

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 2 September, 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 . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . .

INTRODUCTION OF BILLS

HON. G. DOER introduced, by leave, Bill No. 57, An Act to amend The Municipal Assessment Act and The City of Winnipeg Act; Loi modifiant la Loi sur l'évaluation municipale et la Loi sur la Ville de Winnipeg.

INTRODUCTION OF GUESTS

MADAM SPEAKER: Before moving to Oral Questions, may I draw the attention of honourable members to the loge to my left, where we have with us this afternoon the Honourable Hazen Myers, Minister of Agriculture from the Province of New Brunswick.

On behalf of all the members, I welcome you to the Legislature this afternoon.

ORAL QUESTIONS

Workers Compensation Board - Special Audit

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Madam Speaker. My question is for the Minister responsible for the Workers Compensation Board.

Some time ago it was announced that a Special Audit had been requested by the Provincial Auditor into the actions of the Chief Executive Officer of the Workers Compensation Board. I wonder if the Minister can indicate whether or not that has now been completed.

MADAM SPEAKER: The Honourable Minister of Workplace Safety and Health.

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

Under normal practices, the Provincial Auditor's involvement is through the Minister of Finance' Office. I did get a copy of the Auditor's Report late last week and I understand the report will be tabled possibly tomorrow. I will verify with the Minister of Finance for that and will comment at that time.

MR. G. FILMON: Madam Speaker, my question then to the Minister is: Is the chief executive officer still on leave of absence with pay?

HON. G. LECUYER: Madam Speaker, when that report is tabled, I shall meet with the Compensation Board, will find out what the status is at that time.

MR. G. FILMON: Sorry, did the Minister indicate, Madam Speaker, that he didn't know what the status of the CEO was?

HON. G. LECUYER: My answer, Madam Speaker, is that it is my understanding that he is still on leave with pay.

Workers Compensation Board - Tabling of Auditor's Report

MR. G. FILMON: I wonder if the Minister of Finance could indicate when he expects to be able to table that Auditor's Report.

MADAM SPEAKER: The Honourable Minister of Finance.

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

MR. G. FILMON: I wonder if the Minister can indicate how long he has been in possession of that Auditor's Report.

HON. E. KOSTYRA: The report was received last week and, as I indicated, will be tabled tomorrow.

MR. G. FILMON: I wonder if the Minister could indicate what day last week he received that report.

SOME HONOURABLE MEMBERS: Oh, oh!

HON. E. KOSTYRA: I'll take that question as notice and provide an answer, in terms of what specific day last week we received the report.

HON. R. PENNER: Also what time in that day.

MR. G. FILMON: The Premier may find that humourous, but last week we unfortunately learned that if you don't ask the question precisely, you don't get the right answer from the Minister of Finance.

So, Madam Speaker, we know now how to deal with members opposite in this regard.

MADAM SPEAKER: Does the honourable member have a question?

Natural Resources - Auditor's Report

MR. G. FILMON: Yes. Madam Speaker, my further question to the Minister responsible for the Department of Natural Resources is: Has the Minister yet received the Auditor's Report looking into the actions of senior staff in his department?

MADAM SPEAKER: The Honourable Minister of Natural Resources.

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HON. L. HARAPIAK: Madam Speaker, again in terms of procedure, that report would be tabled with the Minister of Finance, but for my part, I have not received a copy of that report and, to the best of my knowledge, it has not yet been submitted.

Natural Resources - suspended staff

MR. G. FILMON: Yes, Madam Speaker, were any senior staff members in his department under suspension or under leave of absence during the course of the Auditor's investigation?

HON. L. HARAPIAK: Madam Speaker, there were no departmental staff under suspension during the period of that audit.

Natural Resources - disciplinary action re Ombudsman's Report

MR. G. FILMON: Madam Speaker, I wonder if the Minister of Natural Resources can indicate whether any disciplinary action has been taken against any staff members as a result of the Ombudsman's Report on his department?

HON. L. HARAPIAK: Madam Speaker, those items were discussed in some considerable detail during the course of the Estimates and I think I indicated at that time that one of the people who was involved has been reassigned, but I want to make it clear that was not as a disciplinary measure. There was a vacancy which arose and the decision was made with the individual involved, at his request, to be assigned to that position. So there was a reassignment but it was not as a disciplinary measure.

MPIC - management audit

MR. G. FILMON: Madam Speaker, my question is for the Minister responsible for MPIC.

Subject to the Auditor's Report and the firing of the president of MPIC, the new acting CEO, Mr. Silver, was appointed and it was indicated that a further audit or review of management would be taking place. Has that management review or audit now been completed with respect to the remaining senior executives at MPIC?

MADAM SPEAKER: The Honourable Minister responsible for MPIC.

HON. J. BUCKLASCHUK: Thank you, Madam Speaker. I'm not so sure there was a management audit that was to take place. There were a number of concerns that had been expressed and these have been followed up and appropriate action has been taken.

MPIC - new policy re expense accounts

MR. G. FILMON: Madam Speaker, I wonder if the Minister can indicate what appropriate action has been taken with respect to any other senior staff given that, to some degree, they were implicated in terms of

expense accounts and other things by the original Auditor's Report. What further action has been taken as a result of Mr. Silver's new review?

HON. J. BUCKLASCHUK: The matter of expense accounts has been reviewed by the internal audit staff at the corporation. As a result of that, new policies are being adopted by the corporation so that staff have a better idea of what the limits are.

MR. G. FILMON: Can the Minister responsible for MPIC make public those new areas of policy for the expense accounts for the senior staff at MPIC?

HON. J. BUCKLASCHUK: Without any hesitation whatsoever, I'll provide that as soon as it's available.

Freedom of Information Act - proclamation of

MR. G. FILMON: Madam Speaker, my question further is for the Minister of Culture, Heritage and Recreation.

I wonder if she can indicate now when we can expect to have proclamation of the Freedom of Information Act.

MADAM SPEAKER: The Honourable Minister of Culture and Heritage Resources.

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

I believe that question has been raised before in the House, and the Attorney-General has answered the question and indicated that in due course a proclamation date will be announced.

MR. G. FILMON: Madam Speaker, given that it has been over 14 months since passage of that Act, and given that the last time the question was asked the Attorney-General indicated that he expected by the end of August that it would be proclaimed, can the Minister now indicate when, as the Minister responsible, she expects to have proclamation of The Freedom of Information Act?

MADAM SPEAKER: That question is repetitious. The question is repetitious, it is the same or substantially the same.

MR. G. FILMON: Madam Speaker, the Minister obviously was a misapprehension about what response had been given by the Attorney-General. I have filled in that information. I'm wondering if she can now tell us when she expects to be able to proclaim that Act.

HON. J. WASYLYCIA-LEIS: Madam Speaker, as I indicated previously, I will be working with my colleague the Attorney-General and, in due course, we will be making an announcement about the proclamation for The Freedom of Information Act.

Senior Citizen Housing - status of

MADAM SPEAKER: The Honourable Member for Elmwood.

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

My question is to the Minister of Housing. Could the Minister provide this House with an up-to-date status report of the senior citizens housing development on Stadacona and Talbot?

MADAM SPEAKER: The Honourable Minister of Housing.

HON. M. HEMPHILL: Madam Speaker, I'm pleased to inform the member that there are three projects presently under way. One at Talbot and Stadacona, we have two buildings under construction, and the first one is a 10-unit town house which will provide accommodation to 10 low-income families. Construction is expected to be completed in November with occupancy in December, Madam Speaker.

Not far away there is a four-storey apartment block under construction which will house 32 units of seniors' housing, an additional 24-unit family housing project due for completion in December; and across the back lane, Madam Speaker, we are also looking at another building where we hope to have 24 units of family housing with a possible addition of senior citizen housing should the need arise.

Handicapped children - school attendance

MADAM SPEAKER: The Honourable Member for Fort Garry.

MR. C. BIRT: Thank you, Madam Speaker, my question is to the Minister of Education.

The Minister apparently wrote on behalf of Mr. and Mrs. Svingen to Winnipeg School District No. 1 asking them to reconsider the choice of their school that their daughter could attend this fall. My question to the Minister is: Is the policy of the Department of Education now to allow handicapped children to attend any school of their choice within the neighbourhood where they reside?

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: No, Madam Speaker, I don't think that is the intent of the government or the policy of the Department of Education or the intent of my letter.

I indicated by letter, at the request of the Svingens, to indicate government policy. I believe that has been done in terms of this case, and generally, to both the Winnipeg School Division and school divisions throughout the province, and that is simply that integration within the classroom is something to be devoutly wished for, that is in the best long-term interests of the child in almost every case, but clearly, every case deserves to be examined on its own merits.

The department has introduced a new low-incidence grants which provide for situations like this where exceptional care is required. The Winnipeg School Division is aware of that, as are other school divisions in the province.

The final determination, I said in my letter, is up to the school division. They obviously have the

responsibility of looking at all of the factors involved and making the final determination.

MR. C. BIRT: A supplementary question to the Minister, I believe that school divisions put resources in specific schools to try and help the severely handicapped children. What were the special circumstances in this particular case that prompted the Minister to write Winnipeg No. 1 to have them change their policy?

HON. J. STORIE: Madam Speaker, I did not indicate that I had noted any specific circumstances which would warrant the attendance of this particular child in one school versus another setting. I simply indicated in the letter government policy with respect to integration, and generally the availability of assistance by virtue of the new low-incidence grants that have been introduced, the department's willingness to support integration where it was both practical and in the best interests of the child.

Having said that, I did make it very clear that the final decision rests with the school board, and I believe that's as it should be, Madam Speaker.

Handicapped children - low-incidence grants

MR. C. BIRT: The Minister made reference to a low-incident grant. I believe that the Svingen daughter requires a teacher's aide, and the low-incident grant would not cover this particular cost. Is the Minister now going to be providing additional funding to the school districts to provide this additional type of financial support and assistance to these children if they are to go to the school of their choice?

HON. J. STORIE: Madam Speaker, I can only indicate that the additional low-incidence grants that are being provided, that will be provided, do not cover all of the costs that would be incurred in a case such as this. However, they do support a substantial portion of the costs. Like many other programs that are offered by school divisions, whether we're talking about outdoor education, ancillary courses, there are residual costs that are picked up by the school division; that is normal practice.

I can only indicate that the amount of money that is contributed by the province to special education has increased, in terms of the province's contribution, from some \$28 million to \$49 million since 1981. So there is a significant increase in the contribution by the province to special ed programming throughout the province, and I believe that shows a very concrete commitment to the needs of special ed children.

MTS - business plan re committee meeting

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Madam Speaker. I believe my question is to the Minister responsible for the Manitoba Telephone System.

Last week I posed a question to the Minister about the reference to the business plan as it appears on Page 2 of the April 11 agreement between MTX and the Saudi Arabian partner. Can the Minister responsible for the Telephone System assure us that we will receive that business plan prior to Thursday's meeting of the Public Utilities Committee?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, the questions that the honourable member put have been addressed to staff, and I expect to be in a position to provide that information at the committee meeting.

MR. D. ORCHARD: Madam Speaker, I take it then that the Minister does not wish to have it provided prior to so we can pose questions on it, and hence will not provide it ahead of time; is that what the Minister is indicating?

HON. A. MACKLING: Madam Speaker, the Honourable Member for Pembina should not put words in my mouth or make assumptions. I've indicated that I've asked staff to be ready to provide that information at the committee meeting.

MR. D. ORCHARD: Madam Speaker, I don't wish to take offence with the Minister, but the reason for the question was to have the information prior to the committee meeting which he obviously doesn't want to provide to us.

MADAM SPEAKER: Order please. Does the honourable member have a supplementary?

MTS - financial statements fiscal years 1982 and 1983 re MTX and SADL

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

Last week, I believe it was, I asked the Minister if he would provide for the committee on Thursday the financial statements for the MTX joint venture in Saudi Arabia for fiscal years ending December 31, 1982 and December 31, 1983. The Minister indicated he would have no problem providing those. Will those be provided prior to the meeting on Thursday?

HON. A. MACKLING: Madam Speaker, I know it's not the time in question period to debate and argue, but the honourable member always wants to phrase questions to his liking. I indicated that where those statements were available, they would be provided to him.

MR. D. ORCHARD: Madam Speaker, a natural supplementary follows through. Is the Minister now saying that those statements of the MTX operation and the joint venture in Saudi Arabia for 1982 and 1983 don't exist? Is that what he's saying?

HON. A. MACKLING: Madam Speaker, again the honourable member wants to put words in my mouth.

I indicated to him that where those statements are available, they will be ready for the committee; they will be produced for the committee. The honourable member knows the date of the incorporation of the joint venture and, therefore, when he asks a question, he is presumed to be asking a question with a sincere interest to provide the House with further information. I question that in the terms of the honourable member. He's trying to provide a scenario of distortion - (Interjection)- no, no.

MADAM SPEAKER: Order please. May I remind honourable members that a member should not impute motives.

The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, given that MTX employees were in Saudi Arabia for at least the last four months of 1982, why would the Minister not be able to provide us financial statements for their operations in Saudi Arabia, indeed at the committee or prior to the committee? What is it that he cannot provide to us, Madam Speaker? What is the problem with the books?

HON. A. MACKLING: Madam Speaker, I know the honourable member would like to debate the issues in question period. We are committed to a meeting of the committee where we will have an opportunity to ask the officials who are in possession of the documentation to respond to him. I know that he's equally anxious to let everyone in Manitoba know that it was at his urging, by letter to the Federal Government, that the Telephone System got involved in Saudi Arabia in the first place.

Plant Breeders

MADAM SPEAKER: The Honourable Member for Virden.

MR. G. FINDLAY: Thank you, Madam Speaker. My question is to the Minister of Agriculture.

Given that the University of Manitoba has several world-renowned agricultural scientists who have well-established national and international reputations as plant breeders; and given that the Manitoba Department of Agriculture supplies the Faculty of Agriculture with an annual grant of some \$875,000 to support these scientists, does the Minister of Agriculture believe that these scientists, these plant breeders, should be able to speak up on scientific issues related to plant breeding in the Province of Manitoba?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, I thank the Honourable Member for Virden for his question, and I certainly will be the last one in this House - maybe the honourable member would want to place a muzzle on any plant breeder or scientist at the University of Manitoba; I certainly would not.

Madam Speaker, during this whole debate that's taking place across this country and, in fact, the

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possibility of the bill being put forward to the House of Commons during the next Session, there has not been any debate across this country on the other side of the question in terms of what might occur should plant patenting and plant patent rights.

Farmers in this country know how much chemical companies have reaped in excess profits by having patent rights. Madam Speaker, does the Honourable Member for Virden agree with that kind of proposition and, if he does, let him get up and say so.

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

MR. G. FINDLAY: Madam Speaker, given that the Manitoba Department of Agriculture is circulating a discussion paper on plant breeders' rights with six information meetings scheduled for this fall, will the Minister allow the plant breeders from the Faculty of Agriculture at the University of Manitoba to appear at these information meetings as platform participants?

HON. B. URUSKI: Madam Speaker, certainly anyone who wants to have a round of meetings, and I would expect that the Federal Government, the proponents of their legislation, would want to go around this country and have the views of people right across this country, rather than, as many Ministers of Agriculture in this country have raised, the cutting back on research funds throughout this country, both in Eastern Canada and in Western Canada as well, Madam Speaker.

There is a parallel proposition in this whole debate and it's being put forward, just recently, in the area of health care, Madam Speaker, where the pensioners and all people who are using drugs in this country will be, by nature of patent legislation, be forced to pay - by Conservatives - hundreds of millions of dollars of additional funds for patenting of drugs for the protection of multinational corporations.

MR. G. FINDLAY Madam Speaker, I would gather . . .

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

The Honourable Member for Virden with a supplementary.

MR. G. FINDLAY: Madam Speaker, it's unfortunate the Minister is not aware that the round of meetings is being promoted by his department. Will he allow Dr. Len Shebeski and Dr. Laurie Evans to appear at this round of meetings this fall?

HON. B. URUSKI: Madam Speaker, I just heard comments from the Member for Sturgeon Creek indicating that this is the Russian way of doing things, what we're proposing. Madam Speaker, if anyone in this House was open to the views of Manitobans, to have their views put forward on an issue, Madam Speaker, this government and this Minister certainly is.

Madam Speaker, we do not intend to formulate a provincial position just on one narrow-minded view. Madam Speaker, we have seen what the results have been, and are, to the farmers of Manitoba and Western

Canada on chemicals, because of plant-patenting legislation. We are seeing the fruits of Federal-Conservative policy dealing with drugs for pensioners and people using medical components, Madam Speaker, and we will see - and it has been pointed out by many plant breeders - not only those two who the member makes reference to - that there are great concerns with respect to research and the area of plant-patenting rights, because he who controls the supply of food controls this Earth.

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

MR. G. FINDLAY: Madam Speaker, I beg your indulgence, but the Minister has still not given me a straight answer as to whether he will allow the scientists the University of Manitoba to present the scientific point of view on this issue at the round of meetings this fall that his department is putting on in Manitoba.

HON. B. URUSKI: Madam Speaker, I have not tied anyone's hands nor put a tape over anyone's mouth. Madam Speaker, I would expect that anyone . . .

Madam Speaker, it would only be members on that side who would want to muzzle people before coming to committee or shred reports, as they did in the Hydro case, not this government, Madam Speaker. We will not - I want to state categorically that we will not prevent anyone from attending any meetings, Madam Speaker.

Grain prices in Canada - EEC and USA

MADAM SPEAKER: The Honourable Member for Lac du Bonnet.

MR. C. BAKER: Thank you, Madam Speaker, my question is for the Minister of Agriculture.

Given the fact the United States again raised subsidies on the wheat sales to Russia, and given the fact there still has been no action taken place on the part of the Federal Government to help the farmers absorb the impact of these subsidies, will the Minister again convey our concerns to the Minister of Agriculture for Canada?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, in this issue of the trade war between the EEC and the Americans, it's very clear that a \$13/tonne subsidy wasn't enough and they had to raise it to 15, and that still may not gain them a sale. We will raise those concerns with the Federal Minister.

But, Madam Speaker, more clearly, it was all the Ministers of this country who called upon our Federal Government to make sure there is ample income support for western grain farmers and no provincial treasuries should be put in the position of competing against Uncle Sam. That's what's clear, Madam Speaker.

Child Abuse Inquiry - tabling of

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Thank you, Madam Speaker, a question to the Minister of Community Services.

In June of this year, the Minister, I think at the urging of most members of this House, appointed Dr. Sigurdson and Professor Reid to conduct a review of the child abuse practices and procedures in Manitoba. Could she indicate whether that report will be completed by November 1, which I think was the date she had indicated was the objective for completion of that report?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, I've had an interim discussion with the pair of individuals who are conducting the report. They have found the numbers of organizations and people interested in the field very extensive, and they have asked if they could have another six to eight weeks for the completion of the planning report. I said that I could agree on the condition that they did have before me an interim report by the date, I think it was the end of . . . that we had originally committed to.

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Madam Speaker, I would ask the Minister if that Interim Report would be made public when she receives it and, in the same way, will the final report be made public as soon as she receives it?

HON. M. SMITH: Yes, Madam Speaker.

International Sports Exchange

MADAM SPEAKER: The Honourable Member for Charleswood.

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

Ten days or so ago I asked the Minister responsible for the Manitoba Lotteries Foundation if her department had under investigation the International Sports Exchange. At that point, she indicated yes but took the further question as notice in dealing with that matter, Madam Speaker, and I wonder if the Minister now is in a position of being able to respond.

MADAM SPEAKER: The Honourable Minister of Culture, Heritage and Recreation.

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

As I indicated, I believe less than 10 days ago, an audit was being carried out by the Manitoba Lotteries Foundation, vis-a-vis International Sports Exchange. I indicated that, as soon as the report was in to me and to the board, action would be taken. I find it interesting to hear the Member for Charleswood ask me to take action or suggest that action should be taken before the results of this audit are in and before this group has had a chance to provide the necessary information. When, a few weeks ago, the Member for Charleswood was suggesting that we should not investigate

complaints and we should not check out situations where licences were not being . . .

MR. J. ERNST: The Minister, at the time, took as notice the question of whether or not this organization had been under investigation since September of 1985, that there had been allegations of improprieties take place and yet the organization continues, it seems, Madam Speaker, to have bingo licence to continue to operate and no action has been taken.

Can the Minister indicate whether those are the facts?

HON. J. WASYLYCIA-LEIS: The International Sports Exchange books were audited in 1984. It was found at that time that all their books were in order and their licence was continued. As the result of some recent concerns expressed to me, an audit of their current books - the books for their current year are being carried out. We are waiting for some additional information from the International Sports Exchange. If the audit shows that the International Sports Exchange is not meeting the terms and conditions of its licence, or indeed, if the additional information we are requesting is not forthcoming, then the licence for the International Sports Exchange will be suspended or not renewed. If there is any indication of illegalities or fraud, the licence will be immediately terminated and the matter turned over to the police and the Attorney-General.

Inquest re accident

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, my question is directed to the Attorney-General.

Some two-and-a-half weeks ago, on August 15, 20-year old Rick Ortel was tragically killed in Brandon when his motorcycle came into collision with a city police vehicle and under Section 9(3) of The Fatality Inquiries Act, it appears that this is the kind of case that would call for the calling of an inquest.

My question to the Minister is: why is it taking so long for an inquest to be called in this case?

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Yes, there will be an inquest. It has been ordered as is usually the case that the Chief Medical Examiner of the province has to go through certain preliminary steps, both in order to determine that the matter falls within the framework of the act and then to make his recommendation as to the calling of the inquest in terms of time, location and all the rest of it. Yes, there will be an inquest, and that has been looked after.

MR. J. McCRAE: Madam Speaker, a new question to the Attorney-General.

This is at least the second case that I'm familiar with that has resulted in the public either gathering petitions to move for an inquiry or an inquest or in another case, the council of the City of Brandon got involved before an inquest was called. This had to do with a case involving an involuntary patient at the Brandon Mental Health Centre.

Is there nothing that can be done to make this process just a little more efficient so that those people who have a vital interest in these matters might find out that the information that they are looking for sooner?

HON. R. PENNER: I'm not aware that there has in fact been any inordinate delay in the calling of an inquest or the notification of those who should be notified of the calling of that inquest. However, I will certainly take the question as notice and provide the House with a record of the calling of inquests over let's say the last year under the mandatory provisions of The Fatal Inquiries Act so that we can have as a matter of record the time of the fatality and the time of the calling of the inquest.

MR. J. McCRAE: Madam Speaker, when the Attorney-General is looking into that matter, will he also look into the possibility of having this authority delegated to local officials so that the decisions can be made at the local level?

HON. R. PENNER: I'll look into it, but I don't think, on reflection, that would really be advisable. The idea of having a chief medical examiner is to have someone with authority, with knowledge, with background, a familiarity with the act.

I should point out that we have, and have had for some time, I think it goes back to the Member for St. Norbert when he was Attorney-General, we have a Fatal Inquiries Inquest Committee and we have the Assistant Deputy Minister of Criminal Prosecutions, who is a senior member of that committee, the chief medical examiner, and I think one or two others. They look at every case. They look at it, first of all, to determine whether it's required under the act and then that disposes of the matter, but even then, if it's not required under the act, they still will go on to the second step and see whether or not, even if it isn't required under the act, there should be an inquest. So we do have a mechanism that in its functioning does involve officials lower down in the hierarchy.

Tourism - brochures

MADAM SPEAKER: The Honourable Member for Portage la Prairie.

MR. E. CONNERY: Thank you, Madam Speaker.

To the Minister of Tourism: as we know, this year, we're having a disastrous year with Tourism. The stats are down significantly while Saskatchewan is up really good. Saskatchewan is doing very . . .

SOME HONOURABLE MEMBERS: Oh, oh!

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

MR. E. CONNERY: Madam Speaker, I'd be embarrassed if I were them also.

Madam Speaker, could it be, when we go to the tourism desk and we ask for material for Manitoba and we look at the flimsy material, they have and we look at what Saskatchewan puts out, beautiful material? But,

Madam Speaker, my question to the Minister is: why can they not even give one of these little brochures to every tourist who comes into the tourist office? If a bus comes in, they're so generous as to give one to the driver; if there's a large group of 40 or 50, they'll give six. Are we this hard up in the province that we're so ashamed of it that we can't at least give one brochure to each tourist who comes into Manitoba?

MADAM SPEAKER: The Honourable Minister of Tourism.

HON. M. HEMPHILL: Madam Speaker, I remind the Member for Portage la Prairie that our eastwest and our interprovincial travel is up 16 to 18 percent this year.

I'm also pleased to find that the members opposite are quite prepared to have additional monies spent on brochures to promote our province when on the one hand they're asking us to spend more and have fancy brochures and saying hand them out to more people and, on the other hand, they are constantly asking us to cut the deficit. I mean, what do they want, Madam Speaker?

MADAM SPEAKER: The time for Oral Questions has expired.

SPEAKER'S STATEMENT

MADAM SPEAKER: Before proceeding to Orders of the Day, on Thursday evening last, the Honourable Member for Morris asked me to take a matter under advisement, although he did not raise a point of order. I have reviewed Hansard on the matter that he raised dealing with using hypothetical situations and questions in debate.

Beauchesne's Citation 326.(2) says, "Words may not be used hypothetically or conditionally, if they are plainly intended to convey a direct imputation. Putting a hypothetical case is not the way to evade what in itself would be disorderly."

I'd like to remind all members of that Citation in Beauchesne; and on that particular evening immediately after, the Minister of Education did say that he would certainly be prepared to withdraw the remarks that the Member for Brandon West had found offensive. He indicated that there was no intention and I quote, "No intention of them representing an accurate portrayal of the situation or of motives of any of the people who I talked about."

If that, proceeding later to the Member for Brandon West's objection, is not satisfied, he could indicate and certainly the Minister of Education as he suggested, will withdraw his remarks that were found to be offensive.

The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, the withdrawal made by the Minister, on Thursday after the dinner adjournment, was quite satisfactory to me. I can't speak for my other colleagues who were mentioned by the Minister of Education, but I can speak for myself.

MADAM SPEAKER: In that case, I would like to just remind all members, and certainly have reminded myself, that hypothetical situations are not in order.

ORDERS OF THE DAY

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, would you call the adjourned debate on Bill No. 56, An Act for Granting to Her Majesty Certain Sums of Money for the Fiscal Year Ending March 31, 1987 and to Authorize Commitments to Expend Additional Money in Subsequent Years, The Interim Appropriation Act (2).

ADJOURNED DEBATE ON SECOND READING

BILL NO. 56 - THE INTERIM APPROPRIATION ACT, (2) 1986

MADAM SPEAKER: On the adjourned debate on the proposed motion of the Honourable Minister of Finance, standing in the name of the Honourable Member for Arthur, who has 11 minutes.

MR. G. MERCIER: Madam Speaker, I would just indicate the Member for Arthur has advised that he's prepared to give up his remaining time.

MADAM SPEAKER: The Honourable Member for Charleswood.

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

In rising to speak to Bill 56, I must first say that I had some considerable trepidation in speaking to any bill that had a Bill No. 56 attached to it.

Madam Speaker, in 1970 I was an automobile insurance agent, selling automobile insurance in the Province of Manitoba, private automobile insurance. In 1970 Bill 56 was introduced and that was the bill that introduced the Manitoba Public Insurance Corporation, Autopac.

In 1970 the then Schreyer Government in introducing Bill 56 of that particular Session, introduced a bill that expropriated my business without compensation and the honourable members are very proud of that, obviously, by the way they applauded just a couple of minutes ago. They expropriated my business without compensation.

Madam Speaker, they, of that particular day, thought that they were going to be the heroes. They were the party of the small man; they were the party of the people.-(Interjection)-

MADAM SPEAKER: Order please. Order please. Would the Honourable Minister of Industry, Trade and Technology please come to order.

The Honourable Member for Charleswood, if we're ready to continue the debate.

(Mr. Deputy Speaker, C. Santos, in the Chair.)

MR. J. ERNST: In 1970 I was, as the Member for Inkster is now, a new father. I had just signed a contract for a new home. Then at that time when that bill was introduced, my business was expropriated out from under me without compensation. Now, Mr. Deputy

Speaker, that I don't think is very fair and certainly not something that was envious.

The Minister of Health of that day, as a matter of fact, went through a very tumultuous experience, having crossed the floor from the Liberal Party to the NDP in order to allow that bill to proceed, in order to allow my business to be expropriated without compensation. That action, Mr. Deputy Speaker, now caused the loss of hundreds of jobs in this province; hundreds of jobs in this province.

The fact of the matter is that there have been insurance company after insurance company after insurance company withdraw from the Province of Manitoba, and close their branch offices here. Mr. Deputy Speaker, this city, the City of Winnipeg, during the whole time - and prior to that Bill 56 in 1970 - was the centre of insurance in Western Canada - the centre of general insurance in Western Canada. Today it is now a service office town at best, and at worst, Mr. Deputy Speaker, certainly nowhere near the kind of situation that existed some 15 years ago, notwithstanding the jobs that were created by the Manitoba Public Insurance Corporation; notwithstanding those jobs created. There were hundreds and hundreds more lost, the most recent being as a matter of fact, the Canadian Indemnity Company which now has pulled its head office back to Toronto.

Mr. Deputy Speaker, with the branch offices that were closed in Winnipeg, with the employees' jobs that were lost, and to give you an example; three years ago the Royal Insurance Company, employing about 250 people in Winnipeg, withdrew its office and moved it to Calgary and left 20 people here, 20 people out of 250. The loss of the millions of dollars of payroll alone, Mr. Deputy Speaker, is a blow to our community. The rental income, the purchasing power, the supplies and equipment that they purchased, all of those things do not bear any benefit for Manitoba. It's a disbenefit, if you will, Mr. Deputy Speaker.

MR. M. DOLIN: Would the member entertain a question?

MR. DEPUTY SPEAKER: What is the disposition of the Member for Charleswood?

MR. J. ERNST: When I've concluded my remarks, Mr. Deputy Speaker.

MR. M. DOLIN: Thank you.

MR. J. ERNST: Over and above the impact of that and the expropriation of my business without compensation, but over and above the impact on the community as a whole, the loss of faith in Manitoba, the loss of faith in our community by an industry that not only takes premiums from the public but gives back investment funds for the continued growth of our province, and with that loss of faith those funds have not been as forthcoming as they had been previously. The faith in Manitoba had been eroded by the action of this government; it's a direct attack on the insurance industry in this province.

So, Mr. Deputy Speaker, is it any wonder that if I stand here today and want to speak to Bill 56 - the

Minister of Labour I can remember full well standing on the steps of this building outside, with 10,000 people out there -(Interjection)- Well it wasn't quite shoulder-to-shoulder, Mr. Deputy Speaker. If the Minister of Labour today stood, in those days, on the steps of the Legislature and said, too bad; too bad was his statement, Mr. Deputy Speaker. Too bad for the insurance agents of Manitoba; too bad. The compensation that should have been paid to those people involved in that industry, the compensation that would have been paid under almost every other circumstance, Mr. Deputy Speaker, did not come forward at that particular time, expropriated without compensation.

So the concern of Bill 56 lies deep within me, and a concern that to speak to any Bill 56, and I suppose that will occur probably irregularly with each Session, but I think I had to voice those concerns the first time.

With Interim Supply, Mr. Deputy Speaker, up to this point, we've had one Interim Supply bill passed for \$1.4 million, and we are now faced with a second Interim Supply bill for \$1.2 million - significant, huge, gigantic sums of money. Mr. Deputy Speaker, passed on an interim basis with a few hours of debate; no exhaustive detailed analysis as happens during the Estimate process, but rather a few hours of debate and the Interim Supply bill is passed and those funds flow to the various departments that require them.

Now I understand that certain salaries have to be paid and bills have to be paid, expenses have to be looked after; I understand that. But the fact of the matter is, Mr. Deputy Speaker, you have to wonder why such huge sums of money are expended over a very short period of time.

These expenditures of vast sums of money bring to question, really, what this government is doing. It is making significant contributions with these additional sums of money - contributions to the deficit of the Province of Manitoba, contributions to the deficits that will be borne by our children and our grandchildren in the years to come.

Why are monies of such magnitude required? What is the government doing or, in some cases, not doing that causes great sums of money to be required under an Interim Supply appropriation?

One reason, Mr. Deputy Speaker, is the failure to control its operations, the failure to control the expenditures of the government, the failure to control the programs that the government runs, the failure to control and the mismanagement contained in the Crown corporations of this province. There is no control, it would appear, in some of these Crown corporations and very limited control in others.

Let's look for a moment, Mr. Deputy Speaker, at the Manitoba Public Insurance Corporation. Here's a corporation that we spoke about a little bit earlier. This is the pride and joy of the NDP, the Manitoba Public Insurance Corporation, where they fired the president summarily, fired the president for buying dishes, fired the president for buying lunches on his expense account, fired the president because he appointed his girlfriend, allegedly, to a position in the corporation.

Mr. Deputy Speaker, they fired him immediately. As soon as this was discovered, bang, he's gone, and no doubt will be faced with a wrongful dismissal suit. We may settle out of court as we did with Dr. Perkins of

the Brandon University and we'll have another \$1 million out the window to pay for a wrongful dismissal suit.

The operations of the Manitoba Public Insurance Corporation are not ones to hold up to public view that this government had no control or very limited control of the operations of that corporation.

Then we had the Flyer Bus Company, Mr. Deputy Speaker, who in five years accumulated a \$100 million deficit, a \$100 million. Do you know how much money that is, Mr. Deputy Speaker? Can you visualize a pile of money - \$100 million? I think some of the members opposite would have trouble understanding \$4.95 for a stapler before they could understand \$100 million.

Despite a captive market, despite the fact that the City of Winnipeg was told you'll buy Flyer buses or we won't contribute to the deficit of the Transit System, despite the fact that there was a \$93,000 per unit subsidy on every bus that came out of the doors of Flyer Industries in Transcona, a \$93,000 subsidy over and above the cost price of a bus that was sold in the open market for \$150,000 or \$160,000, that's where the \$100 million deficit came from.

Now is this a corporation that's in good hands? Is this the corporation that's being run efficiently and effectively? Is this the corporation that you want to sell to a foreign offshore investor, Mr. Deputy Speaker, to have to come in and take it off your hands and we'll give you a few million bucks to do that. Is that the kind of good management that we see in this government opposite? That's the kind of poor management that's been exhibited time after time after time when they pay a foreign investor to come in and take a bus company off our hands and they won't let anybody else come in to this country and buy a piece of farm land.

No, Mr. Deputy Speaker, any foreigner coming into this country could not buy a piece of farm land, but they can buy a bus company with \$100 million of taxpayers' money invested into it, gone, out the window, and we'll give you a few million dollars more just to take it off your hands. That's the kind of mismanagement we're faced with here.

In addition to that we have Manfor, another gem in the crown of this government, a gem in the crown of the Crown corporations of this government, Mr. Deputy Speaker, again faced with significant millions of dollars in losses. We have the highest paid civil servant, the general manager or president of Manfor. He's the highest paid of any Crown corporation president that we have in this province. In addition to that, he's got all kinds of perks associated with that job. He's got a house in Winnipeg and a house in Montreal, he's got automobiles, I understand, and country club memberships. He has the most perks, the most additional benefits that any chief civil servant in the Crown corps area has got.

The Minister of Industry, Trade and Technology passed out to us some time ago a schedule of the benefits of all of these people when Mr. Eliesen from Manitoba Hydro was questioned, or his benefits were questioned. So it was indicated that this gentleman, who is the president of Manfor, with these significant multi-million dollars of losses, has also the highest benefits of any Crown corporation president, and there's the reward, Mr. Deputy Speaker.

Is that the reward for incompetence? Is that the reward for inability to manage? Is that the reward for

creating massive losses in Crown corporations and seeing those dollars flow out the window? I think not. But this government thinks it's okay because this government did it.

We've got Workers Compensation where the chief executive there is under suspension; where, despite the doubling of Workers Compensation payments and fees to operate that organization, there's still payouts way in excess of the income, Mr. Deputy Speaker. Again, is that good management? I think not.

Of course, then we come to the question of MTS and MTX.

A MEMBER: The three blind mice.

MR. J. ERNST: Well, there's two anyway, Mr. Deputy Speaker. Here we have a litany of mismanagement, discrimination, kickbacks, unauthorized loans, losses, funds anticipated to be recovered or shown as receivables that will never be received, all kinds of problems. We have the RCMP investigating the whole question of MTX. We have the government forced to hire a management consulting firm to investigate what they didn't know was going on right under their noses for the last five years, Mr. Deputy Speaker.

How can possibly a Minister responsible for the operation of that corporation for five years not know, how can a government responsible for that Crown corporation not know over that five-year period what in heaven's name was going on? Mr. Deputy Speaker, I find that incredible, the fact that the Minister, the fact that several Ministers, as I gather, the fact that the government itself had no idea what was going on, and they are now faced with an RCMP investigation and they are now faced with a management audit firm coming in to do that particular job, a job that the government should have done some time ago. So, Mr. Deputy Speaker, the litany goes on and on and on, the fact that this government really doesn't know what it's doing.

But the one amazing thing that's happened over all of this period of time and over all of the kinds of problems that have gone on is that they've been able to fool the public. That's the amazing thing. Somehow, they're able to hold back on this bit of information, not tell this bit of information, stonewall in the event of an investigation or an inquiry into the whole mess, not to do the job of the RCMP, not to do the job of the management consulting firm, Mr. Deputy Speaker, but to get to the bottom of the whole rotten mess.

Mr. Deputy Speaker, the members opposite don't seem to want to find out the whole rotten mess. They don't want to find out any more about it. All they want to say is we've got the RCMP looking at criminal charges and that's fine and as it should be. They've got a management consulting firm that obviously should have been there five years ago now doing a job, and that's fine too but, Mr. Deputy Speaker, there's more, and the additional information, the additional problems that exist, the support for employees in the company.

I know many, many, many employees of the Manitoba Telephone System, people who have been employees of that corporation for many, many years. They eat, breathe, live, think Manitoba Telephone System. They're proud to be a member of that corporation. They're

proud to work for that particular corporation, but they're not so proud right now. They're embarrassed, Mr. Deputy Speaker. They are embarrassed that the government will not act to deal with an issue, that the government stonewalls the question of having an investigation into what is going on.

A public inquiry is required. The employees want that, at least the ones who I've spoken to, want to see that cleared. They want to see all of this innuendo, this kind of mismanagement and other problems that have been facing MTS and MTX over the past weeks and months, and obviously years, they want to see that cleared. They want their names cleared. They want to hold their head up proud when they go back to work at the Manitoba Telephone System and say I'm proud to be an MTS employee.

What has happened has happened. They want to say that a public inquiry has been held; it's been gone into. Everybody has given evidence. They want to say that once all that is done, once the RCMP investigation is done, once the Coopers and Lybrand management audit has been done, and once a public inquiry has been held to deal with all of those issues, Mr. Deputy Speaker, then they are able to go back to their job at MTS with their head held high, to say that, yes, the corruption has been cleaned up. The rotten apples have been pared from the barrel, Mr. Deputy Speaker, and we can now go back to work at MTS as proud employees, not with a cloud hanging over their head, not with the kind of cloud that's going to hang over their head because of the inaction of the government to hold a public inquiry.

We've got problems not just in the Crown corporations, Mr. Deputy Speaker; there are problems elsewhere in this government as well. Mr. Deputy Speaker, the Land Titles Office is a classic example of the kind of mismanagement that this government offers the public of Manitoba. Ask anyone today who has gone forward and wants to sell their home whether they can get their money on the appointed day of closing, Mr. Deputy Speaker. They can't. No, if you wanted to sell your house and September 2, today, was the day that you were going to close the transaction, you can't get your money today. You may not get it for six weeks. That, Mr. Deputy Speaker, is the kind of mismanagement that's going on with the members opposite.

Mr. Deputy Speaker, I think by rough calculation the Land Titles Office of the Province of Manitoba makes a profit of about \$10 million to \$15 million.-(Interjection)- \$10 million, the Member for St. Norbert is indicating, \$10 million profit, and it gives six weeks service that holds up the money from people attempting to sell probably the largest single asset that most people will ever own in this province, Mr. Deputy Speaker, hold it up for six weeks, costing thousands and thousands and thousands of dollars in interest charges.

Not only that, Mr. Deputy Speaker, but that problem occurs also with the acquisition of property. Someone wanting to buy a piece of property can also not get possession, therefore cannot start on work, cannot start to build a new house, cannot start to do the kinds of things you would do if you had a reasonable turnaround time.

Now I can understand, Mr. Deputy Speaker, that you don't want to staff a department for the very peak of

activity that occurs in any particular year, but this has been going on and on and on for some length of time. It's just not something that happened yesterday, not something that happened last week. Mr. Deputy Speaker, this has been going on and on, and the delayed periods of time have been slower and slower and slower.

I don't blame the employees who work in the Land Titles Office. They are working their behinds off, Mr. Deputy Speaker. They are. They're working very, very hard - those employees. The fact of the matter is, there aren't enough of them. Instead of raking in all of these millions and millions of dollars of profits, this government should hire a few more people. They're in the job creation business, Mr. Deputy Speaker. They're the ones who say we want to have job creation. They've got the money, \$10 million of profit. They've got the work, Mr. Deputy Speaker, over there in the Land Titles Office. Let them hire a few more people. Don't be so cheap.

They knew eight months ago, Mr. Deputy Speaker, that they had a problem in the Land Titles Office, so let them act on it. But, no, they're spending so much time, Mr. Deputy Speaker, covering their tracks in other areas that they haven't time to recognize some of the real problems that are out there.

In addition to that, Mr. Deputy Speaker, they're giving great sanctimonious statements about South Africa, about how they abhor apartheid, about how they don't want to be seen to be supporting apartheid. They don't want to be seen to be supporting anything from South Africa at all. As a matter of fact, to show that displeasure, Mr. Deputy Speaker, they withheld the sale of South African wines in government liquor stores. That was a significant move.

They had bought and paid for all of this South African wine and stored it for months in government warehouses, but they were not going to sell that wine to the public because it was wrong, because they wanted to make a statement to say South Africa and the government that is being operated in South Africa is one that they don't identify with. They want to put a stop to apartheid, so they're going to stop the sale of the wine.

The principle on the surface, Mr. Deputy Speaker, is a good one, that they want to make a significant statement about apartheid. They want to make a significant statement about South Africa, and that's fine. They did that, and they held it off sale for several months. I'm not sure of the exact period of time, but it was several months at least, and then decided that, hey, we've invested all of our money in this wine, we better get rid of it. So they again put it on sale but in order to launder the money, Mr. Deputy Speaker, they decided to put it through in a group fighting against apartheid.

But all that time, Mr. Deputy Speaker, according to the list that came out last Friday, the New Democratic Party of Manitoba, the ones who are playing with taxpayers' money in the sale of South African wine, the ones who made this broad statement against apartheid, have other skeletons in their closet. They invest money, through MTX, in a country that discriminates against Jews; that discriminates against women. Yes, they've invested millions of dollars, Mr. Deputy Speaker, in a country that discriminates against those people. While discrimination in South Africa is

wrong, discrimination in Saudi Arabia, obviously, is supportive because they've invested money there. Now, you have to wonder, Mr. Deputy Speaker, the kind of thinking that brings about those kinds of actions.

But according to the list that came out last week of party contributions in 1985, Rothman's of Pall Mall, I gather, is still a contributor to the New Democratic Party; they, of South African extraction. But that's also okay. I gather also that we wouldn't, for Heaven's sake, want to for one minute, say anything bad about the Hudson Bay Mining and Smelting Corporation, because we might cause some ripples in the economy of Flin Flon so that notwithstanding that they're also South African-tied, we don't want to speak about those; we'll sort of sweep them under the carpet. But our real cause célèbre, the sale, or not sale as the case may be, Mr. Deputy Speaker, on South African wine, is the one that we want to push forward in front of the public.

Now, we've been accused, on this side of the House, of wanting it both ways ever since we came here on May 8th. Obviously the members opposite also want to have it both ways but don't want to tell anybody about it. Mind you, that's the trademark of this government, anyway. They don't want to tell anybody about anything. They withheld the Third Quarter Financial Statement until after the election. They've postponed the terms of the sale of Flyer Industries until after the election. They have refused - changed the year-end of Manfor so it happened to occur after the election. They refuse to have a public inquiry into the MTX affair because they might find out something more; some further problems. So, Mr. Deputy Speaker, that is the position; that is the main feature of the members opposite and their government.

I had to chuckle, Mr. Deputy Speaker, at the time that the question of Saudi discrimination came up and then all of sudden, everybody was up in the air. Anybody who's read National Geographic for the last 25 years, or happened to watch a National Geographic special on television, or a number of other kinds of educational television programs, Mr. Deputy Speaker, knew the kind of thing that went on in Saudi Arabia; it's not something that happened yesterday. But all of a sudden people are jumping up and down and saying this is something we really have to be concerned about; and so they should. But it's not something that's new, it's not something that happened just recently; that happened some considerable time ago. The fact of the matter is that there have been ample public information programs, magazine articles, you name it, that would have brought that to the attention of most people, at least, anyway.

Mr. Deputy Speaker, the credit rating of the Province of Manitoba is another major problem that has occurred over the past several years. The fact of the matter is that the City of Winnipeg has a better credit rating than its parent, the Province of Manitoba. Is that something to be proud of; is that something to hold up as a great tribute to the management of this government? No, Mr. Deputy Speaker, it's not.

I believe it was three years ago we were faced with a AA-plus credit rating. It was maintained all during the Lyon Government; that credit rating, Mr. Deputy Speaker; some tribute, at least, to the people who were in office and in management of the affairs of the Province of Manitoba at that time. They didn't improve

it because it's difficult to improve. It's difficult to increase the credit rating of any major corporation or major government borrower, but all during that time it was maintained at a AA-plus credit rating.

Two years of NDP Administration and it dropped to AA-minus; bingo, down the drain. Two more years and it dropped to A-plus. Now, by anybody's measure of management skills or management abilities, anybody's measure, even a young child would know that two successive drops of that nature in the credit rating of the Province of Manitoba does not indicate good financial management, Mr. Deputy Speaker; you know that, your children would know that, my children know that. But somehow the members opposite don't know that and they think it's quite all right - well, it will cost us a few more points on our interest borrowings, but that's all right. We don't need to worry about that. We'll continue on doing the kind of spending that we want to do; and we don't have any real concern over the budget, over the deficit. The fact of the matter is that half-a-billion dollar deficit to the members opposite is quite acceptable; quite acceptable. The Minister of Finance said so. The Minister of Finance said we'll have to live with these kinds of deficits, so that, Mr. Deputy Speaker, the kind of mismanagement, the kind of incompetence that's exhibited by the members opposite has been showing up in virtually every sector of the administration of this government.

Those costs are going to continue, and continue, and continue to rise. They're going to burden my children, they're going to burden my grandchildren and your grandchildren, and Heaven only knows how they're going to get out of it. How are our interest costs, which are now burgeoning and taking up more and more and more of the revenue that comes in, Mr. Deputy Speaker; how they are going to ever get out of that morass, I have no idea. I don't think the Minister of Finance has any idea. They're continuing on the same basis as before, hoping that something is going to happen at some point in the future.

Instead of planning, instead of good management, instead of attempting to attack or address the issue, Mr. Deputy Speaker, they just seem to ignore it; that it's acceptable; it's one of the risks of being in government. Well, Mr. Deputy Speaker, I don't think that's the case at all. It's a question of spending priorities; it's a question of addressing the financial problems that face this province and it's one, I think, that has not been adequately addressed by the members opposite at all.

Mr. Deputy Speaker, in their desperate grab for money, their frenzy of spending that has taken place over the past number of years - it's almost like a school of piranha fish in the river attacking an animal that happens to have wandered in - the frenzy of spending in this province, Mr. Deputy Speaker, has gone on and on and on and on for the past five years. But you'd think they would spend it on something worthwhile - (Interjection)- yes, they haven't spent it, obviously. They're being so tight with their distribution of literature of that kind, where it might draw some revenue into the province, where it might spark some interest, where it might spark some tourism; no. The government says they're already here; we'll give them one for the bus. Well, Mr. Deputy Speaker, with that kind of tourism policy, no wonder our statistics are down; no wonder

people aren't coming here because the government indicates basically they could care less whether they came or not and maybe even they're not welcome.

But we've seen this addiction of spending that the government has opposite; this addiction to grasp funds, to grasp money, as much, and as quickly as it can, Mr. Deputy Speaker, brought us to selling off our buildings. Now I was shocked, quite frankly, when I saw that. I saw that the University of Manitoba had been sold and I saw that the Concert Hall had been sold -(Interjection)- to private investors. Obviously, Mr. Deputy Speaker, the Member for Kildonan didn't even know who they sold the buildings to, but how can you go out and tell your constituents, Mr. Deputy Speaker, that not only did you sell the buildings, you're renting them back at an enormous amount of money; buildings that you owned already that you sold and you now are taking back and renting, Mr. Deputy Speaker, when you paid no rent before. Now that makes a lot of sense, a lot of sense to the people of Manitoba.

But not only that -(Interjection)- would you call the members to order?

MR. DEPUTY SPEAKER: I can't hear the member who has the floor.

The Honourable Member for Charleswood.

MR. J. ERNST: Thank you, Mr. Deputy Speaker. But the fact of the matter is that not only have they sold off these buildings and then rented them back, they now want to go into the real estate development business. They introduce a bill in this Session of the Legislature that puts them into the real estate development business.

Not only have they messed up - and I think I used the term earlier - "botched," Mr. Deputy Speaker, and that's an appropriate term - they have botched MTX; they've botched Flyer Industries; they've botched Manfor; they botched any number of other kinds of businesses, and now they are launching into a new botch-up, in dealing with the real estate development business where they have no expertise and precious little, I suspect, understanding.

Mr. Deputy Speaker, thank you - I see I have a couple of minutes remaining. But the fact of the matter, Mr. Deputy Speaker, this government, this NDP arithmetic that we go through in the Budget process and the appropriation process is going to be found out by the people of Manitoba. They are going to understand. They aren't going to be able to be fooled forever and they aren't going to be able to have the wool pulled over their eyes forever. They're going to find out; they're going to understand; and then they're going to throw this government out of office just as quickly as they can. Thank you.

MR. DEPUTY SPEAKER: The Member for Kildonan.

MR. M. DOLIN: Yes, a question to the member. Is it agreeable? He said after he finished speaking.-(Interjection)- One of the things, I was truly touched by the member's tale of woe about the expropriation without compensation and the significant losses of MPIC. I want to get clarified on the record, is the member saying that he is supporting the privatization

of MPIC, so we can go back to where we were when he was expropriated?

MADAM SPEAKER: The Honourable Member for Charleswood.

MR. J. ERNST: Madam Speaker, we had earlier statements during question period about attempting to put words in people's mouths, and there is a classic example. What I said was at the time, 1970, my business was expropriated without compensation. Madam Speaker, it should have been compensated and whether I support the privatization of automobile insurance in Manitoba or not is irrelevant to the issue. The issue was: was my business expropriated without compensation or not, and it was expropriated without compensation, Madam Speaker.

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, I rise on point of order. The Member for Charleswood indicated that his business was expropriated.- (Interjection)- Madam Speaker, I'm raising a point of order. He indicated that his business, which . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please. How can I determine whether or not it's a point of order till I hear the member out?

A MEMBER: Madam Speaker, take our word for it.

HON. B. URUSKI: Madam Speaker, the point of order is that the member alleges that his business was expropriated without compensation in the insurance field by this administration. Madam Speaker, every agent who did at least 25 percent of his insurance business with automobiles was afforded compensation.

MADAM SPEAKER: Order please. A dispute over the facts is not a point of order, as the member well knows.

The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, I wish to speak to this bill and, in part, I hope, to offer some advice to my honourable friend, the Minister of Finance.

You know, Madam Speaker, after I believe it was Thursday of last week, and the day before, Wednesday, I think it's important at this stage of the game to remind the Minister of Finance what the Premier said about him when he put him in that position. The Premier said to the newspaper that in replacing the former Minister of Finance, the Member for Rossmere, that now the people of Manitoba and the members of the Opposition could expect the issues to be addressed and addressed in a forthright and open manner.

Now what the Premier said - if I can be so literal in my interpretation, Madam Speaker - is he said, as we have accused the former Finance Minister, the Member for Rossmere, No. 1, he didn't know his department; No. 2, he never answered a question with any kind of clarity and intelligence - that was a combination which

he failed miserably in for the four years he was Finance Minister, and, Madam Speaker, he didn't really understand where the province was going. That's why he was replaced as Finance Minister after the election, and in saying that this Minister of Finance would be open and forthright and wouldn't avoid the answers, the First Minister was confirming what we had said on this side of the House for years about his former Minister of Finance, very much so.

You know we started out with this Minister of Finance and he attempted - and I give him credit - in the Budget Debate with a very skillful Budget Address. It didn't have near the rhetorical references that previous ones had had. It still didn't come to grips and was not a Budget of a government, newly-elected, to deal with the problems of the province, but nevertheless, it was a document of a little more skill in the financial area than we had seen before.

I, and others on this side of the House, were hopeful that maybe indeed the Premier's words were correct, that we were going to have a Minister of Finance who was forthright in his dealings with us and with the public and would provide the full and complete answers, although there were some areas where I didn't receive the information which I asked from the Minister when we last debated Interim Supply. We'll blame that on a lack of clarity in my question and a lack of clarity in the understanding the Minister had of my question, which I can accept.

But, Madam Speaker, the other day, when we were in the House and my leader posed the question to the Minister responsible for the Manitoba Telephone System - and you will quite clearly recall that - about whether the Minister responsible for the Telephone System had met with Sheik Abdullah from Saudi Arabia when he was in the province last year in the fall, and the Minister responsible for the Telephone System indicated that yes he had, it was a courtesy visit, etc., etc.

Then my leader next posed the question to the Minister of Finance, had he met with the Sheik last fall, and the Minister stood up and said, "No." Now, Madam Speaker, the Echo, amongst other documents had clearly indicated that when the Sheik was over, he met with the now Minister of Finance at the same time he met with the Minister responsible for the Telephone System. But, Madam Speaker, the Minister chose to answer no, and the reason he chose to answer no was because it was July apparently that the Sheik was over.

The question was said, "Did you meet with him last fall?", after his colleague, the Minister responsible for the Manitoba Telephone System, had not taken any particular exception to the fact that the date of the question was out by two months. He answered yes in a forthright fashion but the Minister of Finance said no. And then when my Leader questioned him the next day, well, he said oh yes, I met with him but it was in July, not in the fall as you asked.

Now, Madam Speaker, that's almost too cute by half. What the Minister of Finance did when he answered in that fashion is he destroyed the little bit of credibility that he was starting to build on this side of the House and with the people of Manitoba for being forthright in his answers. He knew very well what the question was and I don't know why he chose to play this silly game with such a silly answer because he knew very well that whenever we've posed questions to the

Minister, to the members of MTS-MTX staff, that we have generally known the answers in broad and general terms, and why he played those cute and silly games is beyond me because all it did was destroy his personal credibility.

And now, Madam Speaker, I'm afraid we can't accept answers from this Minister in a glib fashion anymore. There will be much more pointed questioning to this Minister because now we know that he's willing to play cute games in the House to try to hide information if in fact the precise question isn't answered.

Madam Speaker, this is even more offensive coming from this Minister of Finance because it's my understanding - and the Minister of Finance will correct me if I'm wrong, Madam Speaker - but approximately two weeks ago Monday, the inner circle of the political brains in the NDP Cabinet had decided that the Minister responsible for the Telephone System was not handling his job very efficiently because he was leading the government into a very embarrassing situation, that he was not asking the right kinds of questions of the Manitoba Telephone System officials because he had to come back on four different occasions and correct his story.

Now, Madam Speaker, as of two weeks ago Monday, before we met last time at the Manitoba Telephone System hearing, which was the Thursday following, the political operatives in Cabinet - I understand it was the Minister of Finance, the Government House Leader, the Minister of Industry, Trade and Commerce and the Attorney-General; there may have been others, but those are theoretically the only bright lights they have over in the Cabinet - but they sat down with the Minister responsible for MTS and they called in MTX and MTS officials and, in the words of the Member for Thompson, they played hardball with those MTS-MTX officials.

They said we want no surprises on Thursday; we want Thursday to go smoothly. Are you sure you have all of the answers to the questions that have been posed? Presumably, this group of bright lights in the Cabinet - the Minister of Finance, the Attorney-General, the Government House Leader - were assured that there would be no surprises on Thursday when the meeting was held.

Now once again you know my Leader posed a question, and all those bright lights were at that meeting - the Minister of Finance, the Attorney-General, the bright lights were all there from Cabinet and they allowed the Minister to come as well - but, Madam Speaker, my leader had posed a question to the Minister responsible for the Telephone System: did MTS loan monies to the wealthy Saudi Arabian sheik? The Minister responsible for the Telephone System took that question under notice. Then he came to committee and he said well, the Telephone System will answer these questions. In response to that question, the answer was no. Now this, Madam Speaker, was after the heavyweights in Cabinet had sat down with MTS and MTX officials on the previous Monday and said we want no surprises; we want the truthful answers; we want to know if there are any surprises coming up on Thursday.

As I pointed out to the Minister responsible for the Telephone System on that Thursday when finally we got the truth on the loan, my Leader had to follow up with a question as to whether MTX had loaned the money to the Saudi Arabian sheik. The answer, Madam

Speaker, was no - technically correct just as the Minister of Finance's answer last week was technically correct. But then my Leader asked the question: Did the 50-50 joint venture loan any money to the wealthy Saudi Arabian sheik? And Madam Speaker, to the surprise of the bright lights and the heavyweights in Cabinet, the answer was not no as they had been assured on Monday, there were no surprises, but the answer turned out to be yes.

Now that's the kind of cute responses to questions that have got the Manitoba Telephone System and MTX officials into a great deal of trouble. Surely, Madam Speaker, the Minister of Finance owes his political career and the importance of his position of Minister of Finance more credit than to play the cute kinds of games that have got MTS-MTX officials and the Minister responsible for MTS into a great deal of trouble. Surely, the Minister of Finance should not be playing those kinds of cute and silly games because the truth will come out.

If that's what we expect from the Minister of Finance from now on, then, Madam Speaker, I suggest that this government is indeed in very, very serious trouble. We are now getting to the stage where we don't know when to believe what Minister. Madam Speaker, if you wish to have some examples drawn out, I can do that.

Madam Speaker, you ruled on a matter of privilege that I raised as to whether the Minister responsible for the Telephone System had misled the committee and you pointed out that I should have possibly made my motion that the Minister misled the House in question period if his answer in committee stood that he hadn't seen the business plan. Madam Speaker, the Minister responsible for the Telephone System did not have the same answer to the same question on two different occasions and, technically, I didn't pose my matter of privilege correctly for an order for you to rule on it appropriately.

I'm not going to pursue it in committee because that is a waste of time because you, Madam Speaker, indicated that indeed the Minister had given two different stories.

MADAM SPEAKER: I do hope the honourable member is not suggesting that my rule was anything but appropriate.

MR. D. ORCHARD: Madam Speaker, if you can pick anything out of what I just said before you interrupted me that would indicate that, I would like you to point it out to me.

MADAM SPEAKER: I was cautioning the honourable member that he should not reflect upon a ruling of the Chair. I do hope the honourable member is not now reflecting on the Chair.

MR. D. ORCHARD: Madam Speaker, if you care to read Hansard, I said as you appropriately told me, my motion was not correct. Now if that's reflecting on your ruling, Madam Speaker, then why would I say appropriately suggestive? Madam Speaker, I made no reflection on your ruling. I don't know why you are suggesting that, Madam Speaker, again.

MADAM SPEAKER: I only cautioned the member. At this point, I do hope the honourable member is not

reflecting on the Chair both by the content and the tone of his voice in questioning the Chair in the Chair's cautioning.

MR. D. ORCHARD: Madam Speaker, I am not reflecting on the Chair in terms of what I was saying in terms of your ruling against the Minister's two stories to the same question.

Is that satisfactory, Madam Speaker?

MADAM SPEAKER: May I remind the Honourable Member for Pembina what is not satisfactory is the tone of his voice in his last three . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order, order please. . . . is the tone of his voice in his last three statements.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please. Are honourable members coming to order? Order please. May I continue?

Both the tone of his voice and the argumentative nature of the comments that he is making to the Chair - which are most inappropriate.

If the honourable member would like to continue with his comments in the debate in an orderly fashion.

MR. D. ORCHARD: I didn't know, Madam Speaker, which tone of voice. Is it too high or too low? - because I'll attempt to change it, Madam Speaker.

MADAM SPEAKER: For the second time, I will caution the honourable member that he is not to be disrespectful of the Chair.

If he would like to continue in the debate.

MR. D. ORCHARD: Madam Speaker, as I was indicating when you appropriately ruled that my matter of privilege might more appropriately have been put to the committee because that was the exact statement in my matter of privilege, you were correct. But, Madam Speaker, there's no question, as you observed in perusing Hansard, that the Minister gave two different answers to the same question.

Madam Speaker, that is a problem that we have run into with the Manitoba Telephone System and MTX officials over the past six to eight weeks. The only reason why we are able to eventually get the truth out before committee is because there are members of the media present at the committee hearing and when an answer to a question is given, it is generally published and made available to the general public of Manitoba.

Likewise, Madam Speaker, question period is carried in this House and when the Minister responsible for the Telephone System stands up and gives an incorrect answer, as he did on four different occasions because he was not, presumably, given the correct answer by the Manitoba Telephone System personnel to whom he asked, the Minister, when he gave those incorrect answers, was televised and there were people out there in the public and in the Manitoba Telephone System who were watching that and they knew the Minister's answer was not correct.

Madam Speaker, what did that lead us to? That led us to more questions. Finally the Minister was able to provide the truth to the House.

Madam Speaker, we have Coopers and Lybrand undertaking, and many of those questions that we posed to the Minister, to which he gave incorrect answers in the House, are not criminal matters. They are matters to deal with return of inventory; matters to deal with loans; matters to deal with floggings; matters to deal with the working of a woman in Saudi Arabia; matters to deal with discrimination. Those are not criminal and not subject to any RCMP investigation.

Presumably, within MTX alone, Coopers and Lybrand will be doing some investigation. Madam Speaker, they will get an answer to questions posed and that answer presumably will come from maybe the same MTS-MTX officials who provided, presumably, incorrect information to the Minister responsible on a number of occasions. But there's one essential difference, Madam Speaker. Their questions will be posed behind closed doors, with no media present to report the answers. So that when an incorrect answer is given, such as would have been given on the existence of the \$1.5 million loan to the sheik, that would be the end of the situation because no one in the general public and, more importantly, none of the dedicated employees in MTS and MTX who want to get to the truth of the matter, would know what answer was given and therefore would not be able to tell Coopers and Lybrand, or anybody else, and the government, or the Opposition, that that answer was not correct. How can you tell whether an answer is correct when it is given behind closed doors, in secret and out of public scrutiny, with no media presentation?

That's why, Madam Speaker, I have said on a number of occasions inside and outside this House that the Coopers and Lybrand management consultant investigation will not get to the bottom of the MTS-MTX affair. It will not tell members opposite the truth and on many occasions they have indicated to us that they are seeking the truth in this whole affair. It simply will not come out of the kind of investigation that they have ordered. A lot of facts will be covered up by those same MTS-MTX officials who have presumably misled the Minister responsible for the Telephone System, and senior members of his Cabinet.

So, Madam Speaker, when we get down to whether we are going to resolve the whole MTX-MTS fiasco, the way this government is going about it, I say definitely no.

Madam Speaker, that is very troublesome. That's very troublesome, No. 1, to the dedicated honest and sincere employees in MTS and MTX, and I'd say 9.9 percent of them are in that category. That's not going to be satisfactory to them because as long as the allegations aren't cleared up and as long as the investigation is not complete and as long as, quite frankly, heads don't roll in the corporation, the problem will still be there. That problem will not go away and will not even be uncovered with the kind of investigation that the Minister has ordered.

Madam Speaker, what does that mean? I suppose, in the short run, given the style of investigation the government has embarked on, they may in the short run come up and say, well, you know, some things were correct and there were some junior officials in MTX

who acted out of character and were not necessarily working under the guidelines that were provided; therefore, we're going to discipline them.

Then, on other substantive areas, Madam Speaker, I simply indicate to you that those areas will be uncovered. No truth will come from them. The public won't know about them. They will stay hidden from the people of Manitoba. From that standpoint, I suppose the Minister and his colleagues should then stand up and claim a victory, that things weren't as bad as what people had suspected in MTS and MTX. They'll claim that as a short-term victory.

I cautioned at least one member opposite in the Cabinet, that in terms of political purposes, if we had an agenda to run on in terms of political purposes in the Opposition, the very worst thing that could happen to our political agenda is if the government had an open public inquiry and cleared up the mess completely, once and for all, in MTS, because that would be the end of the story, presumably within a year-and-a-half of this government's new mandate, and there would be two-and-a-half years left for them to prove that, yes, MTS is restored to its good, wholesome reputation in the community; we've removed some bad apples in the senior management, and everything's good now. That would be the worst political scenario to us, because the government would have appeared to have acted in a very decisive and forthright manner. Responding to allegations that were made by us and others, they did it without fear of any kind of public inspection of the affairs of MTX and MTS by having a full public inquiry.

Now, Madam Speaker, what is the best political situation for the Opposition? The best political situation for the Opposition is to do exactly as the government is doing, to all costs stonewall us in terms of calling of future MTS meetings. You've got to remember, Madam Speaker, that the Government House Leader has stood up and said that there will be one more meeting and they don't see the necessity to necessarily call another one. Now, that flies in the face of what the Member for Concordia has been saying, because he's been saying, Madam Speaker, let these committee hearings go on. The Tories are doing a great job of uncovering wrongdoing in the Telephone System. That's what the Member for Concordia says. But that's exactly, as my colleagues tell me, why the Minister responsible and the four bright lights in Cabinet and even the Premier don't want those committee hearings to go on, because more wrongdoings come out every time. So, they want to leave it swept under the carpet. They want to stifle it.

Now, Madam Speaker, this Minister responsible for the Telephone System has, over the last five to six weeks, told us that if we are just patient - and I have never seen such a humble Minister as there was five weeks ago when he stood up and he thanked us for every question. He said, I will attempt to provide that answer at committee. Well, Madam Speaker, this same Minister now refuses to have more than one committee hearing, and not all those questions have been answered. But yet, five weeks ago, he said with great piety and humbleness, as a man humbled by the experience of the whole thing, thanking us for the questions, and saying that we will get full answers at committee. Now, committee won't sit any more.

Madam Speaker, the Manitoba Telephone System senior officials couldn't understand why we held off for about five days having the last committee hearing, because they were ready to go. They had the information the Minister had requested. It was the government that didn't want the hearings to proceed. Now, we have proof, final last week, where the Government House Leader is saying one more, we don't think there's any need for anything else. Of course, the government doesn't see any need for additional hearings, because they don't want any more embarrassment. I can understand that.

But, Madam Speaker, getting back to the original question I posed hypothetically was: what is the best political scenario for members of the Opposition? It is exactly the one the government has embarked on, where a few minor misdemeanours will be uncovered and a few wrists will be slapped, and then the same people are allowed to carry on uninhibited by any kind of ministerial authority or responsibility. You know why that will be the best scenario for an Opposition wishing to do nothing but score political points against an incompetent government? It will be the best scenario because MTS, without removal of some of those people and without cleaning up the MTX mess and getting them out of Saudi Arabia, will continue to be a festering sore for the government until the election comes.

Madam Speaker, as I say, the best political scenario is the one you're on but, if we're truly all here, as we from time to time say we are, to best represent the interests of Manitobans and to protect the taxpayers and the owners of our Crown corporations, then you would swallow your pride and take some advice from members of the Opposition and call a public inquiry, because that is the only thing which is going to get to the bottom of the MTX-MTS affair. Nothing more will get there. The efforts that they're making with Coopers and Lybrand will cover up the true situation over there, and MTX-MTS will continue to be a festering sore in the government's side.

Madam Speaker, you know, it may be that the government will be successful, contrary to the wishes of the Member for Concordia, that only one more committee hearing be held. They may be successful in stonewalling us and stonewalling the media. The media and others may gradually let them away with it, and then they will have a temporary lull in the storm. But, Madam Speaker, that committee will be called again. Whether it's a month from now, three months from now, six months from now, we will simply have more and more information as the committee is called.

So, any kind of delay tactic simply plays into the hands of the Opposition, allows us to gather more information, to present better cases, to have more facts ready to be put on the record. A delay does nothing but open the festering sore of MTX in the government's side. Why they're avoiding it, I don't know.

It's political naivety in a government that does only one thing, and that's to analyze every issue and every situation as to how it will be perceived politically by the people of Manitoba. They do nothing that won't be perceived in their opinion favourably by the people of Manitoba.

They developed that strategy, Madam Speaker, after the French language debate, where they got burned

very, very severely by the public opinion of Manitobans. They are about to be making the same mistake again, of ramming through on a course of action, given to them by their non-elected political strategy committee that comes in and sits in with their caucus and their Cabinet to advise them on how to move.

Madam Speaker, the Minister responsible for the Telephone System can correct me if I'm wrong, but we're led to believe that the Executive Council of the New Democratic Party told them, absolutely no way do you people allow a public inquiry to be called because, if you do, we lose three Cabinet Ministers, the Member for St. James, the Member for Dauphin and the Member for Brandon East, all of them in seats that the Tories very strongly contest. Madam Speaker, that's the kind of advice that they're getting from their Executive Council of the New Democratic Party. That's the kind of advice they're getting from their political advisers, the people who the taxpayers of Manitoba are paying literally millions of dollars for to keep on staff to provide political advice to this New Democratic Party Government. Avoid a public inquiry at all costs, because there is political fallout.

Madam Speaker, it's pretty clear now that the strategy - because the government doesn't really know where this issue is going. They don't really know how badly they've been misled on the MTX-MTS affair. But this government is willing to waste the Member for St. James as a Cabinet Minister if they have to, to try to prove that they have done the correct political thing, and that someone has paid the ultimate price. They're prepared to lose him in order that they salve their political conscience, hopefully, in the mind of the general public.

Madam Speaker, I'm sorry to see that, because the Member for St. James worked for me at one time, and he was a very nice fellow when he worked for me. He was a very good employee at the time. He has changed, however, significantly because I want to tell you, when he worked for myself as Minister of Highways and Transportation, he got to the bottom of issues and he asked the appropriate questions. I could generally, Madam Speaker, rely on him as an employee to give me straight goods when he worked for us.

But now that he's a Minister, he has lost the ability of asking questions. What has happened, I don't know, because under my tutorship he had come along quite a lot when he was working for me. But, Madam Speaker, he has not the ability to handle this situation in MTS and MTX. He has failed dismally.

Madam Speaker, it was not with light heart that at committee and later on in the House, I called for the removal of the Member for St. James as the Minister responsible for MTS. I did that, Madam Speaker, more in sorrow than in anger, because I don't think that is something that should be requested lightly. But in this case, it's a very valid request, because this Minister has not done his job in handling the whole MTS and MTX affair.

Madam Speaker, let me go into a little bit of history on it, because I believe that you were a member of the MTS board for a number of years, from 1981 until 1986, I believe. As a matter of fact, I even believe at one stage of the game, when the chairman resigned, Mr. Miller resigned, you were acting chairman. I even believe you signed one of the financial statements as acting chairman of the board.

Madam Speaker, you were at all of those committee hearings and you knew the nature of the questions I was posing for three years on MTX and its operations in Saudi Arabia about the kind of security we had on our accounts receivable. This present Minister was there for two of those hearings. You were there for all of them, Madam Speaker, in your former capacity. My leader and I both asked, in 1983, were there any kickbacks, were there any allegations of finders fees, etc., etc., illegal commissions. Those were questions posed in 1983 to the Minister, to Mr. Holland and others.

It was answered, "No, not to my knowledge." Now that is a very good answer, Madam Speaker, "not to my knowledge," but his knowledge soon came to know that indeed there were kickbacks. We just found out about it prior to the tabling of the Ferguson affidavit in committee.

But we had had information from dedicated employees in the Manitoba Telephone System that they believed we should pose those kinds of questions because they were firmly under the impression that, Madam Speaker, in 1983, and if the Member for St. James was the Minister responsible, why did he not ask the question after my leader and myself posed the question to him and to Mr. Holland: were there any kickbacks? Why did he sit on his hands for three years?

He asks us when did we find out? This Minister - (Interjection)- Oh, I don't know who spoke to me in 1983 because we got anonymous phone calls, the same as we're getting right now, from employees that fear for their jobs. But every time we get an anonymous phone call and we pose the question to this Minister, we find out that it is a true allegation that's being made by those anonymous phone calls. They have worked out absolutely true, Madam Speaker, absolutely true.

Madam Speaker, this Minister responsible for the Manitoba Telephone System knew about the kickback.- (Interjection)- Madam Speaker, is this normal order in the House? Are you going to let those jackals over there continue their yapping, particularly the Member for St. James? Is that normal?

MADAM SPEAKER: Order please. If the honourable member wants assistance from the Speaker, he can certainly request it without making references that imply the Speaker is not doing the Speaker's job.

The Honourable Member for Kildonan.

MR. M. DOLIN: I distinctly heard the Member for Pembina refer to members on this bench as jackals, which I think is an unparliamentary term, and I would ask the member to withdraw.

MADAM SPEAKER: Order please. That particular word is not in the list that's delineated explicitly in Beauchesne. However, on many occasions, if members take offense to a particular word, it has been requested of the member to withdraw a particular word.

If the Honourable Member for Kildonan is suggesting that he takes offense to that word, then I would request . . .

Order please. Does the Honourable Member for Emerson also want to argue with the Speaker today?

Therefore, as in past practice, I would ask the Honourable Member for Pembina to withdraw the

reference to honourable members opposite that they are jackals.

MR. D. ORCHARD: Madam Speaker, I said nothing unparliamentary that I am going to withdraw, to members opposite, when they're yelping from their seats.

MR. M. DOLIN: On a point of order, Madam Speaker.

MADAM SPEAKER: For the information of the Honourable Member for Kildonan, I have accepted his point of order and asked the Honourable Member for Pembina, once, to withdraw the word that other members find offensive.

For the second time, could the Honourable Member for Pembina please withdraw that word?

MR. D. ORCHARD: Madam Speaker, what precedent are we now setting in this House where I will stand up tomorrow and I will say I find a word from the Member for Rossmere objectionable, are you going to have him withdraw that, Madam Speaker, if it's not an unparliamentary word? What kind of a game are we playing here, Madam Speaker?

I refuse to withdraw the statement I made that was factual, that they were jackals yelping from their seats. It's not unparliamentary, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, just for the edification of honourable members, you might help us by telling us where in Beauchesne or in our rules . . .

MADAM SPEAKER: Order please. I can't hear.

MR. J. McCRAE: . . . it can be found that simply because an expression offends a particular member, that it is therefore unparliamentary. Perhaps Your Honour was about to bring that to our attention.

But if that is indeed what is found within the rules, Madam Speaker, then indeed almost, well, every single day and almost every few moments, there will be an expression used by virtue of that rule that would have to be withdrawn, and I ask for your guidance on that, Madam Speaker.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, for the edification of the member who just spoke, Citation 325 in Beauchesne says, "When the Speaker takes notice of any expression as personal and disorderly, and tending to introduce heat and confusion, and calls upon the offending Member to explain, it is the duty of the latter immediately to explain or retract the offensive expressions, and to apologize to the House for the breach of order, in terms large and liberal enough both to satisfy the House and the Member of whom the offensive expressions were used."

It's very clear in this particular instance that there were expressions used which were offensive to the

member. They are expressions, however, that have been used in this House from time to time, and I also refer the member to the previous citation in Beauchesne which says that expressions that are deemed parliamentary today may not be deemed parliamentary tomorrow and expressions that are deemed unparliamentary today may not be deemed unparliamentary tomorrow.

In this particular instance, I think the matter would be laid to rest if the Member for Pembina would indicate to the House, on the basis that his comments did meet the criteria as outlined in Citation 325, that he apologize to the member, and that's been done before by honourable members in order to make this House a more workable House.

When the Speaker makes a ruling, notwithstanding the member's personal opinions, when the Speaker makes a ruling it is incumbent upon each and every one of us to apologize for the offensive statements or to suffer the consequences which members have from time to time and are very clearly outlined in the different sources of parliamentary rules and forms in the Rules of the House. I would hope that in this particular instance that we would not have to resort to that measure and that the member would indicate to members opposite that in the heat of the debate those words were used, the members do take offence and there should be an apology in this particular instance.

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNESS: On a point of order, Madam Speaker.- (Interjection)- on the same point of order.

MADAM SPEAKER: On the same point of order, the Honourable Member for Morris.

MR. C. MANNESS: Madam Speaker, I know you will give great wisdom to your decision with respect to this matter, but I ask you to take into account what is happening on a daily occasion now, it seems to me, when during question period we ask a Minister a question and today, for instance, I heard the First Minister say very clearly - and, Madam Speaker, you heard him say very clearly - give him hell.

Madam Speaker, I ask you when you're trying to rule on this matter, to try and give us some equality, in a sense, and some determination and some clearness in your reasoning as to how you can find one word, which is not laid within the list of unparliamentary words, out-of-order and unparliamentary; and yet another one which you clearly heard today, Madam Speaker, not covered on the list at all. I would ask for some fairness and some common reasoning as you come across each of these unparliamentary words.

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

MR. S. ASHTON: On the same point of order, Madam Speaker.

I would also draw attention to yourself and to members of Beauchesne's Citation 324 which states quite clearly: "It is impossible to lay down any specific

rules in regard to injurious reflections uttered in debate against particular Members, or to declare beforehand what expressions are or are not contrary to order; much depends upon the tone and manner, and intention, of the person speaking;" I would submit to you, Madam Speaker, that the tone of the member opposite was clear and it was an unparliamentary remark.

MADAM SPEAKER: The Honourable Member for Kildonan.

MR. M. DOLIN: Madam Speaker, on the point of order. I do not want this matter to get exercised beyond the point of reality.

I particularly was offended by being lumped in with yelping jackals because I was not making a sound at the time; I was trying to pay attention to the Member for Pembina at that time.

I certainly think that the Member for Pembina used terms and emotions which were in the heat of the moment and I don't think this matter should escalate any further. I would hope that the Member for Pembina would say it was in the heat of the moment and that the intent was not to slander or libel other members of this House and let's get on with the business. I would like to hear what he has to say.

MR. D. ORCHARD: I would . . .

MADAM SPEAKER: Order please.

MR. D. ORCHARD: On the same point of order, Madam Speaker.

MADAM SPEAKER: On the point of order.

MR. D. ORCHARD: The Government House Leader read from Beauchesne's and he said the member must either apologize or explain the remark. I will explain the remark to the Government House Leader.

His predecessor, the Government House Leader in the previous administration, from time to time when someone was making speeches on their side of the House and members on this side of the House would interject, as was happening when I was speaking just now, the former Government House Leader would say: well, the stones must be hitting because we can hear the yelping dogs over there. Now, Madam Speaker, I didn't want to use terminology similar to the former Government House Leader so I chose to use the word "jackals" yelping, as jackals are wild dogs.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please. Order please. Order please.

First of all, because other members wish to give me advice after I had already asked the honourable member twice to withdraw a word which had been taken as objectionable, a process which we have used many times consistently in this House, where a member raises objection to a phrase or to words that another member has used.

I have asked the Honourable Member for Pembina twice to withdraw the word "jackals". I will ask him

for a third and final time to withdraw the word "jackals", that another member has found offensive.

The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, the Member for Kildonan was listening attentively. I did not refer to him as a jackal yelping from the seat. The primary reference was to the Member for St. James who was doing most of the yelping.

SOME HONOURABLE MEMBERS: Oh, oh!

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

MR. M. DOLIN: Madam Speaker, the ruling having been made in the form of yips and yelps by the Member for Pembina is certainly acceptable to me, and I would suggest we get on with the business.

MR. D. ORCHARD: I think maybe I'll take exception to yips and yelps, Madam Speaker. How would you rule on that?

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Are the honourable members interested in continuing with the debate?

The Honourable Member for Pembina has one minute remaining in the debate.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. D. ORCHARD: Madam Speaker . . .

MADAM SPEAKER: May I assure the honourable member that no time was taken. I had already pushed the warning button at three minutes. He now has one minute left.

MR. D. ORCHARD: Well, Madam Speaker, I just want to assure members opposite that their tactic of trying to, No. 1, delay and stonewall further committee hearings won't protect the incompetence of the Member for St. James; but more importantly, and as I've indicated to one of the members of Cabinet over there, it will not protect the integrity of the government, because MTX, until you have a public inquiry, will be a festering sore, and it will cause you political problems for the next number of years. If that's what you wish to dog you for the last three years, or how many years you are in power, until some accident in the House or some vote defeats you, if that's what you wish to have, the course you've chosen will guarantee that will happen.

MADAM SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: Thank you, Madam Speaker.

I think it's interesting, Madam Speaker, in listening to the debate today and some of the debate over the last few days, particularly interesting, because I think it indicates something about the strategy of the

Opposition at the present time and some of the weaknesses in that strategy.

I think the strategy has been clear for the last several weeks. The strategy has been a single-issue strategy, Madam Speaker, that of stressing the MTX issue. I don't question their motives at all in raising that issue. I think there is a distinct public interest in ensuring that some of the problems, some of the questions that have been raised in terms of MTX are dealt with.

The problem, Madam Speaker, is that members opposite when they get off their MTX script, show how completely out of touch they are with the concerns of Manitobans, and they show how much they have a complete absence of policy proposals.

I think probably the best indication of that was the speech given today by the Member for Charleswood. In a speech that started in 1970, he started talking about Autopac. He then proceeded, Madam Speaker, in the space of one speech to talk about the deficit, to accuse this government of frenzied spending on the one hand and then made reference to another item, that of Land Titles Offices where he said that the government shouldn't be so cheap; that it should spend more money; that it should increase the number of staff in the Land Titles Offices.

Madam Speaker, I think that indicates the problems the Conservatives have and why they're so anxious to stay on the MTX strategy or the MTX script. I mean that's easier to follow and, certainly, Madam Speaker, it has received public attention and, certainly, as I said, it is an issue which should legitimately be debated by members opposite. In fact, I would go so far as to say that by raising questions, proper questions, with regard to MTX, they are doing a public service because I have always believed that good opposition leads to good government. So I'm not questioning what they're doing on the MTX issue.

I question some of their tactics, I question some of the stage managing, I question some of the lack of concern for due legal process, and I certainly do disagree with their suggested solution to dealing with the problem.

I quite strongly believe, as does this government, that the R.C.M.P. investigation and the Coopers and Lybrand report are the proper way to proceed, but I do concede, Madam Speaker, that it is a legitimate issue to be raised in public debate.

But what where are the other issues? How much attention, Mr. Deputy Speaker, has been paid, for example, to the economy? Now in talking to my constituents, their No. 1 concern is that of the economy. But where is the debate in this House? You know, once in a while we hear some vague reference to the economy. Once in a while we hear the Member for Sturgeon Creek talk about some obscure statistic that he's picked up, which he attempts to suggest that we're not doing a good job economically in this province. Once in a while there is some reference to the economy.

But there are no policy proposals from members opposite, there is no suggestion of what this government should be doing instead of what it's doing at the present time, and I would suggest for a good reason, because we do have a good economic record. I think they know that, Mr. Deputy Speaker; that's one of the reasons why that isn't on their agenda.

I notice also, in terms of issues, there's almost a complete absence of northern issues on their agenda.

It's not surprising. They really don't have much credibility in Northern Manitoba. That was certainly illustrated by the previous election result. The problem they have, Mr. Deputy Speaker, is that when they do attempt to obtain some credibility, they worsen the situation.

I noticed, for example, some questions in regard to the hiring policies for Limestone. The problem they have with that, Mr. Deputy Speaker, is while they suggest on the one hand that they are concerned about what this government has been doing - they have the statements made by their candidates in the North criticizing our policy of trying to give a fair share to all northerners, including Native northerners; they have statements on the record in this House made by members of their caucus, last year, criticizing Northern preference.

So, Mr. Deputy Speaker, when they do attempt to obtain some credibility on issues such as that, they almost automatically seem to run into the situation where they create more contradictions and further worsen their already-limited credibility. The same could be said about a whole series of other issues of concerns to Manitobans. If one looks at it, Mr. Deputy Speaker, the Opposition is clearly not raising those concerns.

Look at the record of this Session and I think you'll see that there has been some fairly substantive progress in terms of legislation. I've realized that members opposite disagree with some of the approaches taken by this government, but they must surely admit that we have moved in a number of areas. I know they disagree in terms of the approach for The Family Farm Protection Act. I'm certainly not defensive of the approach taken by this government.

The same thing in terms of trade practices. You know there's an interesting alliance that's developed, an alliance between the Conservative Party and the major oil companies around this issue. We saw it in committee. While I was not in that committee, I read the transcript, with interest, of one of the representatives of the major oil companies with his approach, and you know it was striking. The approach of the oil companies was almost identical to the approach taken by the Leader of the Opposition in debate on that same bill. I know that doesn't surprise members on this side, but I think members opposite . . .

MR. ACTING DEPUTY SPEAKER, M. Dolin: Excuse me, the time being 4:30 p.m., it is time for Private Members' Hour. Agreed? (Agreed)

The member has 33 minutes left on Bill 56.

PRIVATE MEMBERS' BUSINESS

MR. ACTING DEPUTY SPEAKER: Private Members' Hour, Resolution No. 4.

The Honourable Opposition House Leader.

MR. G. MERCIER: Mr. Deputy Speaker, today is Tuesday. We, therefore, deal with private bills and public bills.

MR. ACTING DEPUTY SPEAKER: Private bills and public bills, okay.

SECOND READING - PRIVATE BILLS BILL 55 - AN ACT TO INCORPORATE THE ROYAL WINNIPEG RIFLES FOUNDATION

MR. F. JOHNSTON presented Bill No. 55, An Act to incorporate The Royal Winnipeg Rifles Foundation; Loi constituent en corporation "The Royal Winnipeg Rifles Foundation," for Second Reading.

MOTION presented.

MR. ACTING DEPUTY SPEAKER: The Member for Inkster.

MR. D. SCOTT: Mr. Deputy Speaker, I move, seconded by the Member for Thompson, that debate be adjourned.- (Interjection)- I'm sorry, I'm ahead of myself, excuse me.

MR. ACTING DEPUTY SPEAKER: The Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Deputy Speaker, I will be very brief.

This bill, the way it has been put together by the people presenting it and the Legislative Counsel, very closely follows The Winnipeg Foundation Act as far as rules and regulations are concerned to make sure that the funds that are going to be in this foundation are properly administrated to the benefit of the Royal Winnipeg Rifles and other people in this province if that board of directors that is being set up to administer the foundation so desires.

The original reason for the coming of the bill, the Winnipeg Rifles have, on three occasions now, had substantial funds of money willed to them and, as you well know, Mr. Deputy Speaker, when somebody wills money to a specific group, the desires of that person must be carried out.

The Royal Winnipeg Rifles found themselves in a position of having an accumulation of some funds which they felt should be administrated properly by incorporating the Royal Winnipeg Foundation. I think it's the proper thing for them to do, to see that those funds are made available to the people that those willing the money desired - and I might say, it might not only be a will; they may receive gifts from people - but the accumulation of funds, to be very brief, Mr. Deputy Speaker, should be administrated properly.

That's what this bill does and I recommend it to the House.

MR. ACTING DEPUTY SPEAKER: The Member for Minnedosa.

MR. D. BLAKE: Thank you, Mr. Deputy Speaker. I am pleased to take a minute to speak in support of this bill introduced by my colleague, the Member for Sturgeon Creek.

The record of the Royal Winnipeg Rifles is well known, a war record through several conflicts. I had the opportunity some years back when I served with the militia in the reserve forces of the Canadian Army, to be paymaster for a short while of "C" Company of the Winnipeg Rifles and during that period of time got to know many of their senior officers. I believe one of their Honorary Colonels today is Senator Gil Molgat,

who is well known to many in Manitoba, as well as several senior civil servants who have served this government and past governments very, very well.

The purpose of this foundation is certainly admirable and as my colleague from Sturgeon Creek has stated, it's a method to control the considerable funds that have been either willed or donated to this worthy cause. I'm happy to speak in support of it.- (Interjection)- No. My colleague tells me that they don't solicit funds; they're all voluntary and I'm sure that the foundation will find a use for these funds that will further the interests of the foundation and of the regiment for many, many years to come and I'm pleased to add a few words in support of the bill.

MR. ACTING DEPUTY SPEAKER: The Honourable Member for Inkster.

MR. D. SCOTT: Mr. Deputy Speaker, I move, seconded by the Member for Lac du Bonnet, that debate be adjourned.

MOTION presented and carried.

BILL NO. 54 - THE REAL PROPERTY ACT (3)

MR. G. MERCIER presented Bill No. 54, An Act to amend The Real Property Act (3), for Second Reading.

MOTION presented.

MR. ACTING DEPUTY SPEAKER: The Honourable Opposition House Leader.

MR. G. MERCIER: Thank you, Mr. Deputy Speaker. Members of the House who were present during the last Session of the Legislature will recall that the Attorney-General at that time introduced a bill to amend what was The Statute Law Amendment Act, in which there was an amendment to The Real Property Act which would have the effect of withdrawing caveats registered over a certain number of years.

That bill was introduced in the last few days of the Session. I can recall standing up after introducing that bill and asking the Attorney-General whether the caveats which would be withdrawn as a result of that bill were going to affect any existing and ongoing caveats and we received a negative answer to that question.

As a result, a caveat known as the Enderton Caveat was removed and has caused great concern to people living in the Crescentwood area. They have, I believe, spoken and written to the Attorney-General, certainly with the Member for River Heights, and they're concerned that by removal of that caveat the area is vulnerable to a number of zoning variations and the city is attempting to proceed with a zoning by-law for the area.

They are concerned, for example, that the area is now vulnerable to a new plan of subdivision. They're concerned with minimal side yard requirements. They're concerned with space that was required to be park space under the caveats now becoming R-4 vacant lot space subject to inappropriate development for the area.

They believe that the Enderton Caveat had protected the Crescentwood area and preserved it as an historical

part of the province and of the city and that now, by putting it under the zoning procedures of the city, zoning procedures which they feel have not protected many of the adjoining neighbourhood areas on Roslyn Road and Stradbroke, etc., they are concerned about what may happen in their area.

They wish the caveat to be reinstated so that there can only be one dwelling per building lot as originally surveyed; no outbuildings to be used as dwellings or places of business; front yard setbacks are to be maintained as set out in the caveat; standard side yard setbacks be maintained; there be no subdivision of properties to allow additional dwellings; and that any changes would have to go through the Municipal Board allowing for public input and requiring neighbourhood agreement for any changes to these requirements.

The bill is drafted by Legislative Counsel on the basis of the concerns proposed from the Crescentwood Home Owners Association, and the Legislative Counsel have attempted to include provisions so that people who have purchased property in the interim, since the discharge of the existing caveat and the time of the passing of this bill, would not be adversely affected.

I, therefore, request members to give this bill their favourable attention.

Thank you.

MR. ACTING DEPUTY SPEAKER: The Honourable Member for St. Norbert.

HON. W. PARASIUOK: I was wondering if I might ask the honourable member a question.

MR. G. MERCIER: I'd be prepared to accept a question. It may be that I will have to consult with the Home Owners Association and/or their legal counsel in order to provide the Minister with the answer.

HON. W. PARASIUOK: In proposing this bill, the member indicates that this is in relation to, I guess, the Enderton Caveat. Are there any other caveats the member is referring to when he wants to bring about this change in legislation, or is the legislation being introduced specifically in relation to the Enderton Caveat?

MR. G. MERCIER: If this is being introduced specifically with respect to that Enderton Caveat, in fact it's referred to in the bill in the first section, as a result of the concerns that have been brought forward by this Home Owners' Association. I have not had any other concerns brought forward to me with respect to the discharge of any other caveat that was discharged as a result of the Attorney-General's bill last Session.

MR. ACTING DEPUTY SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Deputy Speaker, I would move, seconded by the Minister responsible for Crown Investments, that debate be adjourned.

PROPOSED RESOLUTIONS

MR. ACTING DEPUTY SPEAKER: The next item is Private Members' Resolution No. 4, Charleswood Services and Taxation Levels.

The Honourable Minister of Urban Affairs has eight minutes remaining.

Sorry, the Member for Brandon West, on a point of order.

MR. J. McCRAE: A small point, but we must have our Journals reading correctly.

I don't believe you put the question on the motion moved by the Minister of Health.

MR. ACTING DEPUTY SPEAKER: It has been moved by the Minister of Health, seconded by the Minister of Crown Investments, that debate now be adjourned on Bill 54. (Carried)

RES. 4 - CHARLESWOOD SERVICES AND TAXATION LEVELS

MR. ACTING DEPUTY SPEAKER: We now move on to Private Members' Resolution No. 4, Charleswood Services and Taxation Levels. The Minister of Urban Affairs has eight minutes remaining.

HON. G. DOER: Thank you, Mr. Deputy Speaker.

When I was talking on this issue last, some months ago, we were just beginning to discuss the whole area of what has been commonly called the \$14 million boondoggle, or the Charleswood Bridge boondoggle that is proposed to go from Charleswood to St. James.

It's very important to discuss the issue of new capital works projects that have been built or are proposed to be built on the basis of development in the City of Winnipeg, in light of some of the services issues that are now being proposed on a narrow basis from the Member for Charleswood.

Literally millions and millions of dollars are going to be proposed to be spent, having traffic flow from Roblin Boulevard over to Portage Avenue and to have the traffic jams moved, or the traffic move from Roblin Boulevard or Grant Boulevard moving to downtown onto major traffic jams all the way in from St. James into Downtown Winnipeg. Millions and millions of dollars are proposed to be spent, Mr. Deputy Speaker, that could intelligently go to providing some of the services not only for Charleswood but other areas of the City of Winnipeg. I think the Member for Charleswood - and it's unfortunate that he's not here today for his Private Member's Resolution -(Interjection)- I wasn't casting aspersions . . .

MR. ACTING DEPUTY SPEAKER: I would caution the Minister that one cannot refer to the absence or presence of honourable member.

HON. G. DOER: All right, I withdraw that.

But it's unfortunate that we can't debate this issue in light of the full discussion that you can't spend millions and millions of dollars building a bridge that, I understand, the people of St. James are opposed to. I'd be curious to hear from MLA's from St. James on that issue, but certainly many of my sources tell me, in St. James and Sturgeon Creek and those areas, many of the people are opposed to the bridge, because the traffic will move north, Mr. Deputy Speaker, to Portage Avenue. I was talking to a city councillor from

that area two or four days ago. For millions of dollars, the traffic will move from the south end of Charleswood across the river to Portage Avenue.

So, we have to discuss the priorities of renewal of services, supplying of services in light of the major capital works projects which were proposed when many of the members opposite were planning for the next five to ten years in the City of Winnipeg. This project has been called a boondoggle, Mr. Deputy Speaker, by independent sources, and I believe also that it is a boondoggle for taxpayers' money to be spent on a questionable bridge across to Portage Avenue from Charleswood through St. James.

Mr. Deputy Speaker, the Member for Charleswood has talked about two issues related to Unicity, one being the fairness in terms of revenue, the other being the whole area of the City of Winnipeg Hydro. I think it's important for the record, Mr. Deputy Speaker, when the members are questioning the support for the City of Winnipeg, to discuss the recent bulletin put out by the Winnipeg Hydro that points out that well over \$100 million has been contributed to the revenues for the City of Winnipeg through Winnipeg Hydro and, through some great deal of respect, many of these dollars and profits have been resultant in implementation under the terms of The City of Winnipeg Act in 1971.

The member had mentioned before that The City of Winnipeg Act was a total disaster. There are many positive parts of The City of Winnipeg Act that are very, very beneficial to all citizens of Winnipeg, including the Members for Charleswood for the initiatives that have been developed by this government in previous mandates.

We cannot talk about capital renewal projects without talking about the whole area of urban sprawl. Mr. Chairman, it makes absolutely no sense to have a policy of Darwinian unfettered development in our City of Winnipeg, and then for the City of Winnipeg taxpayers and for the provincial taxpayers to be left with paying for the infrastructure that results from that sprawl. We cannot isolate the issue of services from the issue of development. We have to have a planned, coordinated development in our City of Winnipeg. We have to have a planned-and-coordinated approach to all our capital services, not only the capital services that are outlined from the Member for Charleswood in his resolution, but also in terms of capital works such as the building of schools, the operation of schools that are the responsibility of the taxpayer and the province to some degree. We must look at one issue in relationship to the other. We can't talk about the services in isolation from the spending and the taxation levels, Mr. Deputy Speaker.

It's very, very important that urban sprawl and fairness of services as a key issue for all of us in discussing this debate. That's why I'm very disappointed, Mr. Deputy Speaker, that the issue of services in Transcona that also has gravel roads, the issue of services in East Kildonan that has underdeveloped areas, the issue of services in Fort Garry that has underserviced areas is not in this resolution, but rather just a narrow resolution from one jurisdiction in the City of Winnipeg.

The bottom line is, Mr. Deputy Speaker, the City of Winnipeg homeowners and the Charleswood homeowners in an open letter to the citizens of Winnipeg have stated that the fault for the lack or deterioration

of services is clearly on to the former City Council. They state in a letter of June 29, 1983: "The deterioration has come as a direct result of two City Council decisions, two discriminatory by-laws passed by City Council that have unduly affected the residents of Charleswood," and this has been put squarely on the record by Mary Foster, Secretary of the Charleswood Homeowners' Association.

Mr. Deputy Speaker, that is the feedback from the people living in Charleswood in terms of some of the previous decisions. That does not mean to say that the province is not willing to negotiate city-wide services and city-wide concerns with the City Council and other residents of the city. We stand committed to the \$90 million capital renewal program which was announced by the province some six months ago, a precedent-setting amount of money for the City of Winnipeg for capital works projects that is to be negotiated by the province with the City of Winnipeg to meet the priorities, not just for Charleswood, Mr. Deputy Speaker, but for citizens right throughout the City of Winnipeg proper.

Therefore, Mr. Deputy Speaker, I would move, seconded by the Honourable Member for Rossmere,

THAT the proposed resolution on Charleswood services and taxations be amended by striking out all words following the first WHEREAS clause, and replacing them with the following:

WHEREAS the initial residential growth of the R.M. of Charleswood occurred after the War, with The Veterans' Land Act creating large lot subdivisions; and

WHEREAS little additional residential growth came until the late Sixties and early Seventies with the development of areas such as Westdale, River West Park and Charleswood Park; and

WHEREAS the NDP Government of Manitoba enacted Bill 36, The City of Winnipeg Act, in July of 1971 which allowed for the amalgamation of municipalities surrounding Winnipeg with that city; and

WHEREAS the NDP Government of Manitoba provided an equitable sharing of the tax burden among Winnipeg residents with the amalgamation of the municipalities surrounding Winnipeg; and

WHEREAS since being amalgamated with Winnipeg, the population of Charleswood has doubled along with the corresponding increase of vehicular traffic; and

WHEREAS the infrastructure located in Charleswood has been put under increasing pressure due to this increased population; and

WHEREAS the City of Winnipeg is responsible for maintenance of the streets of Winnipeg; and

WHEREAS the City of Winnipeg passed the by-law which resulted in the landowners being charged the costs of maintenance of the streets; and

WHEREAS the Government of Manitoba over the last five years has increased the level of support to the City of Winnipeg by 56.3 percent;

THEREFORE BE IT RESOLVED that this Legislature support the government for the increased level of funding it has given the citizens of Winnipeg which has been to the benefit of all citizens of Winnipeg, including those of Charleswood; and

BE IT FURTHER RESOLVED that this Assembly recommend that the Government of Manitoba continue to discuss with the City of Winnipeg city-wide, joint priorities within the \$90 million, six-year capital program announced by the Province of Manitoba.

I so move, Mr. Deputy Speaker.

MR. DEPUTY SPEAKER, C. Santos: It appears that the motion to amend is in order.

MOTION presented.

MR. DEPUTY SPEAKER: The Member for Charleswood.

MR. J. ERNST: Thank you, Mr. Deputy Speaker.

In addressing the amendment to the resolution, I think it's rather sad that the Minister of Urban Affairs would come forward with such a demanding resolution. I think it's a clear indication he doesn't understand what the problem is, he doesn't understand what the problem was back in 1971, with the amalgamation of the City of Winnipeg, and the resultant problems facing the people of Charleswood.

Mr. Deputy Speaker, there were a great number of WHEREASES and a considerable length of preamble in this particular resolution for a good purpose, not to take up a lot of room on the order paper, but to explain to those people who were not present in the Legislature at that time and/or who were not familiar with the problems that are facing Charleswood and the reasons that came about as a result of amalgamation to give them an indication of the kind of situation that occurred, how it occurred, and I don't think, quite frankly, at that particular time, that the government really was aware of the kind of problems that occurred.

Mr. Deputy Speaker, we have a situation where a community was brought into a marriage not on an equal basis. There were other communities around Winnipeg that formed part of the metropolitan area that had similar qualities. They had situations like Charleswood, but they were in the minority as opposed to the majority. In this situation, the gravel roads, the lack of services and those kinds of things, Mr. Deputy Speaker, were simply overwhelming in the Charleswood situation.

The Government of the Day, in my view, and I think in the view of a great many people, did not recognize that. They either didn't understand it or ignored it or whatever, but it did not enter into the scheme of things. As a result, Mr. Deputy Speaker, that wrong needs to be righted.

It's not good enough, quite frankly, for the Minister of Urban Affairs to stand up and thump the chest about how well the Provincial Government has addressed the funding of the City of Winnipeg. In fact, they are facing cutbacks from this particular government, Mr. Deputy Speaker, cutbacks over the last several years, not increases in funding.

Admittedly, maybe the overall increase is - whatever it is in here - 56 percent, Mr. Deputy Speaker, but in the last few years it's actually been cutbacks to the City of Winnipeg, not increases in funding. The same kind of cutbacks, Mr. Deputy Speaker, that the Member for Rossmere, the Minister of Industry, Trade and Technology, has spoken about, and in his prior capacity as Minister of Finance, in dealing with cutbacks from the Federal Government. Those same kind of cutbacks are going to the City of Winnipeg, not increases.

So, Mr. Deputy Speaker, I think the whole problem has been missed by this resolution, this amending

resolution. It does not address the problem at all; it misses the point entirely. It's sad and unfortunate because the Minister of Urban Affairs should know better. He should understand by now the kind of problems. He should have had his staff at least look into the problem, at least address the kind of WHEREASES, the kind of preamble that were associated with the resolution to find out what the underlying root cause was.

Somebody mentioned to me, in passing, this was a frivolous resolution. It's not frivolous at all. It is a serious problem and one that has not been addressed, and certainly isn't addressed by this proposed amendment, Mr. Deputy Speaker. The amendment misses the point entirely and it's unfortunate that this government will go down as having missed that point, as having ignored the real problem and as having, once again, not given consideration to the people of Charleswood.

MR. DEPUTY SPEAKER: The Honourable Minister of Industry, Trade and Technology.

HON. V. SCHROEDER: Thank you, Mr. Deputy Speaker. I rise to speak to this amendment and, in support of it, in so doing, I must express some amount of surprise at the speech we've just heard.

Members of the Legislature might assume from that speech that somehow the problems in Charleswood, No. 1, are unique; or, No. 2, were created by Unicity.

Let's deal with No. 2 first - Unicity. That came about in what year - 1971? 1971 - Unicity. Until when did the old system of taxation for roads in Charleswood continue, till 1972? Oh, much longer than that. All the way to 1979 when the current Member for Charleswood is one of the senior members of City Council and passed a by-law changing the way in which taxes are paid in the City of Winnipeg requiring people in Charleswood, which he then did not represent, to pay more for their frontage. It was as simple as that. It had nothing to do with Unicity. It had to do with a by-law of the City of Winnipeg.

And to suggest in this House now or in the original resolution that it had somehow something to do with Unicity is something that I believe should be beneath a member of this Legislature. To be suggesting that it had something to do with Unicity when it had everything to do with a City of Winnipeg by-law, passed at a time when the city had come through its worst cutbacks in real dollar terms. We'll check the numbers; I don't have them here. The Member for Charleswood has made allegations about cutbacks.

I want to go back to 1978-1979 and take a look at the Sterling Lyon Government. Mr. Lyon was the representative for Charleswood at the time and knew full well what any kind of an impact of a cutback would be, and keep in mind that in those days we had 10, 11, 12 percent inflation.

I believe the record will show that in actual dollars, from one year to another, there were fewer dollars flowing from the province to the City of Winnipeg, and we have the Member for Charleswood standing here with the gall to say that our government is the cutback government, but we will check that. I believe I'm correct on that.

Mr. Deputy Speaker, in case members of the Legislature - I should say beyond that, another issue,

and I'm surprised at the Conservative caucus for not having caught this. The issue is payment upkeep of those gravel roads. People who are not from Winnipeg might assume that it is only the Charleswood district that was affected by this problem.

Well, Mr. Deputy Speaker, when I became the Member for Rossmere in 1979, I represented North Kildonan which has very many miles of gravel; has the same problems Charleswood has. North Kildonan is not referred to in this resolution; the original, and that's one of the reasons I support the amendment because the amendment broadens the issue. It says, we don't just look at Charleswood; we don't just fix up the gravel roads in Charleswood and walk away and say, what good boys we were. If we're going to do something, we're going to do something that is fair to the ratepayers in North Kildonan as well as in Charleswood.

But it's not only in North Kildonan, it's in St. Vital, it's in Lord Selkirk-West Kildonan and it's also in St. James-Assiniboia; the area which the Member for Charleswood used to represent in City Hall. Why are we not going to fix it up for all people in this city if we're going to do something about it? Why are we going to pick one particular provincial seat and say we'll fix it up there and ignore everybody else?

It seems to me, Mr. Deputy Speaker, what we have here is a little bit of a hangover from city politics. What we have here is a little bit of the borough politics that we have too much of in this city. We have too little imagination, too little planning for the city as a whole and too much logrolling, too much scratching the backs of one part of the city to help another and so on, rather than looking overall at what should be done; what is right for the city; how the city should develop; what are the issues of suburban development; urban sprawl; those sorts of things which the Member for Concordia has referred to.

When we talk about looking for the money, the Minister of Urban Affairs has told us that we as a province, a provincial government - which everyone in this House recognizes is under seige when it comes to finances - our provincial government has put up \$90 million over the next five years - five years capital spending for the City of Winnipeg - and that is something that we are prepared to discuss with the city in terms of how that money should be rationally spent on capital works in the City of Winnipeg.

I don't believe - and I stand to be corrected - I don't believe that there's ever been a period of five years where we've put out \$90 million for capital works, so it's not peanuts we're talking about and it does give the city the opportunity to do the long-term capital planning which it has been requesting. So I think it is a very important response from the province; a response that is not unreasonable - some members may say there should be more - but we had the Member for Charleswood up - wasn't it just today - talking about the Government of Manitoba spending in a frenzied fashion or words to those effects, that we were spending too much money? And every time they have one of their own issues, even if it benefits just one out of 57 constituencies, and even if there's a whole handful of other constituencies in an identical position, they say spend, spend, spend, and then they say we're the frenzied ones.

(MADAM SPEAKER, M. Phillips, in the Chair.)

Madam Speaker, I believe that as a government we must be responsible to ensure that there is a fair expenditure of that very rare money we have; and I believe that we must begin to look a little further afield for that money. I would hope that members opposite, in addressing this issue, would address that issue of what is happening in this country in terms of funding of roads and highways.

As an example, in the Province of Nova Scotia - a similar population to Manitoba, slightly smaller; one announcement, and this isn't the only highway expenditure - one announcement by the Federal Government, \$18 million on a highway which cuts through, and I'm quoting from The Globe and Mail: "Much of the highway is currently a dirt road that cuts through the uninhabited heart of Mr. McKay's (phonetic) Central Nova riding, including the Listum (phonetic) Game Sanctuary." That of course is the riding formerly represented by the Prime Minister.

Talking about the Prime Minister's ridings, in the riding - just to demonstrate the difference between what he does in the riding federally represented by Charleswood or Winnipeg Birds Hill or other Manitoba ridings - in the constituency of Manicouagan the Prime Minister's personal riding, he is putting out close to \$50 million in funds for highways and in none of our ridings in Manitoba is he putting out one single penny; not one penny for Manitoba, and yet here we have Conservative MLA's standing up and saying we have to have the Provincial Government spending more money because the city doesn't have any; but every time we start saying, well, let's look around and see what is fair as compared to the rest of the country, there is dead silence or heckling; one or the other.

There is never, never agreement on the part of the opposition in Manitoba that maybe their federal brothers and sisters should deal with Manitoba in the same way that they deal with Nova Scotia, in the same way they deal with Quebec, and the same way they deal with other provinces of this country. Not once do we hear members of this opposition say it's time we got our fair share from the feds; no. When they point the finger, it is always the finger at the Provincial Government and always more, more, more and they never, never, never look back to the municipality and say, where is your responsibility? But we come to this Chamber with the suggestion that it is Unicity that is doing this to you.

I have a letter here, an open letter to Metro One from the Charleswood Homeowners' Association, from the people of Charleswood. I believe there were several thousand people who were members of this organization, so it wasn't some small insignificant group, a very significant group, and what do they say? "All we want is an equitable return for our tax dollar with respect to the upkeep of our deteriorating roadways. This deterioration has come about as a direct result of two City Council decisions." I'm quoting from the report, Madam Speaker, "two City Council decisions;" not Provincial Government decisions, City Council decisions: "1) The discriminatory by-law passed by City Council with the full knowledge and support of our own councillor that stopped maintenance and upkeep of the granular roadways which constituted the majority of streets in Charleswood and made it necessary for residents to pay for maintenance as a local

improvement; 2) the community committee's continued sanctioning of new housing developments which funnel more traffic on to these dirt roads which were never meant to carry such a traffic load."

Now we know that the Member for Charleswood was not the City Councillor referred to there, but he was on City Council. He was able to direct by-laws in those times - one cannot say that he was not influential in City Council when that by-law was passed - yet he comes to this Chamber, Madam Speaker, and tells us that it's because of Unicity that Charleswood has a problem that is unique and of course that is patently wrong.

North Kildonan has an identical problem. Other parts of the city have the identical problem. It was created by City Council and I agree entirely with this letter that says it was created as a result of that by-law and it was created as a result of continued outward expansion of the city, ignoring the fact that you didn't have the streets and roads and feeder systems that would take care of that expansion.

It was those reasons that caused the resolution to be here. Where I am very disappointed is, Madam Speaker, that we didn't have the Member for Charleswood now standing up and saying, you're right; we should look at this as a city issue, not as a narrow partisan issue for one particular region of the city. I would hope that members opposite, on consideration, on reflection, will recognize that the amendment we have put forward is an amendment that makes a great deal of sense and I would urge you all to support it.

Thank you.

MADAM SPEAKER: The Honourable Member for St. Norbert.

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

I wish to make a few remarks about this resolution. Firstly, with respect to the Honourable Minister's suggestions that the Member for Charleswood has brought forth a parochial issue. Madam Speaker, this is Private Members' Hour and this is the time when I think any member of the Legislature can bring forth a matter that is of major concern to his constituency and he has done so in this case. When he talks, Madam Speaker, about a large sum of money to be spent in one constituency, if he wishes, we could go into a number of examples across the other side. We could talk about Flyer and its cost and importance to the constituency of Transcona. We could talk about Manfor and the enormous cost to the taxpayers and its effect in the constituency of The Pas.

But, Madam Speaker, let me deal with one paragraph particularly of this resolution, of the amendment to the resolution, which states:

THEREFORE BE IT RESOLVED that this Legislature support the Government of Manitoba for the increased level of funding it has given the City of Winnipeg which has been to the benefit of all citizens of Winnipeg, including those in Charleswood.

First of all, Madam Speaker, I believe that the people of Charleswood have been dealt with somewhat unfairly in the City of Winnipeg and at the same time it's a very difficult issue for any government, either at the council level or the provincial government to deal with. But I

do feel that they have equity on their side and that it is important that the city government and the provincial government attempt to do something to resolve the difficult situation they now find themselves in. Because, at the time of amalgamation, they were really predominantly a rural area with large lots and many people, because of the development that has taken place and the services that are required, had been placed in an unfair burden.

But the Minister for Urban Affairs in his resolution is attempting to say, attempting to ask this Legislature to support the government for its funding, the NDP Government in fact is referred to in here, that it has provided to the City of Winnipeg.

Madam Speaker, let us examine the record, and I believe that the Minister of Urban Affairs is aware of these figures. From 1977 to 1981, under a Progressive Conservative Government, the net realty taxes payable to the city by a Winnipeg resident homeowner with a \$7,000 assessment, which is the average assessment, Madam Speaker, assuming the minimum property tax credit for that home - that's the average homeowner in the Winnipeg School Division, which is the heart of the seats of members opposite - the total increase over four years in taxes on that average home of \$7,000 assessment was \$78.33. That was over four years - a total of \$78.33 increase, Madam Speaker, in four years. I know you probably thought, Madam Speaker, that must have been just one year, but it is four years.

Now in that same home, Madam Speaker, from 1981 to 1986, given this concern that we see in this resolution, given this alleged concern that we have heard from members opposite for a number of years, you would expect that the increase on that average home, especially when members opposite continually indicate that they want to speak up and represent and stand up for the ordinary Manitoban - well, Madam Speaker, the ordinary Manitoban lives in this home, so given the rhetoric, you would fully expect that the taxes on that home may have even gone down compared to what happened to them under those heartless Tories when they were in government.

Madam Speaker, regrettably, the taxes on that average home inhabited by that ordinary Manitoban, have gone up from 1981 to 1986 by \$470.26 - over six times the increase that occurred in four years under a Progressive Conservative Government. Now, Madam Speaker, I hardly call that standing up for the average Manitoban.

So when the Minister of Urban Affairs introduces an amendment that asks me, as a member of this Legislature and members on this side of the House, to support the NDP Government of Manitoba for the increased level of funding it has given the City of Winnipeg, which has been to the benefit of all citizens of Winnipeg, including those in Charleswood, Madam Speaker, that is really stretching it. When we have survey after national survey that indicates Winnipegers have one of the highest rates of taxation in this whole country. He has the nerve, Madam Speaker, to introduce a resolution to ask us to congratulate him and the NDP for their increased funding which they have given to the citizens of the City of Winnipeg, let alone the residents of Charleswood whom I think have borne an inequitable burden since amalgamation and, again, which has been a difficult - I haven't been able to solve it and members opposite haven't been, but I would

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hope that together some relief could be provided in that area.

Madam Speaker, I can hardly vote for this resolution in view of the clear evidence that taxes in five years under the New Democratic Party have risen six times the total increase over the four-year period of the Progressive Conservative Government.

What is causing even greater concern, Madam Speaker, is what is in front of the taxpayer of the City of Winnipeg. Members on this side of the House have been raising this assessment question through the election campaign, before the election campaign, we've raised it for a number of years; we've raised it all during the Session and now, interestingly enough, at the last moment, and we're not saying it shouldn't have been introduced, but we're saying at the last moment, the Minister of Urban Affairs has introduced a bill dealing with The City of Winnipeg Act and The Municipal Assessment Act, hopefully, Madam Speaker, to provide the kind of relief from the shift in taxation we've been warning this government about for a number of years now.

Again, at this Session of the Legislature, hopefully he is going to take some advice in that area, Madam Speaker, and this will be a bill, as we recommended, that can somehow deal with that shift in assessment and taxation that is going to take place.

Madam Speaker, we also have, at the same time, a government that purports to talk about its increased level of funding and its relationship with the City of Winnipeg when this very year it was the government on the last day of setting the mill rate that advised the City of Winnipeg of the amount of provincial funding it was going to receive.

Madam Speaker, I had the privilege of serving as Minister of Urban Affairs for four years and I can tell the Minister, if he doesn't already know, that to wait until the last minute to advise the City of Winnipeg of its amount of funding is simply inexcusable and puts the city in a real difficulty. On the one hand he says the city should be planning in the long term. How can the city plan for the long term when the government doesn't decide until the last minute of the day it's setting the mill rate to inform it of the amount of money it's going to receive. Madam Speaker, that is absolutely atrocious. Any provincial government should be advising the City of Winnipeg of the amount it is able to finance the City of Winnipeg in that current year, for example, for the 1987 calendar year by either late 1986, as we did on some occasions, or at the very latest in early 1987, but to advise it on the last day, and then to stand up in this Legislature and complain about the planning of the City of Winnipeg is just mind boggling.

Madam Speaker, to give the city money on one hand and then to have it taken back a few weeks later by the budget of the Province of Manitoba, by the Minister of Finance in its -(Interjection)- Manitoba Hydro - Madam Speaker, for an NDP socialist government, anybody who accumulates any money, any board or agency or municipal government will not be allowed to do that. That's against the financial principles of the NDP, because you've got to be in a deficit to be on the right relationship with this government. But to accumulate a surplus, they're going to find it right away.

That's the message out there to anybody who operates a municipal government or hospital board or any other agency. Don't accumulate a surplus, don't be thrifty, don't be efficient because the government's going to, in some way or another, attach that source of funds. That's the message.

But another message, Madam Speaker, in dealing with this whole area of municipal taxation I want to raise, and I hope the Minister of Industry and Trade will forgive me, but for my local school board, it's interesting to note that the Fort Garry School Division have published - and it's regrettable that they found it necessary to do this - but published in a local weekly newspaper that, from 1983 to 1986, the percentage of operating expenditures funded by provincial grants has decreased from 73 percent to 65.5 percent. Madam Speaker, the government, through its policies, whether it be aid to municipalities or aid to school boards, the diminished funding that has been received in both of those areas is contributing to this tremendous increase in taxes, paid by ordinary Manitobans in average assessed homes and is becoming a serious, serious burden.

When you look at that increase that has taken place since 1977, Madam Speaker, and then to ask us to support the NDP Government of Manitoba for its increased level of funding it has given the City of Winnipeg is something I find simply atrocious.

I commend the Member for Charleswood for raising in this public forum an issue that is of great concern to his constituents, because they, more so than any other area of the city, were mainly a rural, agricultural area of people who wanted to have large lots, less services than usual in other urban areas of the city and then, because of Unicity, because of amalgamation, the cost of maintaining those properties, the cost of services that have gone in front of many of those properties, services which many of them did not want, has risen atrociously, as well as the municipal taxes, that all other residents of this city have borne since the NDP have been in government since 1981. This is one group of people, Madam Speaker, who've been totally ignored by this government.

Have they increased the property tax rebate? We increased it by \$100 and gave a great deal of relief to urban residents of this city. In 1980 or 1981, we provided an infusion of \$70 million into the educational system, it's mainly those two amounts, and continuing increases over the years, that allowed us to only allow for an increase of \$78 over four years on the average assessed home in the City of Winnipeg.

But under this government, in five years the ordinary Manitoban living in an average home in the Winnipeg School Division, where most of members opposite's constituencies are, have seen that amount of taxes increase by \$470, six times the Conservative increase, Madam Speaker. It's a shame, Madam Speaker, and I can't support the amendment which attempts to ask this Legislature to support the NDP Government for its increased funding because it simply hasn't taken place.

MADAM SPEAKER: The hour being 5:30 p.m., I am leaving the Chair and will return at 8:00 p.m.