's riding alone in two short years on highways, rural airports and seaports while at the same time cutting back on railways, highways, rural airports and the seaport of Churchill in Western Canada? Is this the Conservative new deal for the West?

HON. H. PAWLEY: Madam Speaker, the . . .

MADAM SPEAKER: Order please, order please.

The Honourable Member for Transcona asked the Premier if this was Conservative policy, I do not believe that is within the administrative responsibility of the First Minister.

Would he like to rephrase his question?

MR. W. PARASIUK: Yes, I will certainly rephrase in that I'm asking the Premier, in his duty as Premier of this province, to get an explanation from the Prime Minister as to disparities in treatment between his own riding in Quebec, which is \$150 million, and the treatment that is being afforded to Western Canadians in Manitoba with rural airports, seaports and railways.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please. Order please.

The Honourable Member for Lakeside on a point of order.

MR. H. ENNS: Yes, Madam Speaker. With all due respect, I do wish to help you enforce the rules of this House. I fail to see what another jurisdiction - in this case a federal jurisdiction, in another province, in a federal constituency, in a federal riding - has to do with the competence of this First Minister of this province, Madam Speaker. I know it's great politics for the NDP to play, but surely, Madam Speaker, you certainly can rule that these questions are clearly out of order.

MADAM SPEAKER: Order please, order please.

MR. W. PARASIUK: May I speak to that point of order?

MADAM SPEAKER: To the point of order, the Member for Transcona.

MR. W. PARASIUK: I addressed my question to the Premier who is the Minister responsible for federal-provincial relations. It may be that the Member for Lakeside does not care about this, but we do. When rural airports in Brandon and other places have funds cut off, that is of interest to Manitobans. When we find that we are being treated unfairly compared to other

MADAM SPEAKER: Order please, order please.

May I remind honourable members on both sides when they're giving advice on a point of order, that it is on the point of order that I wish to hear advice.

Order please, order please. Also, on the point of order, I usually wait till I hear the question to determine whether the total question is within the administrative competence or whether the total question is in order.

I did assume that when I asked the Honourable Member for Transcona if he would like to rephrase his question, he was in the process of doing that, and his supplementary is within the administrative responsibility of the government.

The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, let me assure you and all honourable members, that regional economic development is one of the three or four key agenda items that all 11 First Ministers will be expected to address when we meet in Vancouver at the Federal-Provincial Conference, November 21 of this year. So the question by the Honourable Member for Transcona is very timely insofar as addressing that key issue that provinces are expected to deal with in Vancouver.

Let me assure honourable members that it is our intention to prepare a very extensive document on behalf of Manitoba; and other provinces regardless of political stripe, will be doing likewise. They will be serving due notice upon the Federal Government that there are not two classes of Canadians, but only one class of Canadians, and that class of Canadians ought to be treated alike insofar as public services are concerned from the Federal Government, whether they be in St. John's, Newfoundland or whether they be in Victoria, B.C. or Winnipeg, Manitoba.

That position, Madam Speaker, will be placed just as clearly and decisively as this government can do, as this government can muster in its presentation to the Prime Minister in Vancouver on November 21.

MADAM SPEAKER: The Honourable Member for Transcona, with a final supplementary.

MR. W. PARASIUK: Yes, this is to the Premier in his capacity as Minister responsible for federal-provincial relations.

When he meets with the Prime Minister, will he seek assurances from the Prime Minister that the appointment of Dalton Camp, the Conservative politician who ousted John Diefenbaker the western populist to a position in Mulroney's office, does not mean the complete end of any national Conservative interest in Mr. Diefenbaker's ideal of a fair deal for Western Canada; an ideal that he was never able to accomplish when he was Conservative Prime Minister, and one which later Liberal Governments never realized as well?

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please. That question is out of order.

MR. H. ENNS: The old sleazy slimebucket is right back at it.

A MEMBER: Slimy old Willie, he's right back.

MR. H. ENNS: Slimy old Willie's right back at it.

MADAM SPEAKER: Order please. The Honourable First Minister on a point of order.

HON. H. PAWLEY: Madam Speaker, I was going to respond to the question.

MADAM SPEAKER: I ruled that the honourable member's question was out of order.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please. Order please.

Would the Honourable Member for Lakeside please come to order?

Provincial Road 330

MADAM SPEAKER: The Honourable Member for Morris. Order please.

MR. C. MANNES: Thank you, Madam Speaker, I direct my question to the Minister of Highways . . .

MADAM SPEAKER: One moment please.

I have asked the Honourable Member for Lakeside to please come to order, and he continues yelling. Would he please follow the instructions of the Chair.

The Honourable Member for Morris.

MR. C. MANNES: Madam Speaker, in Department of Highways Estimates, the Minister of Transportation and myself had occasion to discuss Provincial Road 330 between LaSalle and Domain. That particular hard-surface road services my home community and was built six years ago.

Madam Speaker, my question to the Minister: can he indicate why he made an announcement to me last night that this six-mile portion would be ripped up and turned back into gravel?

Yesterday, shortly after a vote within this House reducing his salary by some considerable sums, a very narrow vote which was lost by one vote, could the Minister tell me why he made this announcement to me in the fashion he did shortly thereafter the vote?

MADAM SPEAKER: The Honourable Minister of Highways and Transportation.

HON. J. PLOHMAN: Madam Speaker, I think it's precisely because of the difficulties that we're having with the funding for Highways. We see the examples

here today where the Prime Minister is putting dollars into Quebec, into airports and into highways and we're receiving nothing in this province for highways, nothing over the last three years. There's not a red penny going here, but certainly there's a lot of money going into Quebec and into other provinces in the Maritime areas for highways.

That's the kind of fair deal that we get that was just exemplified by the Member for Transcona in his question. That is the kind of treatment we're getting, and we have to make some reductions somewhere and that's why we're doing it, Madam Speaker.

MADAM SPEAKER: The time for Oral Questions has expired.

ORDERS OF THE DAY

MADAM SPEAKER: The Honourable Government House Leader.

The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, I had some discussions with members opposite regarding the Business of the House today, and it's my understanding that they would like Bill No. 4 called. I believe they have some speeches to make on that, perhaps some action that they wish to take. So would you please call Bill No. 4?

ADJOURNED DEBATE ON SECOND READING

BILL NO. 4 - THE FAMILY FARM PROTECTION ACT

MADAM SPEAKER: On the Debate on Second Readings, the proposed motion of the Honourable Minister of Agriculture, standing in the name of the Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, I rise to participate in the debate on Bill 4, the so-called Family Farm Protection Act and I do that for several reasons. One of the reasons, I guess, that comes to mind first off is the name of the act, and many honourable members in this Chamber have made reference to the slick and clever name given to the proposed legislation, to the proposed Family Farm Protection Act.

It reminds me of the seal hunt off Newfoundland, Madam Speaker. The federal statute governing the seal hunt in Newfoundland is called The Seal Protection Act, and we all know what happens to the seals. Well, we all know also that Brigitte Bardot and other people across the world took offence to the seal hunt and made their wishes known and the seal hunt is almost now a thing of the past. Some of us on this side are afraid, Madam Speaker, that The Family Farm Protection Act might have that same effect here in our province respecting family farms.

The honourable members might wonder why I, as an urban member coming from the City of Brandon, should be interested in The Family Farm Protection Act and any debate, as a matter of fact, on farm issues.

Well, farming in my family goes back many generations, Madam Speaker. In 1795, the first McCrae came to this country and farmed here, and for five generations since McCraes have been farming in every province from Quebec west. So, Madam Speaker, farming is part of my heritage and it's obviously part of the heritage of many members in this Chamber and certainly some of our members on this side, a great number of them, are still actively involved in the pursuit of agriculture. But my commitment stems from that heritage, Madam Speaker, of family farm operations in my own family. — (Interjection) —

Just whenever honourable members opposite decide to keep quiet, Madam Speaker, I'll continue.

MR. DEPUTY SPEAKER, C. Santos: Order please.

MR. J. McCRAE: Mr. Deputy Speaker, the Minister of Labour tells me that he's hanging on my every word and I appreciate that. He's hanging on a lot of words in this Chamber recently and he's going to hang on his own activities and his own behaviour regarding the MTX scandal, Mr. Deputy Speaker.

Sir, farming is a very important aspect of the life of the community of Brandon. Indeed, as I've said before, there would be no Brandon at all if it were not for farming. The industries that are located in Brandon serve the surrounding farm economy. We have many farm equipment machinery dealers in our city, and chemical and fertilizer manufacturers and dealers, and Brandon is the distribution and shopping centre of Southwestern Manitoba serving farmers and their families for many, many years and we hope for many, many years to come.

Besides the concern I have for my own heritage, Mr. Deputy Speaker, I have a concern for the viability of my own community of Brandon, which is very much dependent on a healthy farming sector. As farming goes, so goes the City of Brandon.

So it's for those reasons, Mr. Deputy Speaker, as well as the importance of the agricultural sector to our whole province, it's for those reasons that I wonder why it is that this Minister and this government have been making so many rhetorical statements about their commitment to the preservation of agriculture in Manitoba. Ever since I returned to Manitoba in the fall of 1982, I've heard a lot of sounds coming from government members, but Mr. Deputy Speaker, I've said before that members opposite respecting agriculture are full of sound and fury, but signifying nothing, because what do they produce for us? They produce Bill 4; a piece of cosmetic with a fancy name that is supposed to let farmers in this province know that this government is concerned about their industry and about their future and about the viability of carrying on agriculture into the 21st Century.

Well, Mr. Deputy Speaker, as my colleagues have very ably pointed out in the debate on this bill, this bill is certainly a weak-kneed effort to try to protect the family farm in this province. When we consider all the things that could have and should have been done in the past few years to create a healthy agricultural economy, what we come up with is Bill 4, a bill which really does more to hurt the family farm than it will ever do to help.

I have to ask, why are we spending so much time on this useless piece of legislation when there are so many important things that need to be done? Honourable members opposite complain that every day spent here is \$75,000.00. Well, of course they fail to remember that the operations would cost close to that amount whether the House was sitting or not. But the point is, why are we spending so much valuable time and putting the best minds, supposedly, of this province to work to solve the problems of the farm economy, when all we can come up with is Bill 4? A bill which is - I don't suppose it's intended to hurt farmers - but that's what the result will be, Mr. Deputy Speaker.

This bill will penalize farmers in viable operations by increasing the cost of their credit and making credit more difficult to get for other farmers. It will put those farm operations that are already in trouble, it has the potential to put them right out of business after the agony of their present difficulties is prolonged just a little bit.

Mr. Deputy Speaker, it doesn't take very long in a rural community for word to get around that a farmer is having difficulties, that the Cabinet of the province has placed a moratorium on his farm debt. It doesn't take very long for that word to get around. Do you think, Mr. Deputy Speaker, that lending institutions would be very anxious to lend money to a farmer who's debt has been frozen in the past? I think not; and I think that farmer would be better served in some other way than by placing a moratorium on his debt.

So the bill that we have before us, Sir, does nothing to help the farm community with the real problems they have. Those real problems, as everyone knows, are low commodity prices and high input costs. That's why I say that we've heard precious little from this government in the last few years, in terms of what this government will do about the real problems that the majority of farmers face.

You see, the majority of farmers do not face this problem that this bill attempts to deal with. I understand that only some 5 percent of Manitoba farmers are in that kind of difficulty that they would be looking to debt moratorium for assistance. But even those farmers in that situation would not be served by debt moratorium legislation because what that will do is, as I said, prolong their agony and make credit virtually impossible for them in the future. As we know, farmers don't make one loan in their lifetime; their operations are based on a string of loans and credit arrangements over a number of years to keep farm operations going.

Well, the result will be bankruptcies, put off somewhat perhaps, but bankruptcies nonetheless. We're going to see bankruptcies in record numbers if this government doesn't do something to help where it can; that would be to help in the control of input costs. There will be bankruptcies, Sir, in spite of this government's election promises in 1981 that we had, at that time, seen the last of farm bankruptcies in this province. I suppose you could say it's an irresponsible promise to make. It's like gazing into a crystal ball, Mr. Deputy Speaker, but that promise they made, nonetheless.

The bill we have is positive proof, as far as I'm concerned, that the government is bankrupt. The government has nothing to offer farmers in this province who are in real legitimate difficulties, difficulties not brought on by them. This government is prepared to

do nothing to come to the aid of farm operators in this province, many of whom are good farmers and deserve to stay in business. This government comes forward with Bill 4 which does nothing but prolong their agony.

Besides Bill 4, this government has done little more than provide a little lip service. I know the lip service that the farm community has been getting from this government is wearing pretty thin, they're getting tired of listening to that kind of lip service. They have no hope, as long as we have this government in office, that things will get better.

So nothing in the bill, Sir, would keep a struggling farmer on the farm in the long run because the long-term prospects for a farmer whose debt has been frozen are nil. If a farmer is in a position where a bank is foreclosing on him and he takes advantage of the moratorium provisions of the bill, really, his hopes of ever getting credit again in the future are dashed, he's basically doomed. So this bill really doesn't address that and doesn't address, as I said before, the real problems that farmers face.

The only hope for farmers in the situations we're talking about is better prices for their products and lower input costs, and no way the bill deals with those.

So why does the Minister and this government persist in wasting the time of this House on a bill that should not be passed? Why do they persist? Well, it's because we have a government which is, to me, so much more and more like the Trudeau Government of the 1970's; their pride is showing; they've developed the same kind of pride, ego and arrogance that we used to see in the Trudeau days.

This government cannot admit a mistake. It cannot admit that the legislation is bad. Honourable members opposite know it's bad, the Minister of Education knows it's bad, but he has to prop up his government, otherwise that's the end of his government and the end of his career as Minister of Education. The Minister of Education shakes his head. I know very well his background is rural. He knows very well this kind of legislation will not help the farm community, and he knows very well that this bill will hurt everyone in the farm community who makes use of credit. And yet he insists on supporting it, he insists on putting this House through this process of talking about this bill longer than we might have to otherwise, to show the government that its legislation is bad and should not be passed, should be withdrawn or amended.

A MEMBER: This is what you were elected to do.

HON. J. STORIE: The process is a democratic process.

MR. J. McCRAE: The Minister reminds me it's a democratic process.

Mr. Deputy Speaker, a democratic process, to me, would bring forward a bill that would do something for the majority of farmers in our province; the bill does nothing for anybody. What the government thinks it might do for some 5 percent of the farmers really only just puts them out of business in the long run anyway. So what kind of democracy is that? You see, democracy is something, Mr. Deputy Speaker, that we don't just talk about. Democracy is something that we live in this country, and that's why we have an Opposition.

Mr. Deputy Speaker, our Minister of Education may understand a lot of things, but he does not understand what the role of the Opposition is. He wonders, I suppose, why we're here; just to clutter up his agenda and slow down what he is trying to do, and his colleagues.

The fact is, we are here representing the people who sent us here, Mr. Deputy Speaker, and it's our duty to speak for those people and to tell the government when the government is headed in the wrong direction. When the government cannot understand why it's heading in the wrong direction, or cannot be convinced, there's a problem; because I believe people like the Minister of Education understand the problems associated with this bill, it's to protect his Minister of Agriculture's pride and ego, and even stubbornness, that we stand here today debating Bill 4. We shouldn't be doing that. We should be debating other important matters of concern to the people of Manitoba, not the least of which, the way their money is being squandered by MTX in Saudi Arabia.

This government has shown us that they can't admit mistakes in a number of other areas, Bill 4 is not the only one. They can't allow themselves to listen to constructive criticisms from members of the Opposition because - oh, Mr. Deputy Speaker, that would be admitting a mistake, and it would be admitting that maybe some agricultural rural members on the Opposition side, maybe they do know something about agriculture. That would be too much to admit for this government whose base is pretty well solely in the North and in the City of Winnipeg where many, many people, Mr. Deputy Speaker - and I know you are not one of them - have difficulty understanding some of the concepts respecting agriculture and the importance of agriculture to our province. And that's why we here, on this side of the House, are elected, to remind people in Winnipeg and their representatives that agriculture is a very important part of the economy, as well as the social and cultural fabric of our province.

Members opposite seem to forget that on a daily basis, and they heap up the problems on the shoulders of the Minister of Agriculture who, himself, has little grasp of what the problems really are, and the reason I can say that is Bill 4, Mr. Deputy Speaker. If he knew what he was doing he wouldn't be bringing that forward.

This government can't admit the hypocrisy involved in cutting back beds at Brandon General Hospital; they've done that. They certainly didn't say anything about it during the election campaign, Mr. Deputy Speaker, but they can't admit that they acted in a hypocritical way by going out and telling the people of Brandon, and the people all over Manitoba, that they were the people to protect and enhance health care in this province. Well, it's the same kind of stubbornness and hypocrisy that we see in Bill 4, Mr. Deputy Speaker. I see you're looking through the pages of Beauchesne and you may be thinking that I'm getting a little off topic here, but that is not the fact.

In order for us to convince this government to withdraw this bad legislation, or to amend it to make it complementary of the federal legislation, in order to do that, we have to show them just how it is that they are being stubborn, and that they're not able to listen to informed and well-intentioned views coming from the other side, as well as from other groups and

agencies in this province, who have made their views known on this dangerous legislation.

The government can't admit that Bill 4 is bad and can't withdraw it because of their pride, their ego. Perhaps their credibility is at stake. Well, they can't admit that there is a cover-up at MTX, they won't let us know the truth about MTX, they will not call a judicial inquiry, Mr. Deputy Speaker. They will not do that because they're afraid there might be some information there that should be withheld from the public. If that's not true, then why don't we have a public inquiry called?

Members opposite can't admit, that just like their labour laws which have a negative effect on the economic climate in this province, they can't admit that that's wrong, and they can't admit that Bill 4 is wrong.

You know, Mr. Deputy Speaker, as a new member it's hard for me. If I hadn't seen a lot of this in the past, in my Ottawa days, I would be shocked to see how insensitive a government can be when it's in power and does not listen to informed and constructive criticism coming from the Opposition. It surprises me and disappoints me, because I kind of would like to think that's what the parliamentary process is all about.

The Minister of Education would have us believe that in every aspect of this bill the Keystone Agricultural Producers support this legislation. I ask the Minister, when is the last time he spoke to the rank and file members of the Keystone Agricultural Producers? Perhaps the Minister is going to tell us that the credit unions also support this legislation; perhaps the Minister of Education is going to tell us that the banks and other lenders support this legislation; perhaps — (Interjection) — I don't know. Has he had a chance to speak yet? Has the Minister of Education spoken in this debate? Well, perhaps he'll get up after me and tell me about all the support that the credit unions of Manitoba are heaping on this bill, and all the support that the rank and file members of the KAP are heaping on this bill, and the informed support that the bankers are giving to this legislation.

Let's not forget, Mr. Deputy Speaker, it's the bankers, it's the lending institutions, it's the credit unions who are the ones affected also in this scenario. I hesitate to bring them into the debate because honourable members opposite will no doubt shout that I stand up only for the banks.

Well, Mr. Deputy Speaker, I think coming from me, honourable members opposite should realize that I am not standing here to defend the banks. If they think otherwise, let them say so and let them make a case for that assertion because it just would not be true.

The members opposite can't admit that a \$500 million deficit running for five years is damaging and bad for our economy, and damaging and bad for the farm sector of our economy. If that were true, if they could admit that, they would do something about the deficit situation in this province. They haven't done that because they can buy too many votes by borrowing money, I guess.

Mr. Deputy Speaker, they can't admit that the payroll tax is bad for business and bad for farmers and bad for everyone in our economy. The Minister of Labour would be quick to correct me that it's not a payroll tax, it's a health and education levy, but that levy is levied on jobs. And the Minister of Northern Affairs can say "I've got it" all he likes, but he knows, as well as I do, that the payroll tax is just that, it's a tax on

jobs and it's a tax that hurts farmers. It hurts every conceivable sector of our economy, including the volunteer sector, and I say shame on the government for that blot on our taxation history.

The thing that bothers me is that honourable members opposite know these taxes are wrong. They throw up their hands and they say we have to have the money, but they know the payroll tax is wrong. You don't hear very many speeches from honourable members opposite defending the imposition of the payroll tax, the so-called health and education levy.

A MEMBER: The Minister of Education used to tell the people it was a good tax . . .

MR. J. McCRAE: Well, he's not doing that anymore. I would like to hear honourable members opposite give us a speech. Maybe the Minister of Labour will do that; maybe the Member for Kildonan will do that, get up and make a 40-minute speech on how good and how useful the payroll tax is, and how good it is for our society to tax jobs, and how much a business incentive that is in this province.

We're getting the same kind of incentives - I call them disincentives - in Bill 4. Bill 4 will have that kind of damaging effect on the farm economy. Why, Mr. Deputy Speaker, does this government insist on proceeding with legislation like this when it should be clear to everyone that it will hurt all farmers, both viable farmers and those having difficulties? All the reasons for why that will hurt farmers in this province have been adequately explained by my colleagues and others in our economy.

The bill will cause lenders to stop lending, or at least curtail severely their investing in the agricultural sector in this province. How do we know that? Because they've told us. They know, because the risks will be too great.

At the very least, it will cause the cost of credit to increase for all farmers, farmers who are in trouble and others. This bill will throw confusion, mistrust, and bedlam into the whole farm credit system in our province, something that should not have to be put up with by the farm community, and it won't be put up with by us as long as we can do something about it.

This government insists on ramroding bad legislation. If there were good arguments for proceeding with legislation, then surely they shouldn't have to ramrod it.

Mr. Deputy Speaker, the federal legislation has led the way in this regard. We've got a little "me-too-ism" on the side opposite. Just to make sure that nobody could accuse honourable members opposite of "me-too-ism," they had to add in a little something of their own like a moratorium, which is just so it could be different, I suppose. - (Interjection)-

The Minister of Education says that it makes the legislation work. If the Minister of Education wants something that will work in this legislation, why doesn't this government put its money where its mouth is and perhaps provide loan guarantees? No, they don't have the courage to do that. They don't have the money; they're broke, thanks to their mismanagement over the past five years. So that kind of help they cannot provide to the farm community.

I'm saying they can and there are all kinds of places where money can be found to support our farm industry,

and the fact that they have supported it to such a small degree in the last five years is shocking and it's disgraceful, Mr. Deputy Speaker, when you consider the importance of the farm economy, the farm sector, to our economy.

This government is very concerned about the Manitoba Puppet Theatre, for instance, to the tune of \$6,000 in 1985. That's the priority of this government, the Manitoba Puppet Theatre. Now, Mr. Deputy Speaker, I don't have anything against the Manitoba Puppet Theatre, but I'm saying, what is it with this government that all it can provide to our farmers is a bill, Bill 4, which puts the responsibility on the banks and the lending institutions for paying the costs of bailing out farmers, as well as all other farmers in the economy?

This government hasn't got the courage of its convictions and it will not put its money where its mouth is for reasons I have mentioned, one of them being there is no money thanks to their mismanagement. The other reason is a lack of commitment to the farm economy in this province.

So the farmers of this province are going to pay a huge cost to redeem the credibility of our Minister of Agriculture and this government, which is a lost cause anyway. You can't pay enough money, Mr. Deputy Speaker, to redeem the credibility of honourable members opposite.

The tragedy of it is that the cost for this redemption will be borne by farmers who can't afford it, who don't need it, who don't want it, and who will be hurt by it. Surely honourable members should be listening to a little bit of reason at this stage of the debate on this bill, instead of heckling from their seats and making smart-aleck comments. It seems to me they should be involved in this debate and, if they want to support this bill, let them support it, but also let them amend it to make it a good bill and to make it complementary to the federal legislation which has been seen by those people affected to be good legislation.

Any legislation which would alter financial contracts is not good legislation. When you and I make an agreement, Mr. Deputy Speaker, we don't need a government or somebody else to come along and tell us that our agreement was unfair. You and I are both big boys, Mr. Deputy Speaker, we sign a contract with each other; we shake hands; we make a deal; that's the deal. If I have some difficulty with that, or if you have some difficulty with it, surely we can talk. That process goes on in the banks and credit unions all over this province regularly. There's all kinds of adjustments made to contracts on the basis that both sides agrees to.

Mr. Deputy Speaker, this brings in another element. It brings in the heavy hand of the government, which I don't think is called for in these relationships. These relationships have taken decades, generations to build and now, with one bill, Bill 4, this government would destroy everything that's been built up for years and years. I say it's shocking and that honourable members opposite should not be allowed to do that.

The other thing that really, really bothers me about . . .

MR. DEPUTY SPEAKER: The Member for Lac du Bonnet.

MR. C. BAKER: I'd like to ask the member if he would like a question at this time.

MR. J. McCRAE: Mr. Deputy Speaker, I would be pleased to entertain a question from the Honourable Member for Lac du Bonnet, but I would appreciate it if he'd let me finish my comments.

MR. C. BAKER: Certainly.

MR. J. McCRAE: The other thing that bothers me, as if a moratorium doesn't bother me enough, the fact that the control over that moratorium rests in the hands of honourable members opposite.

Mr. Deputy Speaker, I'm not going to make any secret of the fact - I'm going to tell everything now - I'm going to get it out. Perhaps members on this side, or other honourable members, didn't know this, but I have a lot of trouble with honourable members opposite and having a lot of confidence in their abilities. Now this may come as quite a revelation but I'm telling it all today.

Honourable members opposite can't run Crown corporations. Honourable members opposite have demonstrated that quite adequately over the last number of years.

Honourable members opposite -(Interjection)- Mr. Deputy Speaker, the Minister of Labour speaks from his seat again and asks who got the MTX corporation started. He says, was it the Honourable Member for Pembina? I say, Mr. Deputy Speaker, never in his life did the Honourable Member for Pembina get started kickbacks; never in his life did he get started falsifying visa documents; never did the Honourable Member for Pembina agree to flogging; and never did he agree to discrimination against women and Jews.

I don't think honourable members opposite know enough about the farm economy. They know less than I do, Mr. Deputy Speaker, and I admit there are areas that I have some trouble with. But I'm telling you, if I'm having trouble, honourable members opposite would have a whole lot of more, and I don't want them deciding on whose debts are frozen and whose aren't.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. J. McCRAE: Perhaps, you might bring the House to order momentarily.

MR. DEPUTY SPEAKER: The people in their seats are louder than the member who has the floor. Order please. The Member for Brandon West has the floor.

MR. J. McCRAE: Do I have the floor again, Mr. Deputy Speaker? I don't know, maybe it's me, Mr. Deputy Speaker, maybe it's me. It seems that, when other honourable member speak in the House, there's quiet and there's decorum and there's courtesy extended to the person who has the floor but, Mr. Deputy Speaker, when I rise to speak, honourable members opposite can't sit still for some reason. I don't know why that is. Maybe they're angry because we took Brandon West away from them, maybe that's it. Well, all I did was tell the people of Brandon West the truth, and look what happened. Here I am.

Honourable members opposite went around telling people in Brandon West that the Conservative Government would dismantle Medicare; that the Conservative Government would dismantle rent controls; that a Conservative Government would dismantle Autopac. That's the kind of statements that were going around Brandon during election time. Mr. Deputy Speaker, I had an awful time setting the record straight, but the people of Brandon know the truth when they hear it.

I have not been convinced that lending institutions and lenders in this province have acted in bad faith on a massive scale toward their farm clients. You know, if they did, Mr. Deputy Speaker, we wouldn't really have any need for Bill 4 and the types of things that honourable members opposite want to do to the farm economy, we wouldn't have to be discussing this because, if lenders were in the habit of being arbitrary and unfairly putting producers out of business, well, that's not good business, and farmers wouldn't be going to those lenders if that was happening. That would destroy goodwill. As I said earlier, the goodwill that we have in the farm-lending sector has taken decades and even generations to build. With one bill, this government takes risks destroying that relationship. That's dangerous and it's wrong.

In any event, Mr. Deputy Speaker, we have now the Federal Farm Debt Review Act, and that allows third-party panels to mediate and to assist. I have no problem with that concept. I believe both sides will come together, in a reasonable way and in a cool-headed way, and work out supplementary arrangements. If that can be done, if that's possible, that will be done.

This bill is duplicitous in many respects, Sir, and it goes beyond normal commercial relationships, where it is different from the Federal Farm Debt Review Act, it goes beyond what would be considered normal commercial relationships and, I think where it goes beyond, that's where we should draw the line. That's where we should amend the bill and make it complement other legislation, without being duplicitous.

So the Minister wants to change dramatically farm financing arrangements and practices which have taken decades to evolve since the great depression.

Maybe lenders have been too generous in the past, in some instances, in their lending practices, and that has led to perhaps a few unfortunate and well-publicized disclosures. Maybe, because lenders have erred on the side of generosity, they and their clients are now faced with this legislation, because of the need of this government to have its way, regardless of whether it's right. Regardless of the damage, this government is bent on damaging relationships which have taken many, many years to develop.

(Madam Speaker in the Chair.)

I think loan guarantees might be a better way. If this government is serious then I say, let them put their money where their mouth is. There are plenty of places, Madam Speaker, where the money can be found, and honourable members opposite know where they are except that, in their way of looking at things, the money's better spent, for instance, for Les Danseurs de la Rivière-Rouge, \$12,650 goes to that. What goes to our farmers this year under Bill 4? Nothing, Madam Speaker.

Here again, what I'm looking at is the list given to us by the Minister of Culture, Heritage and Recreation,

Lottery Grants. It's enough to curl your hair, one of my colleagues tells me. For instance, the Manitoba Horseshoe Players' Association, Madam Speaker, we're pretty concerned about them to the tune of \$1,000 for the Horseshoe Players' Association. These are the kinds of priorities we see. I'm just saying, if we can be concerned about the horseshoe players, we should be concerned about the farmers of this province and attack the real problems that they have, rather than this window dressing, dangerous kind of legislation.

I must be fair and say that the federal legislation does not back up the legislation with loan guarantees either. I don't defend that, I think that this type of legislation should have guarantees like that. But also, the federal legislation doesn't impose moratoriums and destroy relationships that have taken years to develop.

This government would -(Interjection)- yes, that kind of support, I was going to say, Madam Speaker, would not have the undesirable effect of making credit hard to get or making it more expensive, because the government would absorb that cost and not the farmers who have to borrow the money. As I was saying, Madam Speaker, loan guarantees would not disrupt and would not have the effect of making credit more difficult to get and would not make interest rates higher.

The government spends money on all these types of grants, Madam Speaker. I invite you and all other honourable members to go through this list that we got from the Minister of Culture very carefully to find out just where the priorities of the government are and then ask ourselves, really does Bill 4 show any commitment on the part of the government.

Madam Speaker, maybe you could tell me how much time I have left. I know the Member for Lac du Bonnet has a question he wants to ask.

MADAM SPEAKER: The honourable member is just hitting his three minutes.

MR. J. McCRAE: Thank you, Madam Speaker.

Well, Madam Speaker, we, in Manitoba, worry a lot about a better deal for black South Africans and people in Afghanistan, and we worry about the plight of the Ethiopians and the Sudanese. Well, we ignore a little bit the Cambodians and the Laotian peoples and all the troubles that they're facing. We worry about Central Americans; we worry about Native Canadians. And we worry about all the people you'll find on this list, Madam Speaker. We worry about all those people, but what are we doing for the farmers in Manitoba, those people who generate some 25 percent of the jobs in this province. We worry about Chris Tait's problems. We worry about whether school prayers should or should not be allowed in the schools, but what are we doing for farmers?

Are we even worried about them? Do we show any commitment? Because, if Bill 4 is the commitment that we have, then I say we're not worried enough about a very important sector in our province?

Honourable members opposite seem to think that farmers in Manitoba don't have enough trouble already so they're just going to load on this extra little problem for every farmer in this province. They think we should spend weeks and weeks and weeks to put through a bill like this that'll only hurt farmers.

There are many, many things we could be doing for farmers. My colleagues have talked about that in their speeches. We talked about them during the election campaign. The government has not seen fit to listen to any of our constructive criticism or listen to our alternative proposals. They brush them off because, really, they only just come from farmers who happen to sit in the Opposition party. Well, I'd say that's disgusting. I say that's disgusting that honourable members opposite don't listen to us. Brigitte Bardot recently said that those who are not disgusted by that which is disgusting, are even more disgusting than that which does not disgust them, Madam Speaker, and that disgusts me.

Honourable members should wake up. They're hurting farmers and they're hurting the farm families. They're hurting farmers and all those who depend on them. People in the City of Brandon are being hurt. In the name of all that's right and good, Madam Speaker, I ask honourable members, please help farmers; don't hurt them anymore.

MADAM SPEAKER: The Honourable Member for Lac du Bonnet.

MR. C. BAKER: I'd like to ask the Honourable Member for Brandon - but I don't know which side, East or West Brandon . . .

A MEMBER: West, East, both.

MR. C. BAKER: If he knows what one of the first things the Agriculture Minister of Canada, the Honourable Wise, did within the first few weeks or months that he was in office? Do you know what he did first? — (Interjection) — A lot. Because one of the first things that Wise did when he got appointed as Agriculture Minister — (Interjection) — yes, I have, yes. I sit quietly in my seat and I . . .

MADAM SPEAKER: Order please, order please. The honourable member's time has expired. Does he have leave to answer the question? (agreed)

The Honourable Member for Lac du Bonnet with a question.

MR. C. BAKER: I just want to say that one of the first things that the Agriculture Minister did was declare a moratorium on FCC loans. — (Interjection) — I am, I'm asking him. One of the first things he did was to declare a moratorium on FCC loans — (Interjection) — good. So you admit that there is place, perhaps, for a moratorium, that it should be there, that he should have it in his repertoire.

MR. J. McCRAE: Madam Speaker, the honourable member opposite perhaps can tell me just what similarity there is between the FCC or MACC and other private lenders, because a moratorium in those places I don't think, would have the same kind of effect as it would have in the private lending sector.

The honourable member - I take it he asks his question in such a way as to demonstrate, again, support for this legislation. The honourable member, Madam Speaker, has not been listening to me. He hasn't

listened to anything I've said in my speech about why I believe the legislation that we're dealing with today, will do nothing but hurt the farm sector in this province.

I suggest that the Honourable Member for Lac du Bonnet take part in this debate and tell us just what it is about making credit more expensive, and what it is about making the availability of credit more difficult for farmers, just what it is about legislation like that, that is supportive of the farm sector.

I appreciate the honourable member's interest in the topic, but really I would like to see him support the farm sector in this province and perhaps even support those people in his own constituency who are looking to him for leadership on the government side, in convincing his friends and colleagues that they are wrong with Bill 4, and that they should either amend dramatically or withdraw it.

MADAM SPEAKER: The Honourable Member for Riel.

MR. G. DUCHARME: Thank you, Madam Speaker.

It's often wondered why a city slicker will get up from Riel to talk on the farm bill.

A few years ago I was warned by a Councillor Jae Eadie, who warned me, Gerry, you'll enjoy the House; but however one day you're going to have to get up and talk 40 minutes on something to do with farming. I told him at that time that I thought he was out of his mind. However, the time has come sooner than I felt.

Madam Speaker, maybe I should give some history on why Gerry Ducharme is speaking on the farm bill; maybe some history on, that most good people come from the farm somewhere. Is that not correct, colleagues? My family still has a farm in Three Rivers, Quebec along the St. Lawrence that was given to them when the land was divided and the farm is still in the family name - and a mother who comes from a town called Newdale, Manitoba.

Madam Speaker, I also am blessed with the discussions that come out at our caucus; discussions that probably aren't to the advantage of the people across the House, the discussions that come on and explain to you about this particular farm bill.

I know these discussions probably did not happen on assessment as a result of maybe some of the comments made by members the other day in regard to the assessment. Such members as the Member for Ellice, the Member for Kildonan, and the Member for Flin Flon, they definitely couldn't have discussed the issues because their speeches indicated such.

I do not believe that the Member for Flin Flon - he mentioned several names of members in the House - he mentioned, I believe, the Member for Assiniboia, etc. I guess he doesn't realize that there are some members in this House that have come to City Council that came in 1980 when a freeze was on. He did not indicate or he did not realize that these members, at this time, have been pushing for this type of assessment since they joined City Council in that year.

The Member for Ellice got up and he mentioned about housing. He mentioned about all the housing in south Winnipeg. But the Housing Minister didn't mind getting up and bragging about all the housing starts in the outlying areas, that was providing all the jobs that we were having in labour at this time. I guess they keep

accusing us of wanting it both ways. Well, there's a perfect example of some members who also try to live by that method.

Also, the Member for Kildonan who got up and mentioned - and I don't know where he got his material; he couldn't have discussed it with the Member for Ellice for the simple reason is he got kicked in the face after he sat down - the Member mentioned that the suburbs were paying. Anybody who knows anything about assessment will understand that the suburbs are the ones that will be affected under the new assessment if it goes through.

I maybe should give the members on that side of the House some information on assessment and for the sake of the Member for Flin Flon, maybe he should read the report that was put out by Justice Kroft.

I will make a quote from that report: "The passage of time since the last general assessment of real property in the City of Winnipeg, together with the uncertainty about the Provincial Government's legislative intentions, have led to dissatisfaction in equity amongst property owners." This statement is, I think, not open to much dispute. Indeed, whatever excuse city officials may have had for inaction in the past, it is clear that they have been looking to the province for guidance and direction, at least for the past five or six years, in this particular case. I can only vouch that there was quite a few presentations made in the last four or five years to get this type of cooperation and this type of guidance where it did not come from the previous Minister. I hope the Minister of Municipal Affairs, in charge of assessment, will maybe come through with some of this particular guidance. I also must mention that they want to maybe tie a few, or blame other people.

There were quite a few cities. I believe there were 13 cities and municipalities that were perfectly happy, except for maybe one major city, before Unicity was established, carrying out some of this assessment which is their responsibility to do so. However as a result - and I would say as a result of multiple city MLA's - they decided to form Unicity. So let's not try to tag the blame on city councillors or present members. They are the ones who orchestrated and dreamed up the idea of Unicity, so let's not try and hang it on everybody else in the House.

Madam Speaker, maybe I can talk about my area of Riel. They're wondering why Riel would get up, or the spokesperson for Riel would get up on the farm bill. Most people realize, as they drive through Riel, they'll come along, we've got lots of nice large gardens, and if they keep going south, they would probably end up in some of the nicest market gardeners' areas in the City of Winnipeg.

Those types of people have come from the tradition of the Member for Portage la Prairie. The farms of the Member for Portage la Prairie are still in south St. Vital as when we were children and playing in those areas. We used to always get caught by the Connery families in raiding their gardens, but it was all in good fun, and those are the types of people who have developed these gardens and now the houses are now taking over.

Since my family left the farm area, my mother's and my father's ancestors, my farm experience - and I had quite a farm experience - I lived on a farm. I lived on a farm for exactly one month in 1950 . . .

Wednesday, 27 August, 1986

MR. J. MALOWAY: Oh, well, you're an expert then.

MR. G. DUCHARME: Yes, I am. The gentleman mentions "an expert." I have to apologize; I wasn't an expert until I got sound advice from our colleagues. I wasn't an expert because, for the Member for Elmwood, who says "you're an expert then," to be honest with you, I didn't know the difference between a heifer and a Holstein exactly the way maybe our Premier didn't know it during the election.

Madam Speaker, it's amazing how, when you listen to your colleagues and you start discussing farms, that you knew nothing about other than you've got a quart of milk at your door, and you started to realize and you started to read up. You'd see something, as I mentioned, about Holsteins on the TV. You didn't realize that over the last few years they've changed the shape of Holsteins. Yeah, they've changed the shape of Holsteins. They now are bigger and their legs are changed - this is for the Member for Elmwood - they changed their legs so that they have more milk — (Interjection) — yeah, that's right. But I didn't realize even that there was such a thing as a wind row now until a member told me the other day.

I asked him what a wind row was. I went to the most appropriate member of the House who does a lot of farming, the Member for Niakwa, and he told me what a wind row was. Madam Speaker, I learned in my experience, sitting in the caucus and sitting in the House, listening to my farm friends which I'll call them now - I hope I'm accepted as a farm friend and I'm proud to be one. I realize it's growing season and when you make comments like that, they come with all these vegetables and everything so you keep on the good side of them right now.

However, farmers, I think are really probably the most free enterprise people that there are in Canada. If you realize that who else, at the start of the year, would spend \$150,000 and put in all his seed, do his preparation, do everything right and then be wiped out, as the Member for Portage a few weeks ago, as a result of hail, being wiped out, or now, Madam Speaker, and I know you are from the farm originally, would wake up at nights and worry about frost, maybe a lot of the city members who aren't in tune to what goes on and do not hear these day-to-day conversations do not realize that.

Madam Speaker, maybe in getting in with the bill, my own experience in the real estate business over the last 12 or 14 years — (Interjection) — No, I didn't sell too many farms; no, not too many farms. However, in the real estate business, when farm credit was easy, when the interest rate was at a low ebb, which it is now, purchases were very easy. The banks, the credit unions and everyone else would loan you all kinds of money on these houses. However, when the interest rate got to the 21 percent and 22 percent, even at that interest rate, it was hard to get mortgages.

I am very, very skeptical and very, very nervous, and I know my colleagues are very nervous, on what will happen. What will happen down the road when we see those types of interest rates again? This is when we're going to see the disaster of this particular member's bill.

Madam Speaker, I know that the Minister has not got the type of people to discuss farm policy with him.

I understand he raises turkeys; someone else told me maybe a little bit of rhubarb. Turkeys and rhubarb!

A MEMBER: Is there a marketing board for rhubarb?

MR. G. DUCHARME: Madam Speaker, I also have the difficulty, and it's been expressed by my colleagues, and I'm going to go through to the light of maybe some of the other members who do not listen and do not have that, I would say . . .

A MEMBER: Empathy.

MR. G. DUCHARME: Empathy, is that what it is? Empathy, thank you very much. And they do not have the capabilities of listening to the guidance that we have at our caucus.

He couldn't have looked - I know he did acknowledge Bill C-117 put out by the Federal Government - and maybe he didn't realize the purpose of this particular bill. To go back, to mention the purpose, I'll outline: "This act will provide authority to establish Farm Debt Review Boards across Canada." Boom, that's it! "These boards will have the power needed to review the situation of farmers in financial difficulty and provide for a stay of proceedings by creditors while this review is carried out." Very straight, simple, forward.

The reason why the Conservative Government brought it in, the federal Conservatives, they recognize the pressing financial needs of the farmers. They recognize this, particularly those in the West. This legislation is further proof, and was, of the government's commitment to Canadian agriculture, not just words, but action. Since coming into office, the Federal Government has taken over 240 initiatives to help farmers and a total of over \$5 billion nationally.

Now, we get questioned, the members in the House, of Conservatives carrying out. We can go on record, and including the Federal Government, for supporting Farm Debt Review Boards of some type. We do go on record with the federal to a certain point. This legislation that they have put in will fulfill - they're always talking about commitments and promises - this will fulfill that commitment to Canadian agriculture made by Prime Minister Mulroney in Prince Albert, right in the middle of the farm area, in Saskatchewan on July 5, 1984.

Based on this pilot project and extensive consultation with the agricultural and financial communities, and that's very important, is that consultation. This government over here doesn't seem to want to do that. I don't know if they've gone and talked - they accuse us of not talking - to the banks and credit unions. I don't see anywhere where anyone who has gotten up on that side of the House and discussed and mentioned about the banks and credit unions and getting in touch with them because they are part of that very important process when money is being lent.

Madam Speaker, through the federal legislation alone, 4,000 to 8,000 farmers will benefit from the establishment of Farm Debt Review Boards over the next two years. Some farm organizations have argued that the legislation should provide for court-imposed arrangements, but most farmers do not support such an arrangement because of the likely impact - a very important likely impact - on the availability of credit, and that's

what most of the members have been discussing and that is the prime reason why they are against that particular type of bill is for the damage that it will do down the road.

Also, when they made this announcement, they mentioned the boards will be made up of farmers' peers and that is a promise they also have kept. The recent announcement of the appointment the release put on in regard to the Farm Debt Review Board, they've named farmers. They've named Mr. Garnet Kyle of Dominion City, a seed grower and director of flax growers; they have named Ray Kabernick, 41, of Sanford; they also named Bill Harrison of Holmfild; and James Ferguson of Gladstone, Madam Speaker; and they will be appointing more individuals.

Now, the substance of the bill is the legislation will provide for an independent third-party review of the situation of farmers in financial difficulty and a mechanism to encourage the farmers and their creditors to reach voluntary agreements which will help ensure the survival of the farm businesses. It's very important that this legislation will provide that independent third. It doesn't enact or it doesn't have the moratorium that the other one as thought of by our Minister of Agriculture. Application will be made by the farmer on the basis of either financial difficulty or insolvency.

Madam Speaker, several members in our particular caucus have got up before me, and I'll tell you, they're much more experienced and are much more at an expertise. I only wish that the members across the way would go through some of the Hansard and some of the speeches on these individuals. They should go through and read, and especially the Minister of Agriculture . . .

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Yes, thank you, Madam Speaker.

Madam Speaker, in view of the lack of attendance by members of the government on a bill which they regard as extremely important, I move, seconded by

the Member for Sturgeon Creek, that the House adjourn.

MADAM SPEAKER: There's a motion on the floor that the House do now adjourn. All those in favour; all those opposed?

In my opinion, the nays have it.

MR. G. MERCIER: Yeas and nays, Madam Speaker.

MADAM SPEAKER: Call in the members.

The question before the House is that the House do now adjourn.

A STANDING VOTE was taken, the result being as follows:

YEAS

Ashton, Birt, Blake, Brown, Connery, Cowan, Cummings, Derkach, Doer, Downey, Driedger, Ducharme, Enns, Evans, Filmon, Findlay, Hammond, Harapiak (The Pas), Harapiak (Swan River), Harper, Hemphill, Johnston, Kostyra, Kovnats, Mackling, Manness, McCrae, Mercier, Mitchelson, Nordman, Oleson, Orchard, Pankratz, Parasiuk, Pawley, Penner, Plohman, Rocan, Roch, Santos, Schroeder, Smith (Ellice).

MR. CLERK, W. Remnant: Yeas, 42; Nays, 0.

MADAM SPEAKER: The motion is carried.

The Honourable Member for River Heights.

MRS. S. CARSTAIRS: I would have voted in favour of the motion, but I am paired with the Honourable Member for Inkster who is with his wife while she is going through labour this afternoon, and I think all of us would wish her the very best.

MADAM SPEAKER: The House is now adjourned and stands adjourned till 2:00 p.m. tomorrow (Thursday).