

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 3 June, 1987.

Time — 1:30 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

MR. C. BAKER introduced, by leave, Bill No. 54, An Act to Validate By-Law No. 3678 of The Rural Municipality of St. Andrews; Loi validant l'arrêté no 3678 de la municipalité rurale de St. Andrews.

BILL NO. 58 - AN ACT RESPECTING THE ACCOUNTABILITY OF CROWN CORPORATIONS AND TO AMEND OTHER ACTS IN CONSEQUENCE THEREOF

HON. G. DOER introduced, by leave, Bill No. 58, An Act respecting the Accountability of Crown Corporations and to amend other Acts in consequence thereof; Loi concernant l'obligation redditionnelle des corporations de la Couronne et modifiant certaines Lois. (Recommended by His Honour the Lieutenant-Governor)

MOTION presented.

MADAM SPEAKER: The Honourable Minister.

HON. G. DOER: Yes, pursuant to Rule 85, I'd like to make a brief statement on the purport of Bill 58.

Madam Speaker, the bill is an improvement, or proposed improvement, of the system of openness and accountability we feel important to Crown corporations and their future. The key note of the policy, Madam Speaker, is accountability of the Crown corporations to the public and to the Legislature.

The framework of accountability established in the legislation will help our Crown corporations respond to the needs of the public they serve, while we believe strengthening the framework for business decision-making in our Crown corporations.

There are four main features of the bill, Madam Speaker. The first is public accountability, to ensure timely information on the results of the operation of the Crown corporations through the elected representatives in the Legislature. There will be tabling of reports by all Crown corporations covered by this bill.

Secondly, the Crown corporations having the most contact with the public, the Manitoba Hydro, the Manitoba Telephone System, the Public Insurance Corporation and the Liquor Control Commission will be required to create a service committee, and that

service committee will ensure that public meetings are held at least annually to explain the objectives of the corporation, to review its relationship with its customers, and the delivery of services to the public it serves, and to receive all public input, Madam Speaker. Further, the service committee will receive advice from the public on an ongoing basis on areas of concern.

The second area, Madam Speaker, is legislative accountability. As I've mentioned, the Crown corporation will continue to be responsible to the Minister and, through the Minister, to the Manitoba Legislature. Annual reports of all Crown corporations covered by this act are to be provided to the Minister and are to be tabled and referred to the Standing Committee of the Legislature. Madam Speaker, through a holding company, public investment corporations of Manitoba, financial statements, for a period ending December 31 in each year, will be prepared.

Madam Speaker, we also have a third area of accountability with our Crown reform package, and that is, in the area of employee involvement and accountability, the government policy of appointing directors is affirmed; and secondly, large Crown corporations will have a joint council to discuss with employees, the Minister and management, the effectiveness of delivery of the Crown corporations to the public of Manitoba.

A fourth area, Madam Speaker, is financial accountability. We are proposing that responsibilities of boards of Crown corporations will be clarified and strengthened to be required to ensure that audit committees are established, to ensure that planning committees are formed, to ensure that service committees are established, to adopt conflict-of-interest guidelines, and to conduct special organizational reviews.

To streamline the accountability of Crown corporations, the Department of Crown Corporations, and the role of ERIC, relative to Crowns, will be eliminated and a provincial holding company, called the Public Investments Corporation, will be created to give direction on the matters of policy and to monitor the results of Crown corporations.

While individual Crown corporations, Madam Speaker, will continue to be responsible for their own operations, the holding company's annual report will allow the consolidated results of the Crown corporation sector to be presented.

The holding company will be funded by a levy on the Crown corporation. Madam Speaker, the holding company is modeled after the holding company in Saskatchewan, but it is more limited in some of its powers than has been successful in the Province of Saskatchewan.

Madam Speaker, we feel the overall objective of public accountability, accountability to the Legislature, increased employee involvement and increased financial accountability through a streamlining of the former Crown Investments Department and the former ERIC

committee with the holding company will help our Crown corporations meet the challenges of the future.

Thank you very much, Madam Speaker.

QUESTION put, MOTION carried.

MADAM SPEAKER: Order please.

The Honourable Member for Roblin-Russell.

MR. L. DERKACH: Yes, Madam Speaker, I'm wondering if I can ask a question of clarification of the Minister with regard to the statement.

MADAM SPEAKER: Can the honourable member ask a question at this time? Does the honourable member have leave to ask a question?

The honourable member does not have leave.

Will the honourable members please come to order. Before moving to Oral Questions, may I direct . . .

The Honourable Minister of Finance.

HON. E. KOSTYRA: Madam Speaker, I have a report to table. I wonder if I could table it at this time.

MADAM SPEAKER: Does the Honourable Minister have leave to revert Ministerial Statements and Tabling of Reports? (Agreed)

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: I wish to table the annual report of the Civil Service Commission for the year ended March 27, 1987.

INTRODUCTION OF GUESTS

MADAM SPEAKER: Before moving to Oral Questions, may I direct the attention of honourable members to the gallery where we have 23 students from Grade 5 from the Elmdale School under the direction of Mrs. Sylvia Baker. The school is located in the constituency of the Honourable Member for La Verendrye.

We have 55 students from Grade 6 from the R.J. Wauch School. These students are under the direction of Mr. Grant and Mrs. Kemp-Thorn. This school is located in the constituency of the Honourable Member for Gladstone.

We have 26 students from Grade 9 from the John Pritchard School under the direction of Mr. Erwin Kroeker. The school is located in the constituency of the Honourable Member for River East.

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

ORAL QUESTIONS

MTX losses - tabling of breakdown as submitted by Mr. Curtis

MADAM SPEAKER: The Honourable Member for Pembina.

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

Madam Speaker, tomorrow we will be resuming discussion in committee of the \$27 million MTX loss in Saudi Arabia, the United States and other parts of the world.

At the last meeting in which we discussed those losses, Mr. Charles Curtis, the Acting Chief Executive Officer of MTX, indicated he would provide to myself, and other members of the committee, a detailed breakdown of the over \$20 million loss incurred by MTX in Saudi Arabia.

In the interests of expediting that committee work tomorrow, and in view of the fact that Mr. Curtis has returned and is in the building, would the Minister responsible table with me this afternoon that breakdown, as committed to be provided to committee by Mr. Curtis this afternoon, so that we might have an opportunity to peruse it prior to tomorrow's meeting and expedite questioning on that \$20 million loss?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. G. DOER: Yes, Madam Speaker.

Due to the fact that I've been in Estimates; I'll be meeting with Mr. Curtis and Mr. Robertson later this afternoon, very late in the afternoon, Madam Speaker.

We will fulfill the commitment we made at committee, to provide the breakdown of the loss, as requested by the Opposition, notwithstanding the fact that there was some posturing about where that loss went to, Madam Speaker, but we will provide the actual breakdown of that loss as we committed ourselves to do at the committee, as we committed ourselves to do.

MR. D. ORCHARD: So, Madam Speaker, I can assume that the Minister is now posturing and withholding the information in advance of committee when it is available for the . . .

MTX in Saudi Arabia - criteria for wind down operations

MADAM SPEAKER: Does the honourable member have a supplementary question?

MR. D. ORCHARD: Yes, Madam Speaker, I do have a supplementary question.

Madam Speaker, Coopers and Lybrand were engaged to investigate MTX activities and were mandated and given a modus operandi, if you will, to undertake an investigation of MTX. Pursuant to their initial report, they were further engaged to wind down MTX's operation in Saudi Arabia.

Could the Minister provide today the criteria by which Coopers and Lybrand were directed to wind down the Saudi Arabian operations of MTX?

HON. G. DOER: Madam Speaker, on the first point, we are going to fulfill our commitment that we made at the last committee hearing, to provide at the next committee hearing the breakdown of the loss in MTX, as negotiated by Mr. Curtis, and recommended by Coopers and Lybrand to the government.

Madam Speaker, the whole question of the criteria that Coopers and Lybrand had are consistent with the committee hearings in November for an orderly wind down to protect the extent of potential losses on all potential areas.

The criteria, Madam Speaker, I'm sure is developed in the report that has already been tabled on the Cezar Industries and on the SADL operations, and, I would hope, will be further delineated with the specifics of the wind down as they will produce tomorrow morning at committee hearing as committed.

MR. D. ORCHARD: Madam Speaker, I take from that answer that there were criteria given to Coopers and Lybrand, to undertake the wind down of MTX in Saudi Arabia, as well as Cezar.

Could the Minister please provide a copy of those criteria as he, as Minister responsible, would have provided to Coopers and Lybrand?

HON. G. DOER: The criterion fundamentally, Madam Speaker, are quite obvious. The least amount of further financial exposure from the November 21 date, and the least possibility of potential damaging litigation, particularly with the Cezar Agreement, as articulated in the report that the honourable member received some two weeks ago. So those are the obvious criteria, Madam Speaker, wound down in the most effective way with the least possible litigation events in terms of the exposure of MTX.

Madam Speaker, those criteria were articulated in the reports that the member opposite had, we'll further delineate those criteria if the member opposite requires it, tomorrow morning.

Sales tax - penalty being levied

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Madam Speaker, some time ago the Minister of Finance berated me for calling into question the legality of the government implementing tax measures before the passage of the taxation act.

Madam Speaker, can the Minister of Finance advise whether there is a penalty being levied against those employers who do not, and will not, pay the increase under that new tax, will not pay the increased taxation until after the passage of the taxation act, Bill No. 51?

MADAM SPEAKER: The Honourable Minister of Finance.

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

It's interesting to note that the member would ask such a question and refer back to the point that he made vis-a-vis the sales tax and the province's authority in the longstanding tradition in this country for the announcement and imposition of such tax increases. It's interesting to note that he does that just after a day that his colleagues in the Province of Saskatchewan introduced a tax increase, not when their Legislature was sitting, not at the normal time when a budget is introduced, but by press release they indicate that they're increasing a tax, not only at that point, but making it retroactive for the whole year.

So I think the member should look at how his political party deals with these kinds of issues. Our taxes were brought forward in the normal fashion, debated in this House through the budget process. Any collection will be done in a normal fashion as they've been done in this province for a number of years, Madam Speaker.

MR. C. MANNES: Madam Speaker, what the Minister of Finance points out is how weak of an Opposition there is in Saskatchewan, because that would never be allowed in this province.

Madam Speaker, how . . .

MADAM SPEAKER: Order please.

The Honourable Member for Morris has the floor.

Sales Tax - justification of penalty

MR. C. MANNES: Madam Speaker, how can the government possibly justify the imposition of such a penalty when they would obviously lose a court case if that employer wished to take it to court, because it is not law?

HON. E. KOSTYRA: The member talks about the Province of Saskatchewan, that there's such a weak Opposition; but picture yourself, Madam Speaker, dealing with such a strong government in the Province of Saskatchewan, a strong Conservative Government that hasn't got the guts to face the Legislature in their province like this government faces the Legislature and debates bills of this House.

Picture yourself a strong government, Madam Speaker, that talks about a deficit level of some \$300 million before an election, and has a deficit level of 1.2 billion after the election in a matter of weeks, Madam Speaker. That's strong government for you, Madam Speaker. So I'll let the facts speak for themselves, Madam Speaker.

As I indicated in response to the question, the normal practice with respect to the collection of taxes, dealing with any arrears in taxes, and the matter of any penalties, is being dealt with in the same fashion that's been done all along in this province for a number of years, Madam Speaker.

Sales tax - waiving of penalty re collection of

MR. C. MANNES: Madam Speaker, seeing the imposition of a penalty is illegal, will the Minister of Finance consider waiving that penalty until the passage of Bill No. 51, at which time the employers of this province will remit retroactively the tax that they are expected to pay under the law of the province?

HON. E. KOSTYRA: As I indicated, the normal practice will prevail as it's been in the past when that member's party was in government and imposed taxes retroactively on a number of areas. The same practice that existed at that time, that exists in the past, exists today, will continue.

Small Business Growth Fund - have details been finalized

MADAM SPEAKER: The Honourable Member for Portage la Prairie.

MR. E. CONNERY: Thank you, Madam Speaker. My question is to the Minister of Business Development.

Has the plans and the details for the Small Business Growth Fund been finalized and has the program been announced?

MADAM SPEAKER: The Honourable Minister of Business Development.

HON. M. HEMPHILL: No, Madam Speaker.

MR. E. CONNERY: Well, Madam Speaker, to the same Minister then.

Is it proper that MLA's go about their constituency telling people that the program is in place and giving them a phone number to call so that they can get in on the program? Is this proper?

MADAM SPEAKER: Would the honourable member care to rephrase his question so it doesn't seek an opinion?

The Honourable Member for Portage la Prairie.

MR. E. CONNERY: Is it the policy then, Madam Speaker, of the government, to the Minister, for MLA's on their side to go about announcing a program that hasn't even been finalized by the department?

HON. M. HEMPHILL: Madam Speaker, I think that it's very important that we do not turn off anybody that is interested or wants to find out information about the program when it becomes available.

There is a member of staff in my department, Madam Speaker, who is taking calls for anybody that wants to call, any MLA's that want to get information, and putting their name on the list so that when the program is announced, that information can get out immediately to those people. It's open to everybody, Madam Speaker.

MR. E. CONNERY: Well, Madam Speaker, it's kind of funny then, that the number in the Minister for Northern Affairs . . .

MADAM SPEAKER: Does the honourable member have a supplementary question?

MR. E. CONNERY: Yes, but I have to explain to you what the question is going to be. I just thought I would suggest it.

Why wasn't the number for the Business Development Corporation, the number that was put in the member's article in the Swan Valley newspaper, why was it not your department that was getting the phone calls?

SOME HONOURABLE MEMBERS: Oh, oh!

HON. M. HEMPHILL: Madam Speaker, that is not a government number; that is a number of the department. It is a number that is in the telephone book. It is a number that anybody can call, and a number that anybody can communicate to their

constituents to call to get information and advice about government programs.

MR. E. CONNERY: Madam Speaker, my question, then, would be to the Member for Swan River.

Why was it the Member for Swan River put in his MLA's report that a program . . .

MADAM SPEAKER: Order please.

That question is not within the Minister's jurisdiction.

Manitoba Beef Commission - refund to province when surpluses

MADAM SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Madam Speaker, I have a question to the Minister of Agriculture dealing with the Auditor's Report, in where the Auditor's Report indicated that the accumulated dramatic increase and accumulated deficit of the Manitoba Beef Commission, to a figure of some \$29.5 million, where the producers have no liability after eight years, and where any surpluses may be withdrawn from the program when there is a surplus, and it increases the risk for the Commission.

Madam Speaker, what steps is the Minister of Agriculture taking to assure the taxpayers that there will be a payment of funds back to the province through the Manitoba Beef Commission?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, as usual, the Opposition wants to speak out of both sides of their mouth.

Madam Speaker, on the one hand they would not bring in assistance to the beef producers when they were in office; they refused them assistance. And when this government went ahead and made sure that there was long-term support for beef producers, they are now criticizing that farmers should not have gotten the money.

Madam Speaker, that money went to farmers and the Beef Commission, in attempting to, as any program that is of an insurance nature, gauge what the market conditions will be, is attempting to regulate its premiums in such a way as to, over the long term, make the program self-sufficient.

We have always said that in the short term with beef prices and the cycle being as low as it was, the fund in fact would be in a deficit position over a period of time.

Whether we will be successful, it is our hope that we will, but it will be up to the Beef Commission to determine that course of action, and changes in both premiums and support, in consultation with producers, are made on a semi-annual basis.

Manitoba Beef Commission - changes to policy

MR. J. DOWNEY: Madam Speaker, it's not a matter of speaking out of both sides of our mouth, it's a matter

of getting a clear policy answer from the Minister of Agriculture.

And the question is: Will he be making changes to the Manitoba Beef Commission policy and program whereas the producers will be forced to pay back the funds? Will he be changing it so they cannot withdraw funds when there's a surplus? Will any changes be made in that regard? Or, Madam Speaker, is he intending at the end of eight years to write off the deficit which the Beef Commission has incurred?

HON. B. URUSKI: Madam Speaker, let it be clear that the Beef Commission will be monitoring and making ongoing changes to the program, based on the formula that is there.

Madam Speaker, the contracts that have been signed with producers will be honoured.

The program, Madam Speaker, is not an eight-year program as the honourable member suggests. While the contract term is eight years, the program - and this government has enunciated it - is a long-term program.

So, Madam Speaker, if producers wish to take the short-run approach and get out early in the program, I believe that they in fact will be doing themselves and the industry a disservice because, Madam Speaker, the program and our intention and our commitment is for the program to be long term. Only the initial contract was for a minimum of eight years, but the program - and I've said this before - is a long-term program.

Manitoba Beef Commission - implementation of long-term plans

MR. J. DOWNEY: Madam Speaker, in view of the fact that the Auditor indicates in the report that the Commission has not yet adopted a long-range plan with the resolution of these financial difficulties and, in light of the Minister's statements today, will he be directing the Beef Commission to put in place some long-term plans that he is talking about here?

Will he put in some long-term plans or recommend them and will he notify the beef industry and this Legislature what those plans are, too, Madam Speaker, to assure both the taxpayers are being looked after and that there aren't any severe difficulties placed upon the cattle producers of this province.

HON. B. URUSKI: Madam Speaker, I think the honourable member should be aware that the Commission has in fact made changes, in consultation with producers to the beef program, and there will be ongoing consultation and changes to the program. Madam Speaker, there will not be any kind of changes, as the kind that are now subtly being recommended by the former Minister of Agriculture that there should be some major and abrupt changes to the program. It is a long-term program and it is on the long-term basis that this program will become self-sufficient, Madam Speaker.

Interlake - aid to farmers re deficiency payments

MADAM SPEAKER: The Honourable Member for Lac du Bonnet.

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

At a recent meeting in the Interlake of farmers and the Federal Minister of Agriculture, farmers were trying to make the Federal Minister of Agriculture aware of the fact that they did not capitalize on the deficiency payments to the extent that they might have if they did not have a wet spring and were unable to seed.

Madam Speaker, I would ask the Minister of Agriculture if he has yet been contacted by the Federal Minister of Agriculture as to making aid available to those farmers in the Interlake?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, I want to say that I was indeed shocked and disappointed at the statements of the Federal Minister of Agriculture, if those press reports were indeed accurate. I have, at this point in time, written to the Minister of Agriculture, asking for confirmation of his statements.

Madam Speaker, the Interlake and Eastern Manitoba farmers are being treated unfairly. In fact, as late as of approximately one month ago, the Minister responsible for the Canadian Wheat Board assured me that the farmers in the Interlake and Eastman would, in fact, be - and I use his words - "taken care of," in terms of the acreage that they could not seed in 1986, as a result of the extreme wet fall of 1985.

Madam Speaker, it is no difference to the Manitoba farmers to have support because they were unable to seed in '86, than it is for Eastern Canadian farmers who fed most of their corn to their livestock and received a deficiency payment in the same way.

MR. C. BAKER: Will the Minister of Agriculture take it upon himself to contact the Federal Minister of Agriculture?

HON. B. URUSKI: Madam Speaker, the members of the Opposition obviously don't like to hear questions about agriculture and the concern of Manitoba farmers. Madam Speaker, I want it very clear that I expect the Federal Government to live up to their responsibility and not continually attempt to offload responsibility for the grain industry, as was suggested by the Federal Minister of Agriculture in Teulon earlier this week.

Hayes Management Group Report - receipt of and cost

MADAM SPEAKER: The Honourable Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Madam Speaker. My question is to the Minister responsible for Crown Investments and also the Manitoba Telephone System.

In 1986, the Manitoba Telephone System engaged the services of Hayes Management Group to review the salary scales of employees in Manitoba Telephone vis-a-vis salaries in the rest of the country.

I'd like to ask the Minister whether he can indicate to the House whether he has received this report and what the cost of this report has been.

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. G. DOER: Madam Speaker, I have not received the specific report; it was prior to my assignment to the Telephone System.

I do believe that I can receive a copy of the report and I'll take the question as notice in terms of its cost, but it was to the Manitoba Telephone, as opposed to the request yesterday in terms of the Crown corporations.

Thorne Stevenson and Kellogg - report re salaries of MTS employees

MR. L. DERKACH: Can the Minister indicate to the House whether the firm of Thorne Stevenson and Kellogg will also report on the salary scales of Manitoba Telephone employees, as well as other Crown corporations?

HON. G. DOER: Madam Speaker, there's two aspects I believe the Thorne Stevenson and Kellogg Corporation is dealing with.

One is, quite frankly, the pay equity provisions in The Telephone Act, pursuant to the act, for pay equity purposes in the Telephone System. The second Thorne Stevenson Report or study is the one in which we announced publicly - it was in the Free Press a couple of days ago - dealing with the salaries of CEO's of all the Crown corporations, of the 17 commercial Crown corporations, Madam Speaker; the 17 corporations whose salaries were tabled in this House, I believe, by the Member from Rossmere and the former Minister of Crown Investments last August. So that study is a separate issue dealing with the CEO's.

Madam Speaker, it's fairly obvious that a salary level of some \$60,000 per annum for the CEO of the Telephone System, quite frankly, in relative terms to other major Crown corporations, is inadequate; but, rather than dealing with it on an ad hoc basis, we wanted a review to rationalize the marketplace realities, the realities of a Provincial Government in a public sector environment, the realities of the other employees in the corporations, and the realities of the economic strength of those Crown corporations in our Manitoba economy.

Hayes Management and Thorne Stevenson and Kellogg Reports - tabling of

MR. L. DERKACH: Madam Speaker, the Minister just regurgitated an answer he gave yesterday, but I'd like to ask the Minister whether he would be prepared to table the details of the Hayes Report and also of the Thorne Stevenson and Kellogg Report?

HON. G. DOER: Madam Speaker, there are negotiations going on right now in the Telephone System and, quite frankly, I would want to ensure that the state of any negotiations are not jeopardized by premature release of information that may be utilized, so that deals with the MTS Hayes Report. After those are concluded, I would want to see what's in the report. As I say, I haven't got it yet, but I would be prepared to release that.

In terms of the Thorne Stevenson and Kellogg Report, in terms of the pay equity, I believe the Minister of Labour in the Labour Estimates some two days ago indicated, to the Member for St. Norbert, that the reports on pay equities, after the negotiations are concluded, would be released to the public with the application with the Labour Board. I would have no problem fulfilling the commitment the Minister of Labour made in terms of that Thorne Stevenson and Kellogg Report. And, Madam Speaker, I did indicate yesterday that when the report from Thorne Stevenson and Kellogg had been considered by the government, had been utilized by the government for the purposes it was intended, notwithstanding any commercial element in the report because we are dealing with commercial Crowns, I would entertain the idea of making that report public.

Manitoba Labour Education Centre - how many jobs created at

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, my question is directed to the Minister of the Environment and Workplace Safety and Health.

This government, Madam Speaker, put in place the Manitoba Jobs Fund under the pretext that jobs would be created for Manitobans. Madam Speaker, on the 16 of January of 1985, the Minister signed Order-in-Council No. 58, granting \$250,000 to the Manitoba Labour Propaganda Centre.

I would ask the Minister how many jobs have been created at that centre by that grant? I'm sorry, Madam Speaker, Education Centre.

MADAM SPEAKER: The Honourable Minister for the Environment and Workplace Safety and Health, if that's in his jurisdiction.

HON. G. LECUYER: Madam Speaker, for the member to make that statement and then not know to what he is referring to, gives you an idea of how much he knows of what he speaks. There is no doubt, Madam Speaker, that the Jobs Fund has created indeed economic development and jobs for Manitoba but, that having been said, the monies the member refers to are aimed at the protection of workers, enhancing their knowledge of the safety and health measures in the workplace. If the member doesn't consider a healthy worker as a member that is working, then there's something wrong with his understanding.

MR. J. McCRAE: Madam Speaker, the Minister either doesn't know how many jobs have been created or . . .

MADAM SPEAKER: Does the honourable member have a question?

MR. J. McCRAE: . . . doesn't want to tell us because there are so few. Yes, Madam Speaker, I have a question.

I understand from the Minister of Labour that there are three employees at the Manitoba Labour Education

Centre. In view of the fact that the Minister of Labour's Department grants \$200,000 annually to this centre, and the Minister of Environment and Workplace Health and Safety has granted, through the Manitoba Jobs Fund, in 1985, an additional \$250,000, Madam Speaker, it's not an unreasonable question to ask how many jobs have been created.

Now would the Minister answer that question? If he doesn't know the answer, will he tell us why . . .

MADAM SPEAKER: Order, order please.

MR. J. McCRAE: . . . in 1985 . . .

MADAM SPEAKER: I'm having trouble, when the member talks about several different departments at once, to determine whether his question is within a certain Minister's jurisdiction.

Could he please narrow his question down to a specific department?

Labour Education Centre Board - Ministers appointments to Board

MR. J. McCRAE: Such is the nature, Madam Speaker, of this government and the Manitoba Jobs Fund. It's very difficult to know just to whom to address the questions.

In view of the fact, that it was the Minister of the Environment and Workplace Health and Safety who signed the Order-in-Council granting \$250,000 to this so-called Labour Education Centre, I'll ask this same Minister why it was that in 1985, which was the so-called year of the so-called "election window," where the late Mary Beth Dolin and the present Minister of Business Development and Tourism, why were they placed on the Board of Governors of that institution, and whose decision was it to appoint those two people to that board? (Interjection) You see, Madam Speaker, look who's answering. It's a little confusing isn't it?

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order, order please.

What I find confusing is we started out with the Minister of the Environment. We do have a Minister responsible for the Jobs Fund, and the Labour Education Centre is under the Minister of Labour. So the Honourable Minister of Labour is choosing to answer the question.

HON. A. MACKLING: Madam Speaker, I'm not responsible for the confusion that sometimes rests in the mind of the Honourable Member for Brandon West, but I will do my best to reassure the honourable member that these funds, authorized by this Assembly in the various years during the course of Labour Estimates, have been put to a cause of providing education for workers in respect of vital interest they have in safety, health, ongoing serious concerns about matters in the workplace.

Madam Speaker, if that kind of assistance to members opposite is irksome or they're opposed to assisting workers in that fashion then, of course, there's nothing much I can do about that kind of irresponsible attitude.

But, Madam Speaker, we believe it is important that workers have an opportunity, and it's not of expense to their employers, to participate in an educational program that assists them in respect to knowing their rights and their opportunities in the workplace.

Special Needs children - adequate funding re cost of integration

MADAM SPEAKER: The Honourable Member for River Heights.

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

One of the most difficult financial problems being faced by school boards today is the cost of integrating Special Needs students within their schools, a challenge which most of them are meeting with great hope and great expectations for these children.

Can the Minister explain to the House what coordination goes on between his department and the Departments of Health and Community Services, to ensure that education dollars are, indeed, used for education, and that adequate funding for the other needs of these children is borne by the appropriate departments?

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Yes, Madam Speaker.

I'm sure, as the Member for River Heights knows, she's not the first person that has raised this issue. In fact, as early as last fall the Department of Education established a committee with the Department of Health and the Department of Community Services, to tackle some of the issues, the interrelated issues, in the delivery of education with respect to Special Need students.

We have had, I think, a considerable degree of success in reintegrating, particularly, some of those who are part of the Welcome Home initiative, back into the schools, with the support of Community Services, Health and other specialists in the education field, including the superintendents and the special education coordinators.

There is still some road to go, in terms of making sure that all of the decisions coincide, and that they fit in practical and economic terms. But I can assure the member that we are working to make sure that that happens.

Physiotherapy services in St. James-Assiniboia

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

Can the Minister tell the House what interventions he has made with the Department of Health, on behalf of the St. James-Assiniboia School Division, so that their physiotherapy services will not have to be paid out of education tax dollars?

HON. J. STORIE: I'm sure the member is aware, as she has raised the question, that there has been

correspondence between the St. James School Division and the department and the Department of Health, and the Minister of Health. I have indicated to the Minister of Health that we need to resolve those outstanding issues. I don't believe that we're talking about large sums of money, but it is a question of jurisdiction and the appropriateness of spending those dollars for services that were previously delivered by the Department of Health.

Madam Speaker, in the long run the question, of course, is somewhat semantical because it's a question of dollars coming through Health or dollars coming through the Department of Education.

Special Needs children - what other options available

MRS. S. CARSTAIRS: With all due respect to the Minister, it's not semantics, it's education dollars used for children to be educated.

MADAM SPEAKER: Question.

MRS. S. CARSTAIRS: Can the Minister explain what other options are available to Special Needs students in order to ensure their constant presence in the classroom, if school boards refuse to meet the needs - the medical needs - of these children during school hours?

HON. J. STORIE: Well, Madam Speaker, as the member knows, the responsibility lies with the school division. Of course, they have to organize their programs in the way that is most effective and most efficient in terms of the dollars.

They also attempt - and the member recognized that in the preamble to her first question - that they also attempt to meet the specific needs of individual students.

We are, Madam Speaker, in a new era in terms of integrating students back into the classroom and we are going to have to cope with the questions of providing medical services in the classroom, to what degree is necessary, to what degree it supports the activities of the classroom and the educational process. Not simply questions to answer, Madam Speaker, but I can assure her that school divisions and the Department of Education and the Department of Health are attempting to answer them.

Net income flat tax effective July 1 - why delay in receiving tables

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Madam Speaker, on May 27, I had taken a question as notice from the Honourable Member for Morris regarding the notification to employers with respect to the changes in the income tax.

I have been, through my staff, in contact with Revenue Canada and, as I said at that time, Revenue Canada does administer that on behalf of the province, and

they have agreed to administer it and had previously agreed to the changes, as I indicated at Budget time.

Normally I understand that these are sent out in June by the Federal Government, any changes, because the only two times that changes are made with respect to payroll deductions, for either the provincial portion and/or the federal portions, is July 1st or January 1st.

We have asked them as to when they expect to get that information out to employers and they said that they would not give us a specific date but that it will be as soon as possible, and before the collection date.

West Hawk Lake - reason for removal of Orbit garbage collector

MADAM SPEAKER: The Honourable Member for Riel.

MR. G. DUCHARME: Thank you, Madam Speaker. My question is to the Minister responsible for Highways.

Considering that this is Environment Week and this government's attention on environment and not wanting to litter the highways, would the Minister of Highways explain why the longstanding and regularly used Orbit garbage collector, and the bear-proof garbage collector on No. 1 Highway, West of West Hawk, has been removed?

MADAM SPEAKER: The Minister of Highways and Transportation.

HON. J. PLOHMAN: Madam Speaker, I would like to remind the member that this week is not only Environment Week, but also National Transportation Week. And, in that vein, the member should be aware of the many transportation issues that are being dealt with in the province.

Insofar as the issue dealing with the Orbit, we do, Madam Speaker, have a number of the Orbits that are in place; that program is continuing. At times they are destroyed or they are misused, and from time to time they either have to be removed or replaced over a period of time, and that can't be done immediately. In some instances, there are areas where vandalism occurs and, therefore, they are put into a different location in a permanent way, Madam Speaker.

Madam Speaker, I've got some heckling from the incompetent Member for Pembina again. - (Interjection) - I believe he does agree that he is incompetent, Madam Speaker.

Hwy 352 - maintenance of; and Railings on narrow approaches

HON. J. PLOHMAN: Madam Speaker, I wanted to answer a question that the Member for Ste. Rose had raised with me on May 19. In that question he'd asked a series of questions about bridges on Highway No. 352, PR 352 in the R.M. of Lansdowne.

I want to indicate to him, in answer to that question, and to the House, that there were six bridges being replaced on PR 352 - or being repaired - at a total cost of \$8,000 - \$8,000 for guard rails, that's what the member was raising. The department, in a very efficient way, used salvage steel posts and flex beams and these were necessary from a standpoint of safety.

Madam Speaker, the railing existed on the bridges in all cases. He was indicating that they were too narrow. The circumstances were not changed and replacement with culverts, as the member indicated, would have cost in the neighbourhood of \$50,000 per bridge, per structure replacement, and this was a total of \$8,000, so it was a very efficient way to deal with the problem.

In addition to that, Madam Speaker, I want to indicate to the member, as well that, insofar as the nearly-blind curve is concerned, the work there had been surveyed and a replacement is being considered at that location.

I want to also mention to him that maintenance on this road has been carried out to the required standard for the road and it will be monitored closely in the weeks and months ahead, to ensure that this is the case.

Thank you, Madam Speaker.

Lyons Lake - Orbit garbage collector

MADAM SPEAKER: The Honourable Member for Riel with his brief question. We're running out of time.

MR. G. DUCHARME: A supplementary question to the same Minister.

Will the Minister's department also be removing the garbage Orbit at Lyons Lake, which is situated between the Border Information Station and West Hawk Lake entrance?

HON. J. PLOHMAN: Madam Speaker, as I indicated, the program which includes the Orbit receptacles used for garbage collection along roadside highways in this province is being maintained, and if the member has specific questions about particular Orbits at any location, and he wants to know the circumstances upon which they may have been removed or destroyed, I would be pleased to get that specific information from him and provide him with answers on that.

MADAM SPEAKER: The time for Oral Questions has expired.

ORDERS OF THE DAY

MADAM SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Madam Speaker, I wonder if I could have leave of the House to make a non-political statement, please.

MADAM SPEAKER: Does the honourable member have leave? (Agreed)

NON-POLITICAL STATEMENT

MR. J. DOWNEY: Madam Speaker, first of all, I would like to acknowledge the work that the Kiwanis Club are doing in Manitoba dealing with the development of young people, and the 4-H Speaking Competition which is supported by the Kiwanis and very much promoted by them.

Secondly, Madam Speaker, I would like to congratulate all the young people who participated in

the program and the competition that was held, and the final speak-off was yesterday.

I am particularly proud today, Madam Speaker, to congratulate the winner of the competition, the Tom Harrison Shield, which was won by a constituent of mine and, as well, a niece of mine, from Coulter, Manitoba. Madam Speaker, as I say, I'm extremely proud of her as a young woman, and particularly the subject on which she spoke. It was in support of capital punishment.

I thank the members, Madam Speaker, for the opportunity to make those comments. Madam Speaker, I'm forced to say, as well, it's her 18th birthday today.

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

HON. J. WASYLYCIA-LEIS: I'd like to make a non-political statement, Madam Speaker.

MADAM SPEAKER: Does the Honourable Minister have leave?

The Honourable Minister does not have leave.

SPEAKER'S RULING

MADAM SPEAKER: Before moving to Orders of the Day, I have a ruling which I would like to report on.

On May 27, 1987, the Honourable Member for Rhineland rose on a matter of privilege during Oral Questions respecting the conduct of the Minister of Community Services.

Excuse me, I've just been made aware that the honourable member is not here. Should I continue; I've passed it out? I've already passed it out. I'm going to proceed in that I've already had it passed out. I'm sorry, I thought he was in presence.

The honourable member concluded his remarks by moving:

"THAT this House do refer to the Standing Committee on Privileges and Elections, the statements of May 25, 1987, made by the Minister of Community Services, to determine whether the Minister misled the House and whether she is competent to remain in her position as Minister of Community Services."

I took the matter under advisement to permit me to review Hansard to examine relevant precedents and to read the authorities.

Three essential conditions must be met when a matter of privilege is raised in order for the Speaker to rule that debate may proceed:

- (a) the matter must be raised at the earliest opportunity;
- (b) the honourable member raising the matter must conclude his or her remarks with a motion; and
- (c) sufficient evidence that a breach of privileges of the House may have occurred must be presented to warrant giving the matter precedence over all other business then before the House.

I believe that conditions (a) and (b) have been met. With respect to condition (c), the motion addresses two separate matters. First, it alleges that "the Minister misled the House." Second, it questions "whether she

is competent to remain in her position as the Minister of Community Services." I will deal first with the allegation that "the Minister misled the House."

From rereading Hansard, it is evident that this is clearly a dispute about the facts.

- Speaker Graham, on March 6, 1980, ruled that a dispute between two members as to allegations of fact did not constitute a breach of privilege.
- Maingot's "Parliamentary Privilege in Canada," at page 191, states that "A dispute between two members about questions of fact does not constitute a valid question of privilege because it is a matter of debate."
- Beauchesne's Citation 19.(1) is almost identically worded.

With respect to the charge that the Minister misled the House, Maingot, on page 205, states:

"A second procedure, akin to privilege, because it would entail the disciplinary power of the House and would gain the same precedence in debate, relates to the conduct of a member. A Member of the House of Commons who, for example, has admitted to having deliberately misled the House would probably forthwith be the subject of a motion for contempt."

Similarly, Erskine May's "Parliamentary Practice," on page 149, states:

"The House may treat the making of a deliberately misleading statement as contempt."

Maingot also makes the following observations respecting the distinction between "misleading" and "deliberately misleading":

"To allege that a member has misled the House is a matter of order rather than privilege and is not unparliamentary whether or not it is qualified by the adjective 'unintentionally' or 'inadvertently.' To allege that a member has deliberately misled the House is also a matter of 'order' and is indeed unparliamentary. However, deliberately misleading statements may be treated as contempt."

From the foregoing extracts from the authorities, it is clear that a member has breached the privileges of the House or committed a contempt against the House by misleading the House or a committee, only if the member has clearly done so deliberately.

The motion offered by the Honourable Member for Rhineland refers to the Minister having, "misled" the House rather than having "deliberately misled" it. In view of the previously quoted extract from Maingot, the honourable member's use of the term "misled," without any qualifying adjective, has caused me to believe that the member may have had a matter of order rather than one of privilege. A member raising a matter of privilege which charges that another member has "deliberately misled" the House or a committee must support his charge with proof of intent. No such proof was presented by the Honourable Member for Rhineland.

The second part of the motion addresses the matter of the Minister's competence as a Minister. On page 191, Maingot states:

"... parliamentary privilege is concerned with the special rights of members, not in their capacity as Ministers or as party leaders, whips, or parliamentary secretaries, but strictly in their capacities as members in their parliamentary work."

A ruling by Speaker Fox on March 30, 1972, stated, in part:

"Allegations of misjudgment, mismanagement or maladministration on the part of a Minister in the performance of his ministerial duties does not come within the purview of parliamentary privilege."

The question of the Minister's competence does not, therefore, constitute valid grounds for a matter of privilege.

I must, therefore, conclude that the Honourable Member for Rhineland has failed to establish a prima facie case and, therefore, I must rule that his matter of privilege is not in order.

The Honourable Opposition House Leader.

MR. G. MERCIER: Madam Speaker, I would challenge your ruling.

MADAM SPEAKER: The ruling of the Chair has been challenged.

All those in favour of sustaining the ruling of the Chair, please say aye; all those opposed, please say nay. In my opinion, the ayes have it.

The Honourable Opposition House Leader.

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

MADAM SPEAKER: Call in the members.

The question before the House is shall the ruling of the Chair be sustained.

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

YEAS

Ashton, Baker, Bucklaschuk, Cowan, Doer, Dolin, Evans, Harapiak (The Pas), Harper, Hemphill, Kostyra, Lecuyer, Mackling, Maloway, Parasiuk, Penner, Plohman, Santos, Schroeder, Scott, Smith (Ellice), Smith (Osborne), Storie, Uruski, Walding, Wasylycia-Leis.

NAYS

Birt, Blake, Brown, Carstairs, Connery, Cummings, Derkach, Downey, Ducharme, Ernst, Findlay, Hammond, Johnston, Kovnats, Manness, McCrae, Mercier, Mitchelson, Nordman, Oleson, Orchard, Pankratz, Rocan, Roch.

MR. CLERK, W. Remnant: Yeas 26; Nays 24.

MADAM SPEAKER: The motion is accordingly carried.
The Honourable Member for Emerson.

MR. A. DRIEDGER: Madam Speaker, I was paired with the Premier. Had I voted, I would have voted in opposition to the ruling.

MADAM SPEAKER: I have another matter which I took under advisement. I'd like to report that one to the House at this time, as well.

SPEAKER'S RULING

MADAM SPEAKER: On May 29, 1987, the Honourable Member for St. Norbert rose on a matter of privilege

during the question period respecting certain answers to questions provided by the Minister of Community Services.

In concluding his remarks, the honourable member moved:

"THAT the responses of the Minister of Community Services today, in this matter, be referred to the Committee on Privileges and Elections for investigation, and report back to the House."

I then took the matter under advisement so I could review Hansard, relevant precedents and the appropriate authorities.

When a matter of privilege is raised, three essential conditions must be met for the Speaker to rule that the debate may proceed:

- (a) the matter must be raised at the earliest opportunity;
- (b) the honourable member raising the matter must conclude his or her remarks with a motion; and
- (c) sufficient evidence that a breach of the privileges of the House may have occurred must be presented to warrant giving the matter precedence over all other business then before the House.

Conditions (a) and (b) have been met.

With respect to condition (c), I have read Hansard very carefully and conclude that the honourable member's matter of privilege is based on the fact that the Minister took his question, respecting the work record of a particular individual, under advisement and immediately thereafter answered a similar question asked by another member.

In reviewing the authorities, I have noted the following citations in Beauchesne:

"19.(2) The failure of a Minister of the Crown to answer a question may not be raised as a question of privilege."

"363.(1) A Minister may decline to answer a question without stating the reason for his refusal, and insistence on an answer is out of order, with no debate being allowed. A refusal to answer a question cannot be raised as a question of privilege, nor is it regular to comment on such a refusal. A member may put a question but has no right to insist upon an answer."

Almost identical words are found on page 343 of Erskine May's Parliamentary Practice.

I must conclude, therefore, that the Honourable Member for St. Norbert has failed to establish a prima facie.

Consequently, I must rule that the honourable member has no matter of privilege.

The Honourable Member for St. Norbert.

MR. G. MERCIER: Madam Speaker, with respect, I would challenge your ruling.

MADAM SPEAKER: The ruling of the Chair has been challenged.

All those in favour of sustaining the ruling of the Chair, please say aye; all those opposed, please say nay. In my opinion, the ayes have it.

The Honourable Member for St. Norbert.

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

MADAM SPEAKER: Call in the members.

The question before the House is shall the ruling of the Chair be sustained.

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

YEAS

Ashton, Baker, Bucklaschuk, Cowan, Doer, Dolin, Evans, Harapiak (The Pas), Harper, Hemphill, Kostyra, Lecuyer, Mackling, Maloway, Parasiuk, Penner, Plohman, Santos, Schroeder, Scott, Smith (Ellice), Smith (Osborne), Storie, Uruski, Walding, Wasylcyia-Leis.

NAYS

Birt, Blake, Brown, Connery, Cummings, Derkach, Downey, Ducharme, Ernst, Findlay, Hammond, Johnston, Kovnats, Manness, McCrae, Mercier, Mitchelson, Nordman, Oleson, Orchard, Pankratz, Rocan, Roch.

MR. CLERK: Yeas, 26; Nays, 23.

MADAM SPEAKER: The motion is accordingly carried. The Honourable for Emerson.

MR. A. DRIEDGER: Madam Speaker, once again, I was paired with the Premier. Had I voted, I would have voted in opposition to your ruling.

ORDERS OF THE DAY COMMITTEE CHANGES

MADAM SPEAKER: The Honourable Member for Kildonan.

MR. M. DOLIN: Thank you, Madam Speaker.

I move, seconded by the Member for Burrows, that the composition of the Standing Committee on Public Utilities and Natural Resources be amended as follows: Honourable J. Storie for the Honourable M. Hemphill; the Honourable V. Schroeder for C. Baker; the Honourable R. Penner for H. Smith (Ellice).

HOUSE BUSINESS

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Yes, Madam Speaker, I believe there is an inclination on the part of members to forego Private Members' Hour, by leave.

MADAM SPEAKER: Is that agreed? (Agreed)

HON. J. COWAN: I also would like to announce, Madam Speaker, that the Standing Committee on Public Accounts will be sitting June 9 at 10:00 a.m. next Tuesday to continue its consideration of the report from the Minister of Finance.

Madam Speaker, could you please call Debate on Second Readings in the following order: Bills No. 49,

38, 45, 47, 48, 52 and 53; and then, following that, I'll present you with a list for debate on Adjourned Debates on Second Readings. Then, if time permits, we propose to go into Interim Supply today, as well.

SECOND READING

BILL NO. 49 - THE REAL ESTATE BROKERS ACT

HON. A. MACKLING presented Bill No. 49, An Act to amend The Real Estate Brokers Act; Loi Modifiant la Loi sur les courtiers en immeubles, for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Minister.

HON. A. MACKLING: Thank you, Madam Speaker.

I have a partial text of some of the remarks I wish to make in respect to this bill for my critic. However, I will be adding to the written text that I have.

By way of background, I would recall to honourable members that at the present time, trust money paid to real estate brokers by members of the public is, for the most part, held by non-interest bearing trust accounts.

The law does permit exceptions where instructions are given to the broker and the commonest cases of course involve larger real estate deposits where the buyers and sellers will occasionally direct the broker to invest their deposits to earn interest for them. But in the overall result, Madam Speaker, the bulk of the money in brokers' trust accounts has simply been interest-free money for the financial institutions which act as depositors for those trust accounts.

The people making those deposits, in other words, have forfeited interest which they could, with a little trouble, have obtained. Admittedly, the sums are not substantial in many of the individual cases, but cumulatively, the amount of interest thus forfeited is significant.

The proposed bill will require brokers to invest all trust money received in respect of a transaction or a trade in real estate in an interest-bearing account and to direct the financial institution to pay all the interest earned, except for that payable to clients, to the Manitoba Securities Commission. The Commission will in turn pay the interest to the consolidated revenue of the province on an annual basis.

Under The Landlord and Tenant Act, of course, landlords are required to pay interest to tenants on security deposits at a prescribed rate. This bill will not change the existing rules for brokers who manage property on behalf of a landlord.

The bill will continue to permit brokers to deposit security deposits and indeed any trust monies in a separate interest bearing account, term deposit or similar instrument, with all interest accruing to the client, provided that all persons with an interest in the monies provide the broker with written instructions to do so. In this way the obligation of a landlord to pay interest to a tenant on a security deposit can be offset, in whole or in part, by the interest earned, depending on prevailing interest rates.

The government has apprised the real estate industry through the executive of the Manitoba Real Estate Association of its plans in this regard, and those representatives of the real estate industry have made representations to the commission emphasizing that the industry would like to embark, from time to time, on real estate educational projects and other ventures of a similar nature, and that a portion of the interest thus collected by the commission should be used to defray the costs of these programs.

We agree with the thrust of those suggestions which parallel in some measure what we have done with the interest on lawyers' trust accounts as regards Legal Aid. For that reason, Madam Speaker, this bill provides for the establishment - by regulation - of an advisory council which would make non-binding recommendations to the commission advocating the use of some portion of the interest of such projects as the commission approves. It is intended that representatives from the Manitoba Real Estate Association will sit on the advisory council, and it will serve as a mechanism for the discussion and relay of their project recommendations to the commission.

Madam Speaker, members will recall that in or about 1970, we introduced legislation to attach the interest that otherwise was accruing to financial institutions in respect to lawyers' trust accounts. As a result of that legislation, we have been enabled to provide many millions of dollars that otherwise went to private financial institutions, money which really wasn't earned by those institutions because it wasn't money that was held in respect to a particularly identifiable interest. And because of that legislation and that money, we have been able to put that money into such things as legal education and Legal Aid.

The thrust of this legislation is to do somewhat the same thing, only obviously on a lesser scale in respect to trust monies that are held in respect to real estate transactions. The bill will provide that a real estate broker can and must inform the person making the deposit that that money could be held in a separate interest-bearing account if they so direct. But where the direction does not occur, a written direction doesn't go, the money that's in the trust account will go as indicated for public purposes.

I must say also, Madam Speaker, that when I met with the Real Estate Association, we also discussed - and I had at one time envisioned that perhaps the interest from this fund might be directed in respect to an assurance fund - but the association wants to see the establishment of an assurance fund on monies solely payable by the agents and brokers themselves.

I have made a commitment, Madam Speaker, that as soon as it is possible, after the refinements of the establishment of that fund have been identified, that we will proceed with legislation to also accomplish that in the real estate field.

With those few brief remarks, I commend this legislation to members in the House.

MADAM SPEAKER: The Honourable Member for Fort Garry.

MR. C. BIRT: Thank you, Madam Speaker.

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

MOTION presented and carried.

BILL NO. 38 - THE LAW SOCIETY ACT

HON. R. PENNER: presented Bill No. 38, An Act to amend The Law Society Act; Loi modifiant la Loi sur la Société du Barreau, for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Madam Speaker, the bill I'm introducing today is a bill to improve the terms of reference for the Law Foundation of Manitoba, which foundation was created by two instruments in 1986. One of these was Chapter 23 of the Statutes of Manitoba, An Act to Amend the Law Society Act. That was given Royal Assent in September of last year. The other of the instruments creating the Foundation was a Memorandum of Understanding signed by the Law Society of Manitoba, and myself, on behalf of the department of the government, in August of last year.

Chapter 23 of last year's statutes created the Law Foundation, as I've noted, and a board of directors has been appointed. According to its provisions the Foundation is now operational. The board, in bringing this scheme into effect has, Madam Speaker, identified certain ambiguities and omissions that may cause problems for the Foundation in the future. These problems, we've ascertained, can be avoided by a few rather technical amendments to the act which I am proposing today.

Let me just make it clear that these changes have been discussed with and approved by the Law Foundation, the Law Society and of course the department.

As I said, these changes are essentially technical in nature. Of the changes being proposed here, and perhaps the most significant, are provisions to better define the powers, rights and obligations created by the act and the Memorandum of Understanding last year. This is accomplished in part by setting out much more specifically from what funds, grants guaranteed by the Memorandum of Understanding for over a three-year period, are to be paid.

Further, Madam Speaker, to ensure that the directors are bound by the Memorandum of Understanding until its expiration in March of 1989, it is proposed by the bill before the House to incorporate the memorandum as a schedule to the act itself. To this point of course the directors have been, as one would have expected, abiding by the Memorandum of Understanding, but it is felt technically more correct to have that memo as an annex to The Law Society Act itself.

Madam Speaker, the Foundation has been given certain review powers over the funding it provides, which was not provided for in last year's act. Let me just make that point clear. The Memorandum of Understanding named three or four or five specific grantees for the period of three years. It is made clear that these are not necessarily automatic but that the Foundation can call for and will call for an annual review of the way in which the money granted by it in any given year has been expended.

Furthermore, there is a recalculated transitional adjustment amounting to approximately 2 percent, money that was to have gone to the Law Society, but on the recalculation of the amount that actually should have gone to the Law Society, there is 2 percent too much provided and this money is actually being used for Public Legal Education Services, pursuant to the provisions of the bill I'm introducing.

Madam Speaker, the bill and the amended Memorandum of Understanding that are attached as a schedule to the bill are important to ensure the continued smooth operation of the Foundation which, incidentally, is living up to its expectations and they represent changes that have been agreed to, as I say, cooperatively, and I recommend the bill to the House.

MADAM SPEAKER: The Honourable Member for Fort Garry.

MR. C. BIRT: Thank you, Madam Speaker. I move, seconded by the Member for Morris, that debate be adjourned on this bill.

MOTION presented and carried.

BILL NO. 45 - THE LOTTERIES FOUNDATION ACT

MADAM SPEAKER: The Honourable Minister of Lotteries.

HON. J. WASYLICIA-LEIS: presented Bill No. 45, An Act to Amend The Lotteries Foundation Act; Loi modifiant la Loi sur la Fondation manitobaine des loteries, for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Minister.

HON. J. WASYLICIA-LEIS: Thank you, Madam Speaker. I am pleased to introduce this bill for Second Reading.

The purpose of the proposed amendments, Madam Speaker, are to build on the province's demonstrative commitment of ensuring public protection, fair play and fair distribution of benefits in all aspects of lottery activity.

(Mr. Acting Deputy Speaker, C. Baker, in the Chair.)

Mr. Deputy Speaker, the province's direct involvement in lottery operations is unique in comparison to lottery jurisdictions in Canada and has become a model for other provinces across the country. This model, this enviable position we find ourselves in, Mr. Deputy Speaker, dates back to 1983 when this government restructured the lottery system in Manitoba. My colleagues then had the foresight to recognize the potential of the gaming industry in our province and the courage to accept the challenges of creating a new system that would better serve all Manitobans.

The government then had a vision for the future and on October 14, 1983, announced three new goals for gaming in Manitoba. The new system would ensure public protection and fair play in Manitoba Lotteries.

It would maximize returns from lotteries through the efficient operation of games and it would work towards a fair distribution of funds from lottery profits, to charitable organizations throughout the province.

Through The Manitoba Lotteries Foundation Act, the Manitoba Government empowered the Crown agency, the Manitoba Lotteries Foundation, as the body responsible for management, operation and control of the gaming industry in Manitoba. In March of 1983, the Manitoba Lotteries Foundation became the sole body responsible for gaming in Manitoba, combining the responsibilities of the Lotteries Commission and the Lotteries Licensing Board.

This was a major step in joining operational responsibilities with regulatory ones. It is in the area of direct operation that the Province of Manitoba is unique in comparison to other lottery jurisdictions in Canada. All other provinces are involved in the regulation of gaming activities to one degree or another, but only in Manitoba has government taken steps to directly operate major gaming activities other than lotteries. Since 1983, the province has very successfully made changes in operations to ensure fair products are offered to the public and more monies are generated, to be distributed to worthwhile community agencies.

The growth and changes within the overall system, since its inception in 1983, should be recognized and appreciated. It is a constant challenge for all of us to achieve a better, fairer system to serve our community.

Mr. Deputy Speaker, the Foundation must continue to review and refine gaming operations and regulations, to ensure efficiency and fund-raising effectiveness and maximum protection of the public interests. These amendments being proposed today serve to streamline operations and many modifications have been made to more accurately reflect the spirit and intent of the original act.

The Province of Manitoba has had the ultimate responsibility conferred upon it for the control of all aspects of lotteries and gaming in the province. My colleagues and I will not relinquish that responsibility.

The intent of our Federal Parliament several years ago was to ensure that the operation of lottery schemes remained in the hands of charities and the governments, and that the benefits from those gaming operations remained also in the hands of charities and government. Parliament then placed its trust in the provinces to ensure that this intent regarding the benefit of gaming be respected. It is with the view to honouring this trust that we have continued to address the problems in the gaming industry in Manitoba.

Through the Manitoba Lotteries Foundation and through further changes to the original act, we will continue to work toward keeping the industry above reproach in this province. It is our sincere belief that these amendments will ensure that we continue to meet those three goals set out in 1983 and, in the interests of the public of Manitoba, assist in the evolution of a better and fairer gaming industry in our province.

MR. ACTING DEPUTY SPEAKER: The Member for Emerson.

MR. A. DRIEDGER: Mr. Deputy Speaker, I move, seconded by the Member for Minnedosa, that the debate be adjourned.

MOTION presented and carried.

BILL NO. 47 - THE HUMAN RIGHTS CODE

HON. R. PENNER presented Bill No. 47, The Human Rights Code; Code des droits de la personne, for Second Reading.

MOTION presented.

MR. ACTING DEPUTY SPEAKER: The Member for Morris.

MR. C. MANNES: On a point of order, Mr. Chairman. Not wishing to cast any reflection on your ability to sit in the Chair, is it not right and proper that the Deputy Speaker should assume that position?

MR. ACTING DEPUTY SPEAKER: It's not really right and proper, but at this present time, the gentleman is not in the House and I was asked to come in.

MR. C. MANNES: Thank you.

HON. R. PENNER: On a point of order, Mr. Quasi-Deputy Speaker.

MR. ACTING DEPUTY SPEAKER: I guess, since I'm here, I might as well stay here.
The Honourable Attorney-General.

HON. R. PENNER: Mr. Acting Deputy Speaker, as I indicated when I moved the bill for First Reading, I have a spreadsheet for distribution to the House, which will assist members. I'll give it to the Deputy Clerk for distribution; perhaps tomorrow would be sufficient.

Mr. Deputy Speaker, I would like to open my remarks on the Human Rights Code at Second Reading by making some general remarks on human rights legislation, its scope and its function. One of the fundamentals of democracy is equality of opportunity.

The notion that all persons are created free and equal, one of those truths we hold to be self-evident, does not mean that they are the same. Clearly, in a variety of ways, people are different. They may be born with differences of colour, of sex. They may develop differently with or without a mental or physical handicap. They may mature, Mr. Deputy Speaker, into persons holding the same or vastly different beliefs than their parents or their peers or, indeed, than their society as a whole.

But, Mr. Deputy Speaker, the essential democratic notion of equality rights, a notion emphatically endorsed, let me note, very recently by the all-party parliamentary committee, means essentially equality of opportunity, and not that people are the same.

There are many barriers to reaching that ideal of equality of opportunity, but it is commonly agreed, and surely it will be recognized, that the greatest barrier is wrongful discrimination. The greatest barrier to equality of opportunity is wrongful discrimination. Human rights legislation, federal or provincial or, indeed, international convenience, to which Canada is a party, are all primarily aimed - either through prohibition or through affirmative action - at wrongful discrimination.

I emphasize, human rights legislation does not - because the Leader of the Opposition wrongfully supposes - confer special rights. Indeed, it does not conceptually confer rights at all; it prohibits wrongful discrimination. If a Mennonite refuses to hire a Jew in his or her factory for that reason, it is prohibited because it is wrongful discrimination. If a Jew refuses to hire a Mennonite in his or her factory for that reason, it is prohibited because it is wrongful discrimination.

But that prohibition does not confer new or special rights on Jews or Mennonites respectively. To suggest that it does is profoundly to misunderstand the scope and function of human rights legislation. And note especially, Sir, that in prohibiting such wrongful discrimination, the legislation does not make a value judgment about either of those religions any more than in prohibiting discrimination on political grounds and makes a value judgment about, lets say, Conservatives or Communists. It makes no value judgment. It says that you shall not, in a democratic society, wrongfully discriminate on those grounds because it gets at the very notion of equality of opportunity, central to the very concept of democracy itself.

Yet it is said by some, Sir, that in choosing to prohibit the wrongful discrimination of this or that group, we are making a moral judgment about that group or putting the group - any group - on the same plane as every other group.

And that criticism is patently misconceived. Human Rights legislation, Sir, is essentially non-judgmental, except for one thing, wrongful discrimination. On that, and that alone, it is judgmental. It condemns wrongful discrimination with respect to employment, with respect to services, with respect to accommodation, with the force of law. And in doing that, Mr. Deputy Speaker, from a democratic perspective, it is in fact profoundly moral. Surely to condone - looking at the opposite side of it - to condone discrimination, either by commission or by omission, is unacceptable in a democratic society.

You will have noticed, Sir, that I have constantly used the term "wrongful discrimination." I've done so to emphasize a point either wilfully ignored or simply overlooked by some critics of human rights legislation; namely, that such legislation generally, and ours specifically, does not in fact prohibit all discrimination - it prohibits wrongful discrimination.

Let me give you a number of examples where the code, as proposed, permits some measure of discrimination in clearly defined circumstances. I do so, both to make the point generally and to deal with some specific concerns which have already been raised. First of all, there is a section of the bill with respect to services that says that there shall be no discrimination with respect to services which are then set out to a member of the public unless bona fide and reasonable cause exists for the discrimination. It recognizes that there can be circumstances in which there is acceptable or lawful discrimination. I'll give some examples shortly.

There is, and this is one more specific, an exception for the age of majority. Nothing in that section which deals with services prevents the denial or refusal of a service accommodation facility, etc., etc., to a person who has not attained the age of majority if the denial or refusal is required or authorized by a statute in force in Manitoba. The purpose of that specifically is so that someone who is four years old cannot, through his or

her parent, demand access to a public school where the facility only provides facilities from age six.

I go on to give other, perhaps the most important exception, and it has received some comment, discrimination in employment. No person shall discriminate with respect to any aspect of an employment or occupation unless the discrimination is based upon bona fide and reasonable requirements or qualifications for the employment or occupation.

Note has been taken specifically by Archbishop Exner that - and he's concerned about it and he's right to raise the point - that former section 6 of the act, which talked about bona fide qualification for employment with respect to a limited number of organizations, religious, non-profit charitable, etc., etc., he wonders where that section is. Well, in fact what we've done in this act is to broaden that out to cover all sectors, not just those few named groups, so that if in fact there is a bona fide qualification, it is clear in the re-enactment that it doesn't just simply to a select number of groups. And I'll elaborate on that in a few moments.

And so, too, as another example of where in fact discrimination or, if you wish, distinction can lawfully be made, personal services in private restaurants and in a private residence - I won't read all of the words, but it may be found in the bill - obviously if one is employing a domestic or a child care worker, or a baby sitter in one's home, one has the right to employ a person who meets the family standards, which may be standards not only of proficiency but standards in terms of spiritual life or anything of that kind. That is provided for in the act.

Again, in terms of qualifications, we have in the act what some of us have called the Keegstra clause. Nothing in this section prohibits the lawful disciplining of an employee, a person in an occupation who violates the duties, powers or privileges of the employment or occupation by improperly using the employment or occupation as a form for promoting beliefs or values based on any characteristic referred in that section which deals with various kinds of discrimination, and that is a very carefully worded section.

It would be open under such a section, and because of section 2 of the Charter which guarantees freedom of speech for a person, say, like Mr. Keegstra, to speak his mind about his beliefs anywhere, in any hall, but as a teacher, in a teaching position, if he were to try to promote those particular beliefs of his in a way which is contrary to his duties as a teacher, then he could not rely on The Human Rights Act, indeed he could not rely on the Charter, as a defence to his disciplining, including its being dismissed in a proper case.

Again, to indicate that this is an act that takes into consideration the balancing of interests in a whole number of ways, there is a provision that I will explain in a few moments with respect to reasonable accommodation.

The bill says that if you can reasonably accommodate, let's say, a physically handicapped in providing services and providing accommodation and providing employment, if you can reasonably do so and you don't, that may be discrimination. But there is a section of the act which takes into account that it's not always possible to make such accommodation, and it says that where an adjudicator decides that the code has been contravened, but where the party contravening

- and I'm not giving all of the words - establishes that the cost or business inconvenience that would result from providing appropriate access or amenities would constitute an undue hardship, the adjudicator shall not make an order. That has been built into the act. Indeed it can be argued - some may - that the legislation proceeds with too much caution too much in the way of caveats and conditions rather than not enough.

Furthermore, Mr. Deputy Speaker, human rights legislation does not deal in absolutes. It recognizes, it accommodates and it bounces other rights. For example, a case well-known in human rights adjudication arose in Quebec some time after 1977 when they introduced sexual orientation as a prohibited ground of discrimination in their legislation. They've had it since 1977.

A gay rights group applied to rent a church basement to hold a meeting and it happened to be in a Catholic church. They were denied. They took the case to court and the court said, no, you can't impose your rights on someone else. Human rights legislation balances conflicting rights. It doesn't seek to impose someone else's views or someone else's rights where they come into conflict with existing rights.

For example, to deal directly with the kind of point that I'm raising, can a Catholic school insist on Catholic teachers? Yes, of course they can. Moreover, Catholic schools can insist on Catholic teachers who live by the church's ordinances and conventions.

A case not too long ago in Ontario where both the teachers involved were Catholic, but in contravention of the dogma of the church, had divorced and remarried and were discharged from their teaching on those grounds. Some might say that that ought not to have happened. It was challenged, but it was upheld because it said that the church had the right in terms of selecting its teachers to deal with its students, and to deal with its values, had the right to put such conditions. Indeed, it is generally the case, as I understand it, that anyone who applies to teach in a Catholic school must have the recommendation of their parish priest and that, Mr. Deputy Speaker, is not in any way prohibited or affected by human rights legislation.

I make these points because I would like, if I can, to assist in removing misunderstandings which might prevent persons of good will from accepting the real scope and function of human rights legislation - all human rights legislation - and our code is no exception. It acknowledges, let me emphasize, the right, for example, of an employer to hire the most qualified person and to take appropriate disciplinary action against employees who were unwilling or unable to carry out their assigned duties.

In a case - and I come more specifically to the point - where a person possesses a characteristic which would prevent him or her from effectively discharging the responsibilities of a position, denial of employment, based on that characteristic, is permitted by the exception for reasonable occupational qualification.

Let's take two recent cases in Manitoba to just make the point. In one case, the right of the City of Winnipeg Police Department to require a senior police officer to retire at a certain age, it was upheld because the nature of the existing duties of that police officer required active street patrolling, active policing, and it was accepted on the medical evidence that at the given

age, he might not, in certain circumstances, effectively carry out his duties.

In the other case, better known, because more recently, the Ogelski case, where it was a desk job that was involved, the same argument could not be made and therefore the attempt to mandatorily retire that police officer was not upheld.

So it's the reasonable approach that is taken throughout, and as I've pointed out, evidence of commitment to the tenants of a particular religion may be viewed as reasonable requirement, is viewed in fact as a reasonable requirement for priests, for nuns, for ministers, or other positions involving the teaching or promotion of their religion.

(Madam Speaker in the Chair.)

Having made those general remarks, Madam Speaker, about the scope and function of human rights legislation, I would like to now begin to deal with some of the more important sections of the bill.

First, with respect to some of the procedural innovations - and here I'll be quite brief - administratively, we've tried to make the administration of the act which I believe has been fair, even more fair. We have, for example, set forth in the act that persons appointed, and this then is a statutory condition now, will be appointed for three years and that appointment stands for the period of three years, and they may not be removed except for cause.

So we won't have the situation, and I accept some responsibility myself, where after an election all of a sudden there's a total shift of the board. That's something which I'm prepared to say ought not to happen. We're putting it into statutory form and these will be obviously rotating because we'll have periods of appointment for three years, two years and one year to begin with, so that every year one-third of the board will come up for a three-year appointment.

Again, because there is always the possibility of suggestion that hasn't been made in any specific case, that adjudicators are hand picked for a specific adjudication, the proposal is, by statute, to have an adjudication panel. So right at the very beginning, and there will be consultation on this, there will be a panel of proposed adjudicators. Right now we're using provincial court judges, so they might initially be provincial court judges, and we're only right now, incidentally, using provincial court judges. I haven't been using members of the practising bar for a year or two. That panel, whether picked in that way or in some other way, stays as a panel and are chosen from the rota, from the top of the list when a case comes up, and it's only if they're unavailable that you go down the list.

Another and, I think, very important provision, particularly from the point of view of service providers, employers and landlords, is the provision with respect to advisory opinions. Right now the board does and is frequently called upon to give an advisory opinion: I propose to do this, that or the other thing, to run something in this way, to run an ad in that way or whatever. Would this be in violation of The Human Rights Act? And an opinion may be given.

We're now making that statutory in the sense that, if an advisory opinion is sought and given, then that

advisory opinion is a complete defence. If a case is subsequently brought, as it may be, then the fact that opinion was given acts as a complete defence for the person who has relied on the advisory opinion.

One other comment about some of the procedural fairness that sought to build in additionally to the existing act is the requirement of a reply to a complaint. What happens now is that a complaint is received and then an investigation commenced on the basis of that complaint. In some instances, I don't know in what proportion, it is ascertained after a period of time that the complaint lacks grounds, has no basis, insufficient evidence, but in the meantime the respondent has been put, probably, in some instance, to some difficulty, some embarrassment, some uncertainty.

What we're introducing here - and I think the Member for St. Norbert, the Member for Fort Garry and other members I'm sure will understand the justice of this - when a complaint is received the respondent, before anything happens, is given the right to file a written reply, so that it may be quickly ascertained that indeed nothing further should take place.

I move on, Madam Speaker, with respect to enforcement. I made this note in my introductory remarks on first reading. I suppose the most significant addition to the act in terms of enforcement is the provision for what is called contract compliance and simply notes that every contract entered into before or after the bill will come into force by the government, a Crown agency or a local authority and is deemed to contain as a condition of the contract a stipulation that no party to the contract shall contravene the code in carrying out the terms of the contract and such provision for Affirmative Action or like program related to the implementation of the contract as may be required under the regulations so that it won't be at large, there will be regulations that set out the kinds of affirmative programs which we hope to encourage through contract compliance.

I've already, Madam Speaker, in referring members to some of the qualifications, mentioned the concept of reasonable accommodation and I would like to spend just a few moments on that.

In fact, this flows out of a recent, very recent, within the last few months, a unanimous judgment of the Supreme Court of Canada, *Simpsons-Sears vs. O'Malley*. By perhaps explaining the case, which will take me a moment, I can explain the concept.

In *Simpsons-Sears vs. O'Malley*, Mrs. O'Malley was an employee of *Simpsons-Sears*, a valued employee in Ontario and, sometime after her employment, converted to Seventh Day Adventism. There was no doubt it was a bona fide conversion. It wasn't a conversion of convenience or anything of that kind. She came to her employer and said, look, I can't work Saturdays. They said, gosh, well, we'll see what we can do, and tell you what, finally, we'll offer you part-time employment because for us, you know, Thursdays and Fridays and Saturdays are the three most important days of the retail work week, and we want you to be there on Saturdays. She accepted that, not happily.

Not long after, she married and her husband didn't want her to work full time in any event. But by that time, she had launched a complaint for the difference in salary between part time and full time, alleging that she had been discriminated against on account of her

religion. The issue, as it finally came up to the Supreme Court of Canada, because she had been turned down at every lower level, was whether or not indeed that amounted to discrimination, because there was no specific reference to that course of conduct in The Ontario Human Rights Act.

The Supreme Court again unanimously said, if, in this case, an employer can reasonably accommodate the attribute, in this case religion, and doesn't do so, that may be discrimination.

In a parallel case where it went the other way, just to indicate the element of reasonableness, a Sikh employed by the CNR, his religion required that he wear the turban but his qualifications on the job required a hard hat. They said, sorry, we can't have you under those circumstances. This is a hard-hat job and there are no exceptions, and so he lost the job. It went all the way up again.

But in those circumstances, it was clear on the evidence that there was no way in which the employer could reasonably accommodate the personal problem. There was no other job to which he could be transferred and so on. They could have, in the *Simpsons-Sears* case, reasonably accommodated her religion. They could not in the other. So one won and the other lost, but it was on the concept of reasonable accommodation.

So we have written into our act a term which says that, if you can reasonably accommodate and don't, it may be discrimination. You will recall, I pointed to a defence which is available, particularly with respect to premises that it may be too costly or difficult for the owner of premises to make it completely available, let's say, to the physically handicapped. The failure to do so does not necessarily mean discrimination because of the lack of reasonable accommodation.

Again, there is a provision in the bill with respect to systemic discrimination. Here too, this is a concept that has developed over the years in human rights jurisprudence, and it's as simple as this because we've had a local example of it. For years and for historic reasons that are very valid having to do with the way in which the City of Winnipeg was policed in the earlier days, you had to be a minimum of five-foot-seven inches. Most of them were six feet. Some of my peers will recall that, when they wore those buffalo coats and patrolled the streets, they indeed were a very formidable looking police force where all policing was based really on physical prowess and all the rest of it, demonstrated by size. The technology and all the rest of policing has changed.

But in any event, another thing that has changed is that we've had in recent years a large-scale immigration into the city of, let's say, Filipinos, the vast majority of whom don't come anywhere near five-foot-seven as an average. In fact, the city's reliance on that rule of five-foot-seven, which could not really be justified, meant that Filipino applicants for employment as police persons could not qualify.

The system discriminated. There wasn't intentional discrimination. The City of Winnipeg, through its police department, didn't set out to discriminate against Filipinos but the system they had in place, which could not be justified, did discriminate. So systemic discrimination is prohibited.

I now want to deal with the issue of specific grounds, prohibited grounds of discrimination. Let me make a few general comments.

I note that the Leader of the Opposition is quoted as saying that the current act affords protection from discrimination against homosexuals. Madam Speaker, it is true that in the past I have suggested that the courts could, indeed should, interpret the general words of the existing act, because we do have in two or three places in the existing act general words, should interpret it in the broad way which the Legislature, in passing the previous act, seems to have intended. But it is now clear beyond any doubt that, rightly or wrongly, and this is not a Court of Appeal from the courts - our courts, including the Court of Appeal, insist on a very literal interpretation of the act. They refuse to rely on general grounds.

That is, if something isn't specifically mentioned as a prohibited ground of discrimination, then say these courts it is not covered by the act. They reason that, if the Legislature had intended to prohibit discrimination on account of this, that or the other thing, then it's open to the Legislature to write it in. We're not going to write it in, let the Legislature write it in. We're not going to read it in, let the Legislature act.

For example, courts and adjudicators in our bailiwick, in our jurisdiction in Manitoba have found that discrimination on account of sex does not include pregnancy, does not include discrimination on account of pregnancy, does not include discrimination on account of sexual harassment, does not include discrimination on account of gender-related characteristics, does not include discrimination on account of sexual orientation.

The most recent decision of that kind was the judgment of the Court of Appeal, a unanimous judgment I believe, the judgment of Mr. Justice Huband in a sexual harassment case. The Human Rights Commission had been in fact prosecuting cases of sexual harassment, a number of them, and finally this particular case was challenged all the way up to the Court of Appeal. The Court of Appeal in the face, let me say incidentally, of judgments throughout Canada and judgments in the United States, including judgments directly in point of the U.S. Supreme Court, said that discrimination on account of sex did not include sexual harassment.

Well, I'm not going to, as I say, argue with the judgment here but, in fact, it made it perfectly clear and it went on to say, if that's what you want, then you write it into the act.

So indeed, this notion that somehow the general words may be sufficiently relied upon to offer protection to every group which may or may not be discriminated against, actually or apprehended, does not wash in the face of the decisions of the courts.

Incidentally, I would like to put this question to the Leader of the Opposition or anyone else in the House for that matter. If he really believes that sexual orientation is already a prohibited ground of discrimination, why does he now oppose it? Is he saying that it's okay as long as it's not mentioned? Doesn't it boil down to that? It's part of the law, why do you want it? Why are you mentioning it is to say, it's okay as long as you don't mention it. And if that's the position - I'm not saying that it is - isn't that in itself a form of discrimination? Indeed if that is the position of the Leader of the Opposition that it is already included but he does not want it included, why did not he and his colleagues so enact during their four years in office?

In any event, Madam Speaker, because of the literal approach by the courts, it is now necessary to add a number of grounds which are otherwise, by specific courts or adjudicative decision, not covered but may be subject of discrimination. Pregnancy, discrimination on the account of pregnancy is prohibited ground as proposed in this code. Discrimination on account of harassment - and I'm going to deal with that specifically in a moment - prohibited. On account of activities - I'll explain that. We do have prohibition against discrimination on account of religion or politics. It's not clear that covers religious activities or political activities, so we're making that clear. Sexual orientation - and we'll deal with that in a moment.

On the issue incidentally of harassment, members will note that in the bill there's a specific prohibition both with respect to sexual harassment and with respect to harassment in terms of other matters referred to in the bill. I note that editorially my good friend John Dafoe feels that this is an attack on free speech. Interestingly enough, in doing so, he omits to mention the key words in the section. The section, Madam Speaker, starts out - I'm not quoting the section. I know you're not suppose to do that, but it doesn't say I can't read the bill.

The section says: "No person shall . . ." - and these are the words omitted by John Dafoe - ". . . when participating in an activity or undertaking to which the code applies." In other words, clear as a bell, I would have thought and, if not, we'll make it more clear in committee, the prohibition against harassment only applies with respect to such harassment in employment, services and accommodations with respect to those attributes.

So that we know that sexual harassment, which is mostly directed against women, can make it impossible for a woman to maintain her employment in a given place if she has no remedy against such harassment. That's why it's discrimination on account of sex, incidentally. But it may be that somebody is harassed in the workplace on account of color by a whole number of ways such that it's impossible for the person to live or work in a normal way in that environment. Surely, that too is discrimination and so we have that provision. But as I said, Madam Speaker, if there are some concerns that the wording of the harassment section go too far or are not clear enough, glad to look at them of course.

Sexual orientation is now to be included as a proposed ground. Let me remind the members of the definition, because I think that's where one should start in dealing with it. "Sexual orientation" means heterosexual, homosexual or bisexual and refers only to consenting adults acting within the law, so there's a qualification built into the definition. It is said, however, and this is the one point I wanted to deal with, that by including sexual orientation we are approving or condoning any particular sexual orientation.

Let me, Madam Speaker, to draw an analogy, take you back to the rather fevered debate in 1969 when a former Prime Minister of this country, then the Minister of Justice before he became the Prime Minister, Pierre Elliott Trudeau, moved an amendment to the Criminal Code which he prefaced by saying the state has no place in the bedrooms of the nation.

The Criminal Code of the country prohibited on paying of criminal sanction a whole range of sexual activities

that, indeed, were equally a criminal offence if it took place between consenting adults in private, as if it took place in public. I remember, as a sometime teacher of Criminal Law, a case which arose, not in Canada as it happened, in the States with a similar law where, on the information of some neighbours, a married couple were both jailed because they were detected engaging in a form of sexual intercourse which was not considered normal, and this was in private, in their own home. So it was said that this was not a role for the Criminal Law.

It was argued that by removing the criminal sanction from any kind of sexual activity between consenting adults in private, we were condoning oral sex or whatever. It became very clear and it's now accepted that, no, what we were saying is - and it is now commonly agreed that in the one case private sexual activity should not ordinarily be the subject of criminal prosecution - and with respect to human rights legislation we're saying that private sexual activity should not be the subject of discrimination. And in doing so, it cannot be said reasonably that in some way we're condoning.

Madam Speaker, the range, I'm told, of heterosexual activity is immense in its variety. So what? It takes place in private between consenting adults; so be it. It's a form of sexual orientation, one may suppose, and no grounds obviously for discrimination.

Madam Speaker, an all-party Parliamentary Committee, the Government of Canada, recently issued its report towards equality, and this was the response of the report of the Parliamentary Committee on Equality Rights by the government, and it is proposed and is now examining all of its implications that the Canadian Human Rights Act be amended to add sexual orientation as a prohibited ground of discrimination. The former Minister of Justice, Mr. John Crosbie, said that was right and they would be so enacting in the fullness of time when it hits their legislative calendar.

Madam Speaker, those are basically the grounds sections of the act. I want to, in dealing with specific matters in the act, deal with just one more and then make some concluding remarks. There is, and that, too, was I think adverted to by Dafoe in his editorial on the attack on free speech. (Interjection) He told me. You learn to read the writing styles of the editorial writers. I can always tell Fred Cleverley's, for example, it's usually ungrammatical. (Interjection) It's not. Sometimes his writing is so good you wonder if he wrote it. I don't know, but we're a little worried Fred Cleverley's been supporting our Premier, you know. We were going to hold a special caucus on that when the Premier gets back.

A MEMBER: Where does Arlene stand?

HON. R. PENNER: Arlene? What does she say? She writes pretty grammatically; it could stand a little improvement here and there.

Madam Speaker, you may recall that there is a section in the existing act, section 3, I think it is, which deals with - some would refer to it rather loosely as the hate propaganda section - statements of that kind and indeed there's been a lot of concern about that.

First of all, of course, you will recall that in the Peter Warren case, the courts found against the Human Rights

Commission in that particular prosecution, but there are concerns that go beyond that, where particularly because of the guarantee of freedom of speech in the Charter, it is said that one ought not to use the force of law to prohibit even extreme forms of speech. So you have within the civil rights, human rights constituency itself some concerns about how to use the law, if at all, in that area. I must say I understand and I share those concerns.

So what we've attempted to do in the rewriting of that section is to make it very, very specific, and that is it's only if the statement or sign or notice discriminates or indicates intention to discriminate or incites or advocates discrimination that it comes within the purview of the act. So it's clear that the simple expression of ideas itself is not intended to be covered by this act and we hope, expect, that the section as written will not conflict with section 2 of the Charter.

Madam Speaker, in closing, I would like to make three points. I have not given detailed explanation of a number of the issues dealt with in the act because of considerations for other business of the House and because other members of our caucus are anxious to speak on some of the issues. That leads me to make a remark about our caucus.

It was mistakenly reported by one of our daily newspapers, the big one, first of all, that I, a humble Member from Fort Rouge, ordered members of our caucus to support this bill or be alternatively - I guess it wasn't sure what happened - there was a caucus vote compelling members to vote in a given way. That erroneous report and it's erroneous on both counts completely, sadly underestimates both the intelligence of our members and their commitment as social democrats to human rights.

Certainly, there were concerns about many aspects of the bill. Some have speculated their concerns about sexual orientation. There were concerns about many aspects of the bill because we examine in our caucus every piece of legislation with a fine-tooth comb even if a member, a Minister, brings forward a bill and says, oh, it's just routine. That person is grilled even more when they said that it's really routine.

Madam Speaker, we took the time we needed, as a democratic caucus, to work these through, and this is the point I'm coming to, in doing so - that is in looking at every aspect of the bill as proposed - we always came back to the position outlined in the preamble to the bill, a preamble, which in essence, sets the same kind of tone I attempted to set in my opening remarks.

"WHEREAS Manitobans recognize the individual worth and dignity of every member of the human family, and this principle underlies the Universal Declaration of Human Rights, the Canadian Charter of Rights and Freedoms and other solemn undertakings, international and domestic, that Canadians honour;

AND WHEREAS Manitobans recognize that (a) implicit in the above principle is the right of all individuals to be treated in all matters solely on the basis of their personal merits, and to be accorded equality of opportunity with all other individuals;" - and I conclude - "(b) to protect this right it is necessary to restrict unreasonable discrimination . . ." That was the bedrock, that was the foundation to which we always came back.

The Leader of the Opposition is quoted as saying that because sexual orientation, for example, is included

in this code, that this code is the most important piece of legislation introduced in this Session and it will lead to the most debate.

Well, since he has already said that the prohibition of discrimination on account of sexual orientation is already part of the law of Manitoba, this is really strange; unless for some reason, he really wants to make that issue the central focus of this whole Session. Incidentally, it does not surprise me that he might wish to do so since it is analogous to the way in which the Opposition virtually ignored an important Budget in favour of going up yet another alley which the member for Pembina pointed them to. They still want to play, "Follow the Shadow Leader"; so be it.

We regard this bill as important and will be prepared to debate it at the highest level. I can only appeal to the Leader of the Opposition to take the high road, to follow the example of the Leader of the Conservative Party in Ontario, to follow the example of his federal counterparts in the Government of Canada, and to approach this bill with a sense of fairness, with a sense of dedication to the dignity of all human persons - a position, Madam Speaker, which Manitobans have the right to expect, not only of their government, but of their Opposition as well.

Thank you.

MADAM SPEAKER: The Honourable Member for Fort Garry.

MR. C. BIRT: Thank you, Madam Speaker.

A question of clarification on the act and the comments that the Minister made, and I'm referring to really conflict or a potential conflict of two principles. I can appreciate what the Attorney-General said and I don't wish to trivialize the debate on this issue.

But it really flowed from the Free Press article that the Attorney-General made reference to, and, basically, there's a principle contained in the act where it says - using the Attorney-General's interpretation of the House Rules of quoting from the act - "Substantive rights and obligations in this code are paramount over the substantive rights and obligations in every other act of the Legislature whether an act before or after this code."

Now that's the principle of supremacy of the act. You couple that with the rights and immunities and privileges that members of the Legislature have that flow down through the Bill of Rights Act in Britain, going back into the 1600's, through Parliament of Canada and from here - and I'm not suggesting that this Legislature would discriminate or do anything of that sort, but from time to time, perhaps comments are made that people may have taken exception to, where they may be intemperate remarks. This privilege has been in the House for a long time and it would appear that the principle enunciated in the bill that the Attorney-General has just made reference to would either override or amend that right.

The question is: Is that the intention of the bill, or will the act, relating to the privileges of members in the Legislature, not be affected by this particular principle?

HON. R. PENNER: Madam Speaker, as I took pains to point out a short time ago, what the editorial failed

to note is that the prohibition that he is concerned with in his question with respect to harassment is prohibited only in the course of the specific activities that are undertaken to which the code implies.

The Legislature, in its debate, is not employing, is not service-providing and is not renting accommodation. So it has no application whatever to these and these alone. The Human Rights Act only applies -(Interjection)- You can. You know I'm beginning to enjoy it, actually. You see, if you do something too much, it kind of wears thin after awhile and one begins to wear it like a coat of honour.

It only applies, Madam Speaker, that is The Human Rights Act, with respect, let me emphasize, to employment, provision of services, provision of accommodation.- (Interjection)- Yes, the act is paramount. Indeed, the Supreme Court found so in cases taken up by the Winnipeg Teachers' Society, a retirement case and other cases of that kind. What we are saying in the law is what the Supreme Court has said; so that who is caught by the act, in effect, is not members of the Legislature debating back and forth occasionally in feisty moments, hurling epithets of one kind or another back and forth, but the government as employer, or the government as provider of services, or the government as sometimes render of accommodation in its activities is affected by The Human Rights Act.

MADAM SPEAKER: The Honourable Member for Assiniboia.

MR. R. NORDMAN: Madam Speaker, I move, seconded by the Member for Emerson, that debate be adjourned.

MOTION presented and carried.

**BILL NO. 48 - AN ACT TO REPEAL
CERTAIN UNREPEALED AND
UNCONSOLIDATED
PUBLIC GENERAL STATUTES AND PARTS
OF STATUTES (1871-1969)**

HON. R. PENNER presented Bill No. 48, An Act to repeal Certain Unrepealed and Unconsolidated Public General Statutes and Parts of Statutes (1871-1969), for Second Reading.

Madam Speaker, with your permission, I avoid all of that French.

MOTION presented.

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: I have copies of the speaking notes on this and, indeed, I will be exceptionally brief in making up for the fact that I was not exceptionally brief a few moments ago.

Madam Speaker, this bill is just part and parcel of the validation of statutes, the re-enactment of statutes. It repeals 123 acts, or parts of acts, which have remained valid legislation far beyond the time necessary for their existence. These acts are found, Madam Speaker, in Schedule C to the revised Statutes of

Manitoba, 1970, that is at the end of the loose-leaf volumes in tartan binders.

Members will note that in the bill some of the references are to very old statutes - 1881, 1892, 1899. In most cases, Madam Speaker, the acts or parts thereof were retained in order to take care of transitional matters such as the establishment of new or successor organizations, successor boards of directors, or to recognize in some instances pending litigation.

In some cases it is clear that acts were attained through inadvertence or oversight. The process of checking the need for retaining these acts is time consuming. The members will note that all of the acts in Schedule C are not repealed, some are only in part. Certain of the acts will have to be translated and re-enacted since their provisions are still operative and required. Some of the acts remaining in the schedule will be repealed in a subsequent bill once further research has been done concerning the legal impact of repeal.

Explanatory notes regarding the bill have been prepared, Madam Speaker, for distribution to the members and that will be distributed in the House shortly.

MADAM SPEAKER: The Member for Fort Garry.

MR. C. BIRT: Madam Speaker, I move, seconded by the Member for Morris, that debate on this bill be adjourned.

MOTION presented and carried.

BILL NO. 52 - THE ENERGY RATE STABILIZATION ACT

HON. E. KOSTYRA presented Bill No. 52, An Act to amend The Energy Rate Stabilization Act, for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Minister of Finance.

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

I have a few brief comments to make on this bill and I provided previously a copy of my notes to my Opposition critic.

Bill No. 52 provides the Legislative authority to amend The Energy Rate Stabilization Program, as I indicated would be done in this year's Budget Address.

You will recall that I indicated that Manitoba Hydro would become responsible for any fluctuation in the value of foreign currency dominated debt issued by or on behalf of Manitoba Hydro on or after April 1, 1987. This bill gives effect to that transfer responsibility.

I also announce that with respect to foreign currency dominated debt issue by or on behalf of the Manitoba Hydro prior to April 1, 1987, Manitoba Hydro would assume responsibility for fluctuation in the value of U.S. dollar-dominated debt, the province retaining responsibility for currency fluctuation in respect to the debt dominated in other currencies. This bill gives effect to that announcement.

Because of the fact that, during the period prior to April 1, 1987, the province has amortized in its records foreign currency fluctuation in U.S. dollar-dominated debt issued by or on behalf of Manitoba Hydro, the amounts so amortized will be available to assist Manitoba Hydro with the foreign currency fluctuation on that debt as it matures provided that, if the actual loss is less than the amount amortized, the province will only pay Manitoba Hydro the amount of the loss.

In the event that any issue of U.S. dollar-dominated debt is paid off at a lower currency level than that when the debt issue was sold and the province has an amortized gain on its records, Manitoba Hydro will pay the province an amount which shall not exceed the amount so amortized.

When Bill No. 52 reaches committee, I will provide a clause-by-clause analysis of the bill.

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Madam Speaker, I move, seconded by the Member for Arthur, that debate be adjourned.

MOTION presented and carried.

BILL NO. 53 - THE OIL AND GAS PRODUCTION TAX ACT

HON. E. KOSTYRA presented Bill No. 53, The Oil and Gas Production Tax Act, for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Minister.

HON. E. KOSTYRA: I am pleased to have this opportunity to present Bill No. 53 for consideration by honourable members.

In its simplest terms, Bill No. 53 proposes major reforms to the previous Oil and Natural Gas Tax Act by replacing it with a new, streamlined and simplified Oil and Natural Gas Production Tax Act.

Under the new legislation, the province will collect approximately the same revenues. Effective rates of taxation will be equal to that paid under the old act, but some 1,640 mineral rights owners will be removed from the process of receiving assessment and tax notices.

The producing oil company will now be paying a monthly tax on multiproduction of crude oil. The tax rates will be prescribed in the regulations, as is the practice in the Province of Saskatchewan and Alberta and by the Federal Government.

Many of the tax rates, by regulation, will permit prompt changes to the rate in response to changes in oil prices or other factors. At present, under The Manitoba Mines Act, the royalty rate on oil produced from Crown lands is fixed by regulation, permitting rate changes to be made quickly if necessary. By adopting the new act, we will be bringing our oil and natural gas legislation rate-setting methodology in line with Saskatchewan, Alberta and the Federal Government.

Simplifying administrative and record-keeping procedures, under the new act, tax will be charged

basically to the value of the monthly production of oil from a well. Under the old act, tax was calculated on a real estate tax-type basis, requiring assessment rolls levied on the mineral right owner who had little knowledge of the tax liability as it was paid by the oil producing company. At times, mineral right owners were startled to receive assessment notices for tax only and greatly relieved to discover no tax was owing as the producing oil company had already paid the oil taxes.

Effecting a slight administrative saving of about one-quarter staff year which would be better utilized in other areas, formerly administrative staff were required under the old act to post assessment rolls, mail assessment notices, as well as collect taxes from the producing oil companies. Assured that the effective rate of tax is about equal to that collected under the old act, the majority of oil producing companies will see little or no change to their tax rate, but some oil companies whose wells are shut down for part of the year could face a marginal tax increase due to the shift from an annual base to a monthly base.

The old tax act averaged the tax load over an annual period, while this act levies tax base on the values of a month's oil production, and also to have the ability to respond quickly to changes in oil prices and other factors affecting the oil industry.

With these few comments, I commend the bill to all honourable members.

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Madam Speaker, I move, seconded by the Member for Arthur, that debate on this bill be adjourned.

MOTION presented and carried.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, in the interest of expediting the debate this afternoon, I've worked out that a number of bills will be called. The other bills will be left standing in the names of those individuals in whom they now stand, and then we'll proceed into Interim Supply.

So could you please call Bills No. 23, 29, 31, 32, 33, 34 and 36, in that order, please?

ADJOURNED DEBATE ON SECOND READINGS

MADAM SPEAKER: Debate on Second Reading on the proposed motion of the Honourable Minister of Highways, Bill No. 23, standing in the name of The Honourable Member for Minnedosa.

MR. J. DOWNEY: Stand, Madam Speaker.

MADAM SPEAKER: Stand.

BILL NO. 29 - THE CONDOMINIUM ACT

MADAM SPEAKER: On the proposed motion of the Honourable Minister of Housing, Bill No. 29, standing in the name of the Honourable Member for Assiniboia.

MR. R. NORDMAN: Madam Speaker, we on this side are prepared to move this bill on to committee in order to hear the concerns of the industry.

QUESTION put, MOTION carried.

BILL NO. 31 - THE COMMUNITY CHILD DAY CARE STANDARDS ACT

MADAM SPEAKER: On the proposed motion of the Honourable Minister of Community Services, Bill No. 31, standing in the name of the Honourable Member for Rhineland.

The Honourable Member for Kirkfield Park.

MRS. G. HAMMOND: Madam Speaker, the Member for Rhineland stood this bill for me.

Madam Speaker, the intent of the bill is to protect the children who are in day care and also for the protection of the parents. We have no certainly objection to the intent of the bill.

I was just wondering if the Minister, when she closes debate on the bill, because we are willing to let this go to committee today, if she would allow the answer to the question on if they are going to be looking at mandatory testing in any cases for AIDS when they are looking at day care workers. Since this is such a topical subject these days and they are testing in the prisons, they're looking to have mandatory testing possibly in other areas, this may be a spot that the Minister may have considered. I don't know if anyone has brought the subject up before.

But other than those few words, Madam Speaker, we are certainly in favor of anything that protects the children, and better that we have legislation beforehand so that they can do something quickly if the need is there.

Another question I did have, though, is some of the people that are taking the child care courses at the university and possibly may be paid for by the government, I don't know if they ever do this type of thing, but is it possible to have some of these people checked out because there's no point in someone taking a day care course with the idea of going to work if they are going to be refused the minute they try for a job? I don't know if that type of thing is ever thought of or is ever done, but it's just a question that I would like to ask of the Minister also.

MADAM SPEAKER: The Honourable Minister of Finance.

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

The Minister is unavoidably not here, and I wonder if the members opposite would agree that I will pass those questions on to her and will ensure that answer is provided to the member directly prior to committee considering this bill, if that will allow this bill to proceed on to committee.

MRS. G. HAMMOND: That's fine.

QUESTION put, MOTION carried.

BILL NO. 32 - THE RETAIL BUSINESSES HOLIDAY CLOSING ACT

MADAM SPEAKER: Second Reading on the proposed motion of the Honourable Minister of Labour, Bill No. 32, standing in the name of the Honourable Member for St. Norbert.

The Honourable Member for Morris.

MR. C. MANNES: If leave would be granted, I would like to speak to this bill and leave it standing in the name of the Member for St. Norbert.

MADAM SPEAKER: Does the honourable member have leave? (Agreed)

The Honourable Member for Morris.

MR. C. MANNES: Thank you very much, Madam Speaker.

My remarks on Bill No. 32 will not be expansive. I can tell you, however, though, that I stand today and offer qualified support to Bill No. 32. Madam Speaker, my leader and other members of our party have stated support for the bill, given certain conditions apply, and I, too, stand in support of those qualifying statements.

Madam Speaker, one could argue for or against Sunday closing as it has become a controversial issue on many planes. Certainly, philosophically, one could argue the case, of course, on the basis of property rights; one could argue the case on religious values. But, nevertheless, Madam Speaker, this word, "modern society," comes forward on many occasions. It comes forward particularly in the media. It comes forward indeed in those who support Sunday closing.

I guess I ask the rhetorical question: What is meant by "modern society"? Certainly, modern society 200 and 100 years ago deemed that businesses should not be open on the Sabbath. That of course was based on fundamental religious laws, but that was an expression of modern society at that time. Today, modern society of course takes on different meanings. It makes me ask the question specifically: Where is it heading? Does it know where it's heading in the granting of specific rights, Madam Speaker? Because in my view, once rights are granted and once you continue to grant more and more rights, indeed these rights will come into conflict, and then who is going to judge as to whose rights are paramount?

So, Madam Speaker, I am one who has always taken the view that you can never legislate integrity, you can never legislate honesty, you can never legislate caring and sharing, and you certainly can never legislate community spirit. I will continue over every opportunity I have when we are dealing with bills or issues that are close to this subject to remind members opposite who believe that through passing of laws you can cause people to treat each other differently or in a better way, Madam Speaker, to me is totally a false argument.

Madam Speaker, should people who own property have the right to open that business as they wish? I won't attempt to answer that question today, but the point being, I think that element could be introduced into this whole argument. Madam Speaker, my responsibility here though, in my view, is to reflect the wishes of my constituents. That's my primal role for

being in this House. It's the reason that I have been given the honour of representing a large number of people, people who live in the riding of Morris, people who live south and west of the City of Winnipeg.

I have canvassed, Madam Speaker, my constituents on this issue and, quite frankly, it comes as no surprise to me, and I dare say it probably comes as no surprise to you and other members of this House that 78 percent of the people in my riding - and that's based on 1,000 replies to a survey - would not support the relaxation of Sunday closing laws.

So I have no difficulty then arguing this issue from a pragmatic standpoint, and that is that society, however it deems itself to be modern, however it wants to consider itself in today's light, has to be fully cognizant of the wishes of the majority of our citizenry. Madam Speaker, to me, representing like I do, so many small hamlets, where there are maybe three or four businesses contained within each, almost always one of those businesses being a small grocery store - some would classify it as a "Mom and Pop store," some would classify it as a convenience store - but nevertheless, a small store trying to eke out an existence in a fragile, rural economy almost inevitably one of those handful of businesses that exist within the many, many small rural hamlets in my view would be threatened indeed if Sunday closing were to be removed and there was a relaxation in Sunday closing laws.

Madam Speaker, I know of constituents of mine, business constituents, who used to be open on Sunday, and they did so only as a service to the people around, people of the district who worked full six-day weeks, and who had no opportunity in a lot of cases to purchase the staples of life other than coming in on a Sunday. Madam Speaker, that was the first true convenience store, and it existed in the small hamlets of this province and I dare say of rural Canada and of rural America. Those were convenience stores, but indeed, as the way of life in rural Manitoba has changed and we have more, let's say, idle time on our hands, as purchasers, we no longer have the requirement for Sunday opening from our small stores.

Yet, Madam Speaker, we're torn between one part of society saying that they're should be, in their definition of modern society, fewer rules governing individual activities, more governing business activities, yet you put that in balance with some of the religious views of many Manitobans, certainly many of my constituents, indeed you realize fully well that as a society we have plenty of opportunity to purchase the needed goods of life on days other, and I use the word "Sunday," but I realized the law in place says it can be any day.

Madam Speaker, I say to you that many of the small businesses in my constituency are threatened because we're so close to the City of Winnipeg. So many of my constituents would find it easier in visiting relatives in Winnipeg, or dining in the City of Winnipeg, before they returned home, to purchase their weekly grocery supplies in great number. Of course, what that would do, Madam Speaker, would just be totally to remove the economic impact to that small struggling store in many of the hamlets that I represent. To me, they would lose their viability very quickly. They survive today on little volume; they survive on just basic hard work and to quite a degree, a loyalty of their clientele, and over

18-hour work days. Of course, they survive because their margins are somewhat greater. If the little volume they do have, Madam Speaker, were to be destroyed because of Sunday shopping, in my view, they would be removed from the economic landscape of rural Manitoba very quickly.

Madam Speaker, there are some of my constituents, however, who want enhanced Sunday shopping within Winnipeg. But I assessed and invariably, Madam Speaker, the person who lives in my constituency just outside the City of Winnipeg, who wants relaxation on Sunday closing laws, that person is a non-supporter of the community and is more concerned about saving a dollar than making a contribution to the economy.

Madam Speaker, I'm not going to run down the aspect or the principle of saving a dollar, but the point being, when it's made so easy to save a dollar and what it represents in the long run, the closing down of a viable business, I am concerned.

Madam Speaker, I say in closing that greater opening cannot be allowed. I commend the government for trying to deal with this issue as it's been brought forward to courts throughout the country by those who would want to see greater freedom associated with Sunday shopping. Nevertheless, I stand here today in support of a large number of my constituents, who are still trying to hold back, Madam Speaker, that trend, for the want of a better word. I close by saying I support the government completely in this matter.

MADAM SPEAKER: The bill will continue to stand, by leave, in the name of the Honourable Member for St. Norbert.

BILL NO. 23 - THE HIGHWAY TRAFFIC ACT

MADAM SPEAKER: On the proposed motion of the Honourable Minister of Highways, Bill No. 23, can we revert to that bill, by leave, standing in the name of the Honourable Member for Minnedosa.

MR. D. BLAKE: Thank you, Madam Speaker.

We're prepared to move this bill on to committee, but there are a few remarks we'd like to make. Actually, we'll be interested in the presentations that are going to be made, hopefully, in Bill 23, An Act to amend The Highway Traffic Act.

One of our concerns that has been expressed by my colleague, the Member for Ste. Rose, Madam Speaker, earlier was the one licence plate. We feel that this is not an advantageous step in view of the arguments that have been put forward with the difficulty with the law enforcement agencies. That was a question that we put to the Minister earlier, that were they in agreement with this move. We find, in talking with the law enforcement authorities, that they're not in agreement with moving to one licence plate, and I think that should be considered by the Minister when we're in committee and have representations on this.

We're well aware of the cost savings that have been reported to be in this move to one licence plate, but I think maybe that savings may be offset with the advantages we have in maybe tourist promotion and other aspects of the licence plate. If we're looking at

savings, we could probably look at other ways, Madam Speaker. We could go to a lifetime plate or a longer-life plate and probably recover the savings just as easily that way or in other ways. I'm sure there would be many ingenious ways that could be brought forward where the savings could be brought into effect for the government.

I have talked to many of the road patrols in my particular area, the RCMP officers, and they're going to be at a disadvantage with the one licence plate. The licence plates on the rear, of course, are the ones that dirty up the fastest and, if there's no plate on the front, it's difficult to spot out-of-province vehicles, things of that nature. So I caution the Minister on this particular move. I don't know whether it's a move in the right direction.

We of course have expressed our objections to it, and I expect that there would be objections forthcoming when the bill hits committee stage.

The safety lights, as long as we're standardizing the safety lights on vehicles, we can certainly support that as long as we're not going to get into confusion. I think possibly some of the cost of changing over to the flashing lights would maybe offset some of the savings we're going to have in the licence plates, but as long as we're going to be standardized in some way whereas all police vehicles across the country are going to have the alternating colored flashing lights and other vehicles are going to be a blue or an amber or whatever, as long as people know what the lights are.

We have some concern with the authority of peace officers, and I don't want to get into that particular - we're not suppose to talk about sections of the bill - but that particular section concerns us to some degree, Madam Speaker, inasmuch as the fact that we're not absolutely clear of what authorities are going to be there. Apprehending suspended drivers, we know is an admirable cause and we can support measures that will get suspended drivers certainly off the road, but we may get some more clarification when we have presentations made in committee stage. We're in no way objecting to the ALERT Programs or programs similar to that, but putting a blanket authority in the hands of police officers, while we know they will use it judiciously, there may be occasions where overzealous constables - a term they used to use in the Army - bucking for their hooks, may become a little overzealous with this particular section in the act and take it maybe to the extremes.

The section dealing with the non-payment of time payment premiums to MPIC and drivers' testing, Madam Speaker, we'll be following that up in committee and we'll be interested in seeing what representations are made. There may be a heavy hand of government involved in this particular section of the act.

The savings that I mentioned that the Minister has brought forward with the one licence plate, Madam Speaker, concerns us in a degree because we have gone through Highways Estimates. We've talked about highway funding, and the new fees that have been brought in in vehicle licensing and various other fees which raise \$10 million or \$12 million, which we had hoped would be spent on highway improvements and highway construction, is just not there, Madam Speaker.

Our road conditions in many cases are becoming deplorable, and we've chastised the Minister for not

having more clout in Cabinet and getting another \$10 million for Highways, especially where the new fees have raised a considerable amount of new revenue. I don't think the people paying these fees are going to object to paying them as long as they could see some lasting benefits from their increased fees, such as improved road construction and improved road repairs where they are so badly needed in many, many areas. So I hope the Minister has taken our remarks seriously, because we're really concerned with the condition that our highways are getting into and with the lack of new construction on our highways.

But that is not our reason for speaking and objecting to certain sections of this bill, Madam Speaker. As I said and my colleagues have said, we're ready to pass it on to committee, but we'll be interested in hearing the presentations that are made at the committee stage. Hopefully, with some persuasion, we can have the Minister maybe modify or change some sections of the act that we feel maybe aren't in the best interests of all Manitobans.

So with those remarks, Madam Speaker, we're prepared to move the bill on to committee stage and make further presentation at that time.

QUESTION put, MOTION carried.

BILL NO. 36 - THE RELIGIOUS SOCIETIES' LANDS ACT

MADAM SPEAKER: On the proposed motion of the Honourable Minister of Consumer and Corporate Affairs, Second Reading, Bill No. 35, standing in the name of the Honourable Member for Riel.

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

It's just a bill, and whenever you see a bill that streamlines and maybe cuts back on some unnecessary costs. We at this time have studied the bill, and have no problems moving it on to committee and hearing the comments from those who are affected.

QUESTION put, MOTION carried.

MADAM SPEAKER: The Honourable Minister of Finance.

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

I move, seconded by the Minister of Municipal Affairs, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply (Interim Supply) to be granted to Her Majesty with the Honourable Member for Burrows in the Chair.

COMMITTEE OF SUPPLY INTERIM SUPPLY

MR. CHAIRMAN, C. Santos: Committee of Supply, please come to order to consider the following resolution, Interim Supply.

RESOLVED that a sum not exceeding \$1,688,190,840, being 45 percent of the total amount to be voted as set out in the Main Estimates, be granted to Her Majesty for the fiscal year ending the 31st day of March 1988 - the Member for Morris.

MR. C. MANNES: Thank you very much, Mr. Chairman.

I'm not going to be long because I know there is a desire to do other things today.

But, Mr. Chairman, what we have again is the resolution calling forward the Interim Supply Bill. The Minister of Finance is asking, in almost a casual sense, Mr. Chairman, for \$1.688 billion of additional spending authority.

Mr. Chairman, this was an agreement that of course was entered into by the various House leaders after the decision was made with respect to the first Interim Supply Bill. But now being the early part of June, the Minister of Finance is requesting consideration by this House of another supply request totalling to, I believe for the year now when you combine the two, a combined figure of roughly 65 or 70 percent.

Mr. Chairman, I want to make one point. I'm not going to go into a whole list of arguments as to why this government's spending is far beyond the rate of inflation. I'll save that for another time. But, Mr. Chairman, I think what has to go on the record is the manner in which the Minister of Finance has seen fit to address my questions as I present them to him during question period.

Mr. Chairman, as an Opposition member and as the critic for an area of Finance, we are taxing, we are granting the government authority to tax the citizens of this province for a sum of \$4 billion. Mr. Chairman, we're spending 240 hours of the time of this Session directed towards how and the manner in which that money will be expended; and yet, Mr. Chairman, when I pose direct questions to the Minister of Finance as to the implementation of the tax measures, when I ask him about a multi-year budget so as to how Manitobans will be prepared to understand how it is they will be able to meet the requirements, the spending requirements of future governments, indeed, the Minister of Finance does one thing and one thing only. He stands in his place and he says how bad things are in the Province of Alberta and Saskatchewan. He accuses me of spreading misinformation and he talks about sister provinces to the west.

Mr. Chairman, I know I can't command the Minister of Finance to give direct answers to very direct questions, but what galls me is when the Minister of Finance rises in his place like he did a few minutes ago in addressing Bill No. 53 and uses part of the rationale - and by the way Bill No. 53 is an act to introduce an oil and natural gas production tax act, amending that bill - in support of the government bringing forward that type of legislation, the Minister says and I quote, "By adopting the new act we will be bringing our oil and natural gas legislation rate, setting methodology in line with Saskatchewan, Alberta and the Federal Government."

Mr. Chairman, question period after question period, I have to sit here and listen to the Minister of Finance wander all over the parking lot in an attempt to answer

a question and yet always qualified his response with respect of how badly things are in Saskatchewan and Alberta. And yet, Mr. Chairman, when the Minister brings forward legislation, requesting of this Legislature authority to change the way and a tax dealing with oil and natural gas is in place in this province, he uses a supportive argument, the fact that it's done the way Alberta and Saskatchewan is.

So, Mr. Chairman, that's my purpose for rising at this moment, is to say to the Minister of Finance, please, please be a little bit more forthright in response to the very legitimate and well put questions of members on this side dealing with fiscal and taxation measures. Mr. Chairman, we're dealing, after all, not only with \$4 billion, not only with the expenditure of four point whatever billion dollars, but also the livelihoods of many many Manitobans who are working their butts off, Mr. Chairman, in support of their families and who are paying a massive degree of taxation in support of the services they want.

MR. CHAIRMAN: Is it the will of the committee to adopt this resolution? (Agreed)

Committee rise.
Call in the Speaker.

IN SESSION

The Committee of Supply adopted certain resolutions, reported same, and asked leave to sit again.

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, I move, seconded by the Honourable Member for Lac du Bonnet, that the report of the committee be received.

MOTION presented and carried.

MADAM SPEAKER: The Honourable Minister of Finance.

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

I move, seconded by the Minister of Co-op Development, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of Ways and Means of raising the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Ways and Means to consider of the Ways and Means for raising of the Supply to be granted to Her Majesty with the Honourable Member for Burrows in the Chair.

COMMITTEE OF WAYS AND MEANS

INTERIM SUPPLY

MR. CHAIRMAN, C. Santos: Committee of Ways and Means, please come to order. The resolution before this Committee of Ways and Means reads as follows:

RESOLVED that toward making due the Supply granted to Her Majesty on account of certain

expenditures of the public service, for the fiscal year ending the 31st day of March, 1988, the sum of \$1,688,190,840, being 45 percent of the total amount to be voted as set out in the Main Estimates for the fiscal year ending the 31st day of March, 1988, laid before the House at the present Session of the Legislature be granted out of the Consolidated Fund.

Is that agreed? (Agreed)

Committee rise.

Call in the Speaker.

IN SESSION

The Committee of Ways and Means adopted certain resolutions, reported same and asked leave to sit again.

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, I move, seconded by the Member for Lac du Bonnet, that the report of the committee be received.

MOTION presented and carried.

INTRODUCTION OF BILLS

HON. E. KOSTYRA introduced, by leave, Bill No. 43, The Interim Appropriation Act, 1987 (2).

SECOND READING

BILL NO. 43 - THE INTERIM APPROPRIATION ACT 1987 (2)

HON. E. KOSTYRA presented, by leave, Bill No. 43, The Interim Appropriation Act, 1987 (2), for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Minister.

HON. E. KOSTYRA: Bill No. 43, The Interim Appropriation Act, 1987 (2) is required to provide additional interim spending in commitment authority for the 1987-88 fiscal year, abetting approval of The Appropriation Act, 1987.

Bill 43 will replace The Interim Appropriation Act, 1987, being chapter 3 of the Statutes of Manitoba, 1987, except for section 12 of that act which provided authority to borrow \$300 million, which authority does not lapse.

The amount of the spending authority requested is \$1,688,190,840, being 45 percent of the total amount to be voted, excluding statutory items, as set forth in the Main Estimate of Expenditures, as follows:

The total General Statutory Appropriations, \$466,325,100; total sums to be voted are \$3,751,535,200 for the total Main Estimates of Expenditure, \$4,217,860,300.00.

The Interim Supply calculation is 45 percent of \$3,751,535,200, a sum to be voted which equals \$1,688,190,840.00. This amount is expected to last approximately until September 15, 1987.

By agreement with members opposite, the second Interim Supply Bill is to provide for the balance of spending authority required for the present Session, hopefully.

The initial Interim Supply was estimated to last approximately until mid-June. Since The Appropriation Act, 1987 has not yet been passed, it becomes necessary to secure additional spending and commitment authority by way of a second Interim Supply Bill to provide for the ongoing requirements of government.

The amount of future commitment authority has been increased in the second Interim Supply Bill to \$210 million, an increase of \$35 million from the initial Interim Supply Bill, and represents 60 percent of the total forward commitment authority to be included in The Appropriation Act, 1987. This representative of the increase in the full-year level of future commitment authority required in 1987-88 to provide for the financial obligations under the MPI Lease Agreements, the total '87-88 forward commitment authority to be included in the Main Supply Bill is estimated at \$350 million, as opposed to \$400 million provided for in '86-87.

Bill 43 is required to provide additional interim spending and commitment authority to ensure the continued operation of government.

I would like to request the cooperation of the Opposition in expediting the passage of Bill 43 through

all stages of consideration and debate approval, including Royal Assent.

When Bill 43 reaches the committee stage, I can provide members with a section-by-section explanation, a copy of which I have already forwarded to my Opposition critic.

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Madam Speaker, I move, seconded by the Member for Pembina, that debate be adjourned.

MOTION presented and carried.

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker. I believe there's an inclination to call it six o'clock.

MADAM SPEAKER: Is it the will of the House to call it six o'clock? (Agreed)

The hour being 6:00 p.m. then, the House is now adjourned and stands adjourned till 1:30 p.m. tomorrow. (Thursday)