



**Second Session — Thirty-Third Legislature**  
of the  
**Legislative Assembly of Manitoba**

**DEBATES**  
and  
**PROCEEDINGS**  
**(HANSARD)**

36 Elizabeth II

*Published under the  
authority of  
The Honourable Myrna A. Phillips  
Speaker*



**VOL. XXXV No. 66 - 1:30 p.m., WEDNESDAY, 10 JUNE, 1987.**



**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Third Legislature**

**Members, Constituencies and Political Affiliation**

NAME	CONSTITUENCY	PARTY
<b>ASHTON, Steve</b>	Thompson	NDP
<b>BAKER, Clarence</b>	Lac du Bonnet	NDP
<b>BIRT, Charles T.</b>	Fort Garry	PC
<b>BLAKE, David R. (Dave)</b>	Minnedosa	PC
<b>BROWN, Arnold</b>	Rhineland	PC
<b>BUCKLASCHUK, Hon. John M.</b>	Gimli	NDP
<b>CARSTAIRS, Sharon</b>	River Heights	LIBERAL
<b>CONNERY, Edward J.</b>	Portage la Prairie	PC
<b>COWAN, Hon. Jay</b>	Churchill	NDP
<b>CUMMINGS, J. Glen</b>	Ste. Rose	PC
<b>DERKACH, Len</b>	Roblin-Russell	PC
<b>DESJARDINS, Hon. Laurent L.</b>	St. Boniface	NDP
<b>DOER, Hon. Gary</b>	Concordia	NDP
<b>DOLIN, Marty</b>	Kildonan	NDP
<b>DOWNEY, James E.</b>	Arthur	PC
<b>DRIEDGER, Albert</b>	Emerson	PC
<b>DUCHARME, Gerry</b>	Riel	PC
<b>ENNS, Harry J.</b>	Lakeside	PC
<b>ERNST, Jim</b>	Charleswood	PC
<b>EVANS, Hon. Leonard S.</b>	Brandon East	NDP
<b>FILMON, Gary</b>	Tuxedo	PC
<b>FINDLAY, Glen M.</b>	Virden	PC
<b>HAMMOND, Gerrie</b>	Kirkfield Park	PC
<b>HARAPIAK, Hon. Harry M.</b>	The Pas	NDP
<b>HARAPIAK, Hon. Leonard E.</b>	Swan River	NDP
<b>HARPER, Hon. Elijah</b>	Rupertsland	NDP
<b>HEMPHILL, Hon. Maureen</b>	Logan	NDP
<b>JOHNSTON, J. Frank</b>	Sturgeon Creek	PC
<b>KOSTYRA, Hon. Eugene</b>	Seven Oaks	NDP
<b>KOVNATS, Abe</b>	Niakwa	PC
<b>LECUYER, Hon. Gérard</b>	Radisson	NDP
<b>MACKLING, Q.C., Hon. Al</b>	St. James	NDP
<b>MALOWAY, Jim</b>	Elmwood	NDP
<b>MANNES, Clayton</b>	Morris	PC
<b>MCCRAE, James C.</b>	Brandon West	PC
<b>MERCIER, Q.C., G.M.J. (Gerry)</b>	St. Norbert	PC
<b>MITCHELSON, Bonnie</b>	River East	PC
<b>NORDMAN, Rurik (Ric)</b>	Assiniboia	PC
<b>OLESON, Charlotte L.</b>	Gladstone	PC
<b>ORCHARD, Donald W.</b>	Pembina	PC
<b>PANKRATZ, Helmut</b>	La Verendrye	PC
<b>PARASIUK, Hon. Wilson</b>	Transcona	NDP
<b>PAWLEY, Q.C., Hon. Howard R.</b>	Selkirk	NDP
<b>PENNER, Q.C., Hon. Roland</b>	Fort Rouge	NDP
<b>PHILLIPS, Hon. Myrna A.</b>	Wolseley	NDP
<b>PLOHMAN, Hon. John</b>	Dauphin	NDP
<b>ROCAN, C. Denis</b>	Turtle Mountain	PC
<b>ROCH, Gilles (Gil)</b>	Springfield	PC
<b>SANTOS, Conrad</b>	Burrows	NDP
<b>SCHROEDER, Q.C., Hon. Victor</b>	Rossmere	NDP
<b>SCOTT, Don</b>	Inkster	NDP
<b>SMITH, Harvey</b>	Ellice	NDP
<b>SMITH, Hon. Muriel</b>	Osborne	NDP
<b>STORIE, Hon. Jerry T.</b>	Flin Flon	NDP
<b>URUSKI, Hon. Bill</b>	Interlake	NDP
<b>WALDING, D. James</b>	St. Vital	NDP
<b>WASYLYCIA-LEIS, Hon. Judy</b>	St. Johns	NDP

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 10 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

**HON. H. PAWLEY** introduced, by leave, Bill No. 66, An Act to amend The Electoral Divisions Act (2); Loi modifiant la Loi sur les circonscriptions électorales (2).

### **BILL NO. 68 - AN ACT TO GOVERN THE SUPPLY OF NATURAL GAS IN MANITOBA AND TO AMEND THE PUBLIC UTILITIES BOARD ACT**

**HON. W. PARASIUK** introduced, by leave, Bill No. 68, An Act to Govern the Supply of Natural Gas in Manitoba and to amend The Public Utilities Board Act; Loi régissant l'approvisionnement en gaz naturel du Manitoba et modifiant la Loi sur la Régie des services publics. (Recommended by His Honour the Lieutenant-Governor.)

**MOTION presented.**

**HON. W. PARASIUK:** Madam Speaker, under Rule 85, I will be making a brief statement on this bill.

**MADAM SPEAKER:** The Honourable Minister.

**HON. W. PARASIUK:** Madam Speaker, this legislation is an important piece of the natural gas policy announced yesterday by the Premier of Manitoba, which has as its fundamental objectives fairer prices for natural gas, long-term supply of natural gas at fair prices, fair natural gas distribution costs in Manitoba and, where feasible, providing more Manitoba communities with increased access to natural gas through extension of services.

The main points of this legislation relate to the establishment of a Crown corporation called the Manitoba Consumer Gas Corporation, with its major function being to purchase and distribute natural gas on behalf of Manitoba consumers to ensure, firstly, adequate and secure supplies and, secondly, stabilization in the price of natural gas for gas consumers in the province over the future.

Another part to this act relates to natural gas supply and will give the Cabinet the authority to set the price of the natural gas commodity cost portion of the purchase price. This clause is for a transition period only, and is eliminated by a sunset provision on or before September 1, 1989. It's designed to take us

through the process where we supposedly have deregulation but really don't have deregulation. Also, the Cabinet will be empowered to designate a purchasing agent to buy natural gas on behalf of Manitoba consumers.

The third part of the act relates to amendments to The Public Utilities Board Act in respect to natural gas. This will allow consumers or others to petition Cabinet to alter a Public Utilities Board order or to require the board to hold new public hearings regarding a board order or a decision regarding natural gas. This modification follows what exists in Ontario with respect to the Ontario Energy Board, their equivalent of the Public Utilities Board.

There will also be a provision applying to looking at decreases made after November 1, '86, and this particular provision will also have a sunset provision to 1989 regarding this aspect, again taking us through the transition through a supposedly deregulated system to a fully deregulated system, if in fact that occurs.

Also, the act will prohibit dealings with natural gas in Manitoba without a PUB order. It will allow the PUB to order a public utility to deliver natural gas for the benefit of others and to make collections on behalf of the designated purchasing agent and as a fast track, if timeliness is a requirement, it will also permit the Lieutenant-Governor-in-Council to order the Public Utilities Board to grant a selling franchise to a purchasing agent designated by the Lieutenant-Governor-in-Council.

The legislation will also permit the Public Utilities Board to order refunds to consumers through lower rates or other means where rates have been higher than permitted. It also expands the factors which the board can consider in making an order. It also allows the board to set rates or other charges for dealing with natural gas.

This legislative package will help provide the tools that the Government of Manitoba needs to stand up for Manitobans for fair prices now and in the future, for long-term security of natural gas supplies and fair prices, for fairer distribution costs and, where feasible, for extension of services to more Manitoba communities.

Madam Speaker, I believe that the vast majority of Manitobans want fairer natural gas prices, want secure supplies and as a result, Madam Speaker, I commend this bill to the House.

**QUESTION put, MOTION carried.**

**HON. R. PENNER** introduced, by leave, Bill No. 69, The Statute Law Amendment Act (1987); Loi de 1987 modifiant le droit statutaire.

**HON. J. STORIE** introduced, by leave, Bill No. 70, An Act to amend The Public Schools Act; Loi modifiant la Loi sur les écoles publiques.

## SPEAKER'S STATEMENT

**MADAM SPEAKER:** Before moving to Oral Questions, I have a brief statement.

During Oral Questions yesterday, two honourable members informed the House about potential conflicts of interest affecting them. I agreed to take the matter under advisement and to report back to the House, although my responsibilities are, as Speaker, procedural not legal.

Our rules direct the Speaker to preserve order and decorum and to enforce the rules and to decide all questions of order. Beauchesne Citation No. 117.(6), however, reminds us: "The Speaker will not give a decision upon a constitutional question or decide a question of law."

Clearly, this is a matter of law and is therefore outside my area of responsibility. I would, therefore, strongly urge all members who have concerns about potential conflicts of interest affecting them to seek the advice of the Assembly's Law Officer, with respect to the application and interpretation of the law in such individual cases. The penalties provided for non-compliance with the act are severe.

The Honourable Attorney-General.

**HON. R. PENNER:** Yes, Madam Speaker, with leave, I would like to table for the benefit of all members of the House a legal opinion delivered by legislative counsel a short time ago, in which he deals with some of the questions that have been raised, and is offered for the guidance of members.

He cautions of course, quite rightly so at the end, that it would be the better part of wisdom for any member who feels that potentially he may have a conflict of interest apropos the specific matter being referred to, or indeed any other matter, that be considered by the personal legal adviser of the member.

We must remember that the Chief Law Officer of the Crown, legislative counsel, is not ordinarily in the position of giving legal advice, except on matters of statute or statutory interpretation, and I think it's only fair to him that his caution be observed.

He does, let me say, Madam Speaker, arrive at the opinion which I share, that there would be nothing wrong with members being present during question period who may otherwise have a conflict of interest, but that is for members to decide for themselves finally.

## ORAL QUESTIONS

### Natural gas distribution - government business plan for

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

**MR. G. FILMON:** Thank you, Madam Speaker. My question is for the Premier.

Given the massive losses that have been incurred under this NDP administration by a number of Crown corporations that proceeded into ventures without due care and concern - in fact, MTX, \$27 million, MPIC's entry into the reinsurance field, \$36 million loss - given those massive losses because Crown corporations proceeded without due care and attention into those

kinds of investments, I wonder if the Premier can indicate whether or not the government has prepared a business plan for its proposed entry into the natural gas distribution field.

**MADAM SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Madam Speaker, I can recall, back in 1970-71, some honourable members were present during that period of time when the previous New Democratic Party Government, of which I was a part of, introduced legislation to establish the Manitoba Public Insurance Corporation.

I recall the dire predictions of doom and gloom from honourable members across the way, suggestions that the benefits that we outlined under the public automobile insurance system would never work out; that there would be massive dislocation, massive disadvantage to the people of the Province of Manitoba. They were supported by many outside this Chamber at that time.

Madam Speaker, they were wrong then with the Manitoba Public Insurance Corporation, which today has the lowest rates of any insurance corporation and automobile insurance in Canada. Likewise, they will be just as wrong when it comes to natural gas consumer prices for Manitobans.

### Natural gas distribution - business plan of Min. of Crown Investments

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

**MR. G. FILMON:** Madam Speaker, it's regrettable that the Premier isn't aware of any business plan on this very important matter of an investment in the hundreds of millions of dollars.

So, Madam Speaker, I'll ask the Minister responsible for Crown Investments, the super Minister who has been given powers over all Crown corporations in this province. I wonder, Madam Speaker, this Minister who is preparing a plan of Crown corporation reform, whether or not he can indicate whether his department prepared a business plan for the entry of the government into the natural gas distribution business.

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

**HON. W. PARASIUK:** Madam Speaker, I'm very delighted to answer this question, because these are the first times that the Leader of the Opposition has ever raised questions about natural gas, even though Manitobans have been overcharged for natural gas for well over a year. Madam Speaker, he is not even now asking questions on behalf of the consumer; he doesn't care.

Now the Premier yesterday brought forward an entire package, Madam Speaker, including long-term purchases of natural gas through long-term contracts at prices that are at least \$1 lower than the price being charged today, which is, I think, a pretty sound investment and a sound business plan for the people of Manitoba, and not one whimper out of the Leader of the Opposition on that.

Madam Speaker, we are proceeding to look at direct purchases of natural gas reserves which again would ensure that, over the longer run, we can blend in low-priced gas into Manitoba. We have indeed done our homework with respect to what the purchase price and what the longer-term operations of the natural gas distribution system will be in Manitoba.

When the negotiations are completed, Madam Speaker, we'll be providing that information to the Legislature and the people can judge then which side cares about the consumers, who puts the consumers No. 1, the New Democrats who are doing something or the Conservatives who are too paralyzed to act.

**MR. G. FILMON:** Madam Speaker, you can see why I haven't asked this Minister a question on natural gas, because he doesn't have an answer on the business side . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. G. FILMON:** Madam Speaker, I'll ask his boss, the super Minister responsible for Crown Investments, whether or not the Department of Crown Investments prepared a business plan for the entry of this government into the natural gas distribution field.

**HON. W. PARASIUKE:** Madam Speaker, these negotiations are being conducted under the responsibility of the Minister of Energy and Mines. The proper homework has been done; we've done a lot of homework, it was the homework done by people in my department. Read through the Public Utilities Board or have someone read it to you. A great deal of homework was done, showing that prices were excessive and discriminatory. That was an initiative taken by this government and they said nothing, they did nothing. We're doing the homework with respect to purchasing of reserves; we're doing the homework and had done the homework as to what would be viable with respect to natural gas distribution.

Madam Speaker, I'm surprised. I would have hoped that they would have wanted the negotiations to take place, to let us bring about this policy which we say will save consumers money. If they had any interest for the consumers, they would be supporting us and wanting to make that work.

Madam Speaker, the proof of the pudding is in the eating and they can say, fine, let us judge how this government operates and, when the next election comes we can make judgments, because let's recall what the Premier said about Autopac. They were against it then, but the people judged that it was correct at the subsequent election.

### **Natural gas distribution - role of Dept. of Crown Investments**

**MR. G. FILMON:** Madam Speaker, my question is for the Premier.

So that Manitobans won't think that his announcement of Crown corporation reform was a sham, that his setting up of a super ministry responsible for Crown corporations wasn't a sham, will he now tell us, if the Department of Crown Investments was not

involved in preparing a business plan for the involvement in the natural gas distribution field, what role did they play in this whole matter? What role did they play?

**HON. W. PARASIUKE:** Madam Speaker, I'd be happy to inform the members of the House and the public at large that staff from the Department of Crown Investments were, in fact, involved in the background work that has been done, that Cabinet has been fully informed throughout that this is a government decision. It's a government action, it's an integrated package, Madam Speaker, and it's endorsed and fully brought in by the Cabinet, introductory statement made by the Premier. This side of the House is clearly united and standing for the consumers. That House on that side is quite divided.

**SOME HONOURABLE MEMBERS:** Oh, oh!

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

### **National Energy Board - abide by decisions re movement of natural gas**

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

**MR. H. ENNS:** Madam Speaker, members of the government have all too often, on many occasions, criticized myself and other members of the Opposition when we, in their opinion, failed to pay sufficient attention to some of the decisions rendered by the National Energy Board, to pay attention to the wisdom of their decisions, their fairness, their integrity.

My question, Madam Speaker, to the First Minister or the Minister of Energy and Mines is whether or not this government will abide, in advance, on any future decisions the National Energy Board may be called upon to render with respect to the movement of natural gas from one jurisdiction to another in this country.

**HON. W. PARASIUKE:** To answer this question, I've had meetings with the Federal Minister of Energy and we've received technical opinions from the Federal Minister of Energy's Department as to our position, what the interpretation by Ottawa of the Deregulation Accord is. I indicated to him that we would be contracting for gas; I indicated to him that we would be applying to the National Energy Board under the rules and conditions as apply. He indicated that the National Energy Board would act in a normal manner in treating this as a normal matter.

Madam Speaker, if in fact those rules apply consistently, well obviously we would be abiding by those rules. We would be concerned if the rules were changed with respect to Manitoba's application, as opposed to an American utility's application. I think that members on the other side would be concerned if there was discriminatory treatment against Manitoba versus someone else, and I think that is a condition I put on that.

But, Madam Speaker, the National Energy Board makes rulings with respect to the transmission of natural

gas, in that the TransCanada Pipelines which owns the transmission facility also owns great reserves of natural gas and, in fact, was trying to buy Dome Petroleum to gain more reserves of natural gas and, in a sense, increase their monopoly position with respect to the selling and distributing of natural gas.

But the Federal Government, if you can recall the old pipeline debates, was involved in the financing of that transmission line, and that transmission line should operate as a non-interest public-interest highway across Canada with the same rules and conditions that would apply to all people in a non-discriminatory way. I fully expect that the National Energy Board will in fact deal with it in that manner.

**MR. H. ENNS:** Madam Speaker, just for clarification, I just want to make sure that I understand the Minister and the government's position. I don't want to interpret their position to be that, if the National Energy Board moves or rules in a certain way that they approve of, they will support and stand by that ruling and, if they rule in a different way, of course they will not. I don't think that's what the Minister said.

I'm asking him a simple straightforward question. Having placed so much confidence in the fairness and the integrity in the operations of the National Energy Board, will this government accept rulings with respect to movement of natural gas by that same board?

**HON. W. PARASIUKE:** Madam Speaker, I answered that. We have applied, under the present rules and conditions, to the National Energy Board; we don't expect that those rules and conditions would change. If they did change and, if rules were applied in a different way, we reserve the right to appeal and there are appeal procedures, Madam Speaker. But certainly what we are doing is normal, straightforward under the present rules and conditions of how the National Energy Board operates. I wouldn't expect them to be changing the rules; I would expect them to be dealing with this matter in a normal way.

### **Workers Compensation Board - amount of deficit**

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

**MR. A. KOVNATS:** Thank you, Madam Speaker. I would direct my question to the Honourable Minister responsible for Workers Compensation.

Has the Minister been informed that the figures put forward by the past Director of Finance have been largely substantiated by the King Commission, indicating the actual deficit to be in the range of \$180 million to \$200 million?

**MADAM SPEAKER:** The Honourable Minister responsible for Workers Compensation.

**HON. H. HARAPIAK:** Madam Speaker, it is quite clear that when that memo was sent, forwarded to the chief executive officer, it was not a report to myself. He was giving this report from the view of an accountant, and that is his responsibility. He is a Director of Finance,

and he has a responsibility to view all of the potential accumulated deficit that the Workers Compensation may be faced with.

I, as a Minister, have a different set of responsibilities. I have a responsibility to see that the injured workers receive the services they require, and we do also have a responsibility to see that Workers Compensation is conducted in as efficient a way as we possibly can, and it is being conducted in that way.

### **Legislative Review Committee - concerns re permanent disability awards**

**MR. A. KOVNATS:** To the same Minister, Madam Speaker.

Has the Minister been informed that the Legislative Review Committee has expressed concerns that the permanent disability awards are being awarded for impairment which cannot be reasonably attributed to compensable incidents?

**HON. H. HARAPIAK:** Madam Speaker, it is extremely interesting that, of the number of reports that have been coming out that the Opposition critic has, they have now had copies of the Wiebe Report, Cormack Report and now obviously they have copies of the Legislative Review Committee, which I will be tabling on Thursday morning.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Are we ready to continue?

### **Workers Compensation Board - increased assessment rates re job creation**

**MR. A. KOVNATS:** To the same Minister.

The Minister has said that the Cabinet is concerned that increases in assessment rates has affected job creation. Can the Minister advise how much rates have to increase, on an average, to arrive at a fully funded position, as required in section 66(1) of the act, and which he has said is the ideal situation?

**HON. H. HARAPIAK:** Madam Speaker, when the assessments were tabled for the year 1986, at that time the Minister responsible for Workers Compensation said that we may be in a break-even point in the operations of Workers Compensation by the year 1989. From the figures that I have from the Workers Compensation Board, that is still the year that we will be in a break-even point for the operations of the Workers Compensation Board.

### **Radon levels - introduction of guidelines**

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

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

Madam Speaker, the public has been aware for some time of the dangers of excessive radon levels in their

homes, particularly in Winnipeg, but in other places in Manitoba. But as with other public health issues, this government appears to be dragging its feet.

I ask the Minister: Given the fact that the province is waiting for some leadership in this serious matter, when is the Minister's department going to produce the guidelines which would determine the acceptability of differing levels of radon, which the Manitoba public may confront? What efforts will be made by this government to educate Manitobans about the threat and the ways in which the residents might counteract it?

**MADAM SPEAKER:** The Honourable Minister of the Environment.

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

First of all, I do not accept the panic that the member is instigating on this issue in the latter part of her question, because there is no threat from all the reports that we have at this point in time, no threats to life and limb of citizens of Winnipeg in regard to radon gas at this point in time.

Having said that, Madam Speaker, we are participating on a national committee which is in the process of drafting those guidelines, a committee which involves representatives from other provinces and the Federal Government.

**MRS. S. CARSTAIRS:** Five hundred and seventy deaths are of no significance to this particular Minister.

Will the Minister offer today a guarantee that his department will take the necessary action during the present legislative Session to combat this radon threat? And will he establish guidelines and a program to assist the public in knowing what they can do to protect themselves?

**HON. G. LECUYER:** It is surprising, I would like to know where the member gets those figures of 570 deaths, since none of the expert opinions that I have has given any specific numbers.

The only information I have, Madam Speaker, is that this does not pose any significant threat. In fact, Madam Speaker, we are told that cancers caused from smoking number 20 times the deaths that are caused from radon gas in the Province of Manitoba.

### **Winnipeg taxicab drivers - investigation of list of names given to Manitoba Food and Commercial Union**

**MRS. S. CARSTAIRS:** A new question to the same Minister in his capacity as Minister of Workplace Safety and Health.

Madam Speaker, it has recently come to my attention that a confidential list of Winnipeg taxicab drivers was provided to the Manitoba Food and Commercial Union. It also appears that this list has come from either the Minister's department or from the inquiry established by the department to investigate safety measures.

Will the Minister undertake an investigation of his department to see if, in fact, his Minister's department is responsible and, if so, will they guarantee that that breach will not take place in the future?

**MADAM SPEAKER:** The Honourable Minister of the Environment.

**HON. G. LECUYER:** Madam Speaker, I shall look into this matter and report back.

### **Workers Compensation Board - removal of self-insured status of City of Winnipeg**

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

**MR. J. ERNST:** Thank you, Madam Speaker. My question is to the Minister responsible for the Workers Compensation Board.

The King Commission has a recommendation contained therein to remove the self-insured status of the City of Winnipeg with respect to the Workers Compensation Board. The removal of that status will cause a significant financial burden, an additional financial burden, for Workers Compensation benefits on the City of Winnipeg.

First of all, Madam Speaker, has the Minister had any discussions with the City of Winnipeg with respect to this recommendation?

**MADAM SPEAKER:** The Honourable Minister responsible for Workers Compensation.

**HON. H. HARAPIAK:** No, I have not had any discussion with the City of Winnipeg. As a matter of fact, I haven't even tabled the report. I will be tabling the report in this House tomorrow afternoon. I have made that announcement and, after that point, we will be discussing with all parts of the working society and the City of Winnipeg and all the other people who we will have to consult because of recommendations that are made in the King Report.

### **Workers Compensation Board - City of Winnipeg to control own costs**

**MR. J. ERNST:** Will the Minister give some consideration to either a concession to the City of Winnipeg or some other method of allowing them to deal with control of their own costs, as opposed to being lumped in with the substantial deficit that the Compensation Board already has?

**HON. H. HARAPIAK:** Madam Speaker, I shared in the House, prior to today, that there are 178 recommendations in the Review Committee Report. It took 20 months to come up with the report, print it and interview all the people. I am sure that the Member for Charleswood would not expect me to be acting on all the recommendations at this point.

We will be tabling the report. We will be reviewing the report and acting on the recommendations when we have had an opportunity to analyze it thoroughly.

**MR. J. ERNST:** Madam Speaker, can the Minister advise if this is an attempt by his government to grab the payroll of the City of Winnipeg in order to fund the

deficits created by their incompetent management of this corporation?

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. H. HARAPIAK:** Madam Speaker, I don't believe that comment deserves an answer.

### **Bill No. 61 - will Minister withdraw**

**MADAM SPEAKER:** The Honourable Member for Brandon West.

**MR. J. McCRAE:** Madam Speaker, today the Canadian Union of Public Employees, which represents 1,600 workers in the Province of Manitoba, has gone on record as being in opposition to Bill 61, the final offer selection bill of this Minister, the bill which - (Interjection) - this is the bill, Madam Speaker, which could be used to settle the Westfair Foods dispute. In view of the fact that Paul Moist, the Treasurer of the Manitoba Federation of Labour, a CUPE member, has resigned his position and has said that he can't support or remain silent on the final offer selection and Shirley Lord, a former New Democratic . . .

**MADAM SPEAKER:** Does the honourable member have a question? Will you please ask it?

**MR. J. McCRAE:** Yes, Madam Speaker, I have a question.

Shirley Lord, the former New Democratic candidate and a member-at-large of the Manitoba Federation of Labour, has resigned her position because she cannot support the legislation of this Minister supported by the Manitoba Federation of Labour, will the Minister listen to these people, as well as the Canadian Association of Industrial Mechanical and Allied Workers, other union people in this province, the Manitoba Labour Council, the Chamber of Commerce - dare I mention it - but many other business groups? Will the Minister now withdraw Bill 61?

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

**HON. A. MACKLING:** Madam Speaker, I'm sure that honourable members will interpret support for Bill 61, or concern and opposition to it, in any way that they think is best for their side. I think it's obvious that there are people who have valid concerns about any new innovation in the labour relations field. We heard those concerns, some legitimate, some just political concerns, in 1972 in this House; we heard them in 1984. Yet I heard on television people who, up until a couple of weeks ago, had been saying we had the worst labour relations climate in the country, saying we had the best labour relations climate in the country; why is the NDP Government introducing this legislation?

So, I have to say, Madam Speaker, that I appreciate those who say they have valid concerns about any change. I will listen to those concerns, this government will listen to those concerns, but we think this legislation is sound and it should proceed.

**MR. J. McCRAE:** Madam Speaker, a little while ago, the Minister of Energy reminded us how important it

is to do our homework. The Minister of Labour is a very good example of why that is so true.

I'd like to correct something I said in my earlier question, Madam Speaker. There are not 1,600 members of CUPE; there are 16,000 workers who belong to CUPE.

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

**MR. J. McCRAE:** Yes I do, Madam Speaker.

As far as the Minister's contention about the best labour relations in the country, Madam Speaker - those were his contentions - and we ask, if the Minister's statement is true, then why does he need this? Why does this Minister put the personal ambitions of a failed union leader, the leader of the Manitoba Food and Commercial Workers Union . . .

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

**SOME HONOURABLE MEMBERS:** Oh, oh!

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

As the member well knows, he is not to impute motives. Will the honourable member please ask his question?

**MR. J. McCRAE:** It's a very well-known rule, Madam Speaker.

**MADAM SPEAKER:** Right.

**MR. J. McCRAE:** Madam Speaker, why will this Minister put the personal ambitions of Bernard Christophe ahead of the concerns of 16,000 workers and many, many others in this province . . .

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

**MR. J. McCRAE:** Why will he not withdraw Bill 61?

**MADAM SPEAKER:** Order please, order please.  
That question, I just ruled out of order.

**MR. J. McCRAE:** Pardon me, Madam Speaker.

### **Bill 61 - why does Minister listen to only one union leader**

**MADAM SPEAKER:** The Honourable Member for Brandon West with a question.

**MR. J. McCRAE:** Why does this Minister listen only to one union leader in this province and to no one else?

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

**HON. A. MACKLING:** Madam Speaker, I'm delighted that the kind of inept questioning that the honourable member makes at least gives me an opportunity to make a small statement indicative of the labour relations environment that we have developed successfully in

this province and will continue to develop with sound legislation like . . .

**MADAM SPEAKER:** Order please, order please. Order.  
The Honourable Member for Brandon West on a point of order.

**MR. J. McCRAE:** As honourable members and certainly yourself well know, Madam Speaker, if you want to make a statement at this point, you have to ask for leave and the Minister has not done that.

**MADAM SPEAKER:** The honourable member does not have a point of order.  
The Honourable Minister answering the question.

**HON. A. MACKLING:** Yes, Madam Speaker. I know that the honourable member has frustrated ambitions himself. I know that, when it comes to loyalties and support, the honourable member should reflect on . . .

**MADAM SPEAKER:** Order please, order please.  
May I remind the Honourable Minister that answers to questions should not provoke debate.  
The Honourable Minister to answer the question.

**HON. A. MACKLING:** Madam Speaker, I respect your concerns. I indicate to the honourable member that we believe that it is the responsibility of government not to stand still, but to look forward with pride and with confidence on continuing to improve the labour relations environment in this province.

We've done well; we can still even do better. And we are going to make sure that the innovative changes that we're proposing do work well and we're committed to them.

### **Amalgamation of Dept. of Health and Manitoba Health Services Commission - date of**

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

**MR. D. ORCHARD:** Thank you, Madam Speaker. My question is for the Minister of Health.

Madam Speaker, during the Estimates process, the Minister of Health indicated that the department and the Manitoba Health Services Commission would be amalgamated within the next several months.

Can the Minister indicate whether he has a date at which that amalgamation will be completed?

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

**HON. L. DESJARDINS:** No, Madam Speaker, but it should be soon.

**MR. D. ORCHARD:** Madam Speaker, given that precise answer from the Minister of Health, I'd like to ask the Minister of Health as to whether MHO, which is in control of a \$250 million pension fund, probably one of the best employee pension funds in this province, whether

the greed and avarice of this government for more money is stimulating the government to undertake the takeover of MHO and that \$250 million pension fund.

**HON. L. DESJARDINS:** Madam Speaker, I don't intend to answer those ridiculous questions by that member.

**MR. D. ORCHARD:** Madam Speaker, the member facilities of MHO and the employees who have contributed to that pension plan do not consider these to be ridiculous questions when this incompetent group of money-wasters are attempting a takeover of their pension fund.

I ask the Minister a direct question: Are there any negotiations going on between himself and any designates of his department with MHO for the takeover of MHO and that \$250 million pension fund, so that they can have their hands on more money to squander in this province?

**HON. L. DESJARDINS:** Absolutely not. There have been requests, meetings with MHO that I've always agreed to. They have brought the matter up on a number of occasions. It is a partnership. When there's a fund like this, it's a partnership with the workers also, and they are the ones who want something to do in placing their funds. The discussion is between the workers and MHO, not the government at all. The government is not trying to take over anything at all. It is between the two groups, and we repeatedly send them back to try to make arrangements amongst themselves.

### **Swan River housing project - reason for concrete steps not supplied by local contractor**

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

**MRS. C. OLESON:** Thank you, Madam Speaker. My question is to the Minister of Housing.

Can the Minister explain to the House why precast concrete steps were being trucked from south of Winnipeg to a government housing project in Swan River, when the local contractor could have supplied the steps very easily?

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

**HON. M. HEMPHILL:** Madam Speaker, I'll take that question as notice.

### **Swan River housing project - was contract tendered**

**MRS. C. OLESON:** While the Minister is taking that as notice and investigating it, I wonder would she find out if the contract was tendered and if the local contractor had a chance to tender on that?

**HON. M. HEMPHILL:** Yes, Madam Speaker.

### Mediation Board re The Family Farm Protection Act - how many cases

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

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

Madam Speaker, last Session the Minister of Agriculture introduced Bill 4, The Family Farm Protection Act, which the Minister said would save farmers facing serious financial difficulty. Madam Speaker, the Mediation Board that the Minister appointed has been in place for about four months with a \$410,000 budget. Madam Speaker, about 400 cases are now before the Federal Debt Review Board. I would like to ask the Minister how many cases are presently before his Mediation Board.

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

**HON. B. URUSKI:** Madam Speaker, I'll take that question as notice.

### Mediation Board - tabling of guidelines

**MR. G. FINDLAY:** Madam Speaker, maybe the Minister will have to take this question as notice too. He has \$6.5 million budgeted for the utilization of this board, Madam Speaker. I would like to know if he's given that board guidelines on how that \$6.5 million will be administered, and if he will table it in the House.

**HON. B. URUSKI:** Madam Speaker, the board and MACC and our staff are involved in finalizing those guidelines, and we will not be tabling the guidelines in this House, because those guidelines will be used as part of the negotiations that take place between lenders, the farmer and the board. In fact, it would be imprudent, I believe, to have those guidelines public because of the fact there may be instances in which financial institutions would tailor their request on the basis of the guidelines that are there.

The guidelines would be used in cases where the settlements, or at least the proposals, of financial institutions over a broad spectrum of cases would in fact be the basis which the board would use as a starting point in which to use the \$6.5 million fund. That fund should not be used to complement or assist financial institutions in settlements that they are prepared to make in other cases.

### Mediation Board Fund - utilization of

**MR. G. FINDLAY:** Madam Speaker, I'd like to ask the Minister if any of the \$6.5 million has been utilized yet to help farmers of Manitoba.

**HON. B. URUSKI:** Madam Speaker, I don't believe that the actual \$6.5 million fund has been utilized at this point in time. However, Madam Speaker, there have been a number of instances - and this is why we have said that MACC as well, not only the fund, but MACC as well plays a role in which the regular funding of

MACC can be used in settlements and agreements, in terms of financial restructuring.

But, Madam Speaker, that's not to say that the fund will not be used. But we want to be very certain that the fund will only be used in cases where the board is satisfied that the assistance provided will go beyond what financial institutions have, in fact, been prepared to negotiate and settle in other cases.

**MADAM SPEAKER:** The time for Oral Questions has expired.

### HANSARD CORRECTIONS

**MADAM SPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** Madam Speaker, I have some corrections for Hansard. Would now be the appropriate time?

**MADAM SPEAKER:** Yes.

**HON. R. PENNER:** Hansard of Wednesday, the 3rd of June, 1987, page 2713, right-hand column, third line from the bottom, first word of that line reading "convenience" should be "covenants."

Madam Speaker, page 2714, second line from the top, the word "because" should be "as."

Madam Speaker, page 2714, right-hand column in the third paragraph, third line, the last three words in that line "private restaurants and" should be struck.

Madam Speaker, page 2715, left-hand column the beginning of the first full paragraph, the third line in that paragraph, the word "bounces" should be "balances."

Madam Speaker, the right-hand column, page 2715, the word "tenants" should be "tenets," t-e-n-e-t-s.

Madam Speaker, on page 2717, right-hand column, second line from the bottom, the word "paying" should be "pain."

**MR. D. ORCHARD:** This is terribly important to the future of this province.

**MADAM SPEAKER:** Order please.

Perhaps if we had a bit more order in the House, people would not have to make so many corrections to Hansard. It's very difficult for the Hansard translators to get accurate account of events in the House when there is all kinds of extraneous racket.

**HON. R. PENNER:** Madam Speaker, those are all the corrections. They are for the literate members of the House, not for the Member for Pembina.

**MADAM SPEAKER:** Order please.

### COMMITTEE CHANGES

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

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

I move, seconded by the Member for Ellice, that the composition of the Standing Committee on Statutory

Wednesday, 10 June, 1987

Regulations and Orders be amended as follows: M. Dolin for the Honourable L. Evans; the Honourable L. Harapiak for S. Ashton.

I move, seconded by the Member for Ellice that the composition of the Standing Committee on Public Accounts and Natural Resources be amended as follows: The Honourable G. Doer for the Honourable J. Storie.

I move, seconded by the Member for Ellice, that the composition of the Standing Committee on Municipal Affairs be amended as follows: The Honourable H. Harapiak for the Honourable L. Evans; the Honourable J. Plohman for the Honourable G. Doer; Honourable G. Lecuyer for J. Maloway.

**MR. D. ORCHARD:** Is that motion in order, Madam Speaker?

**MADAM SPEAKER:** Yes. Agreed? (Agreed)

### HOUSE BUSINESS

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

**HON. J. COWAN:** Madam Speaker, before proceeding on Orders of the Day, I'd like to, by leave, make a motion to change the review of The Real Property Act from Municipal Affairs to the Standing Committee on Statutory Regulations and Orders.

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

**HON. J. COWAN:** I therefore move, Madam Speaker, seconded by the Attorney-General, that Bill No. 27, The Real Property Act and Various Other Acts Amendment Act, be withdrawn from the Standing Committee on Municipal Affairs and transferred to the Standing Committee on Statutory Regulations and Orders.

**MOTION presented and carried.**

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

**HON. J. COWAN:** I also understand, Madam Speaker, that there is a disposition on the part of members to forego Private Members' Hour today, by leave.

**MADAM SPEAKER:** Is that agreed? (Agreed)

### ORDERS OF THE DAY

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

**HON. J. COWAN:** Would you please call Second Readings as they appear on pages 4 and 5 of the Order Paper, however, starting with Bill No. 56 and then proceeding with the Second Readings in the order in which they appear, starting with Bill 40 and proceeding on to and inclusive with Bill No. 67 on page 5.

Following that, Madam Speaker, would you please call debate on Second Readings for Bills No. 44, 50, 47 and 43 in that order.

### SECOND READING

#### BILL NO. 56 - THE MINING CLAIM TAX ACT

**HON. W. PARASIUK** presented Bill No. 56, The Mining Claim Tax Act; Loi de la taxe sur les claims miniers, for Second Reading.

**MOTION presented.**

**MADAM SPEAKER:** The Honourable Minister.

**HON. W. PARASIUK:** Merci, Madame la Présidente.

Madam Speaker, this new statute repeals The Mining Royalty and Tax Act and re-enacts Part 3 of that act as The Mining Claim Tax Act. With the exception of Part 3 of the old act, The Mining Royalty and Tax Act has been superseded by other mining tax legislation and is now redundant. Repeal during the Session avoids the need to translate it into French.

Part 3 of the old act levied a mining claim tax of \$10 for each claim grouped under a number of Order-in-Council leases and government patents. Since the leased rental provisions of The Mines Act and regulations do not apply to these claims . . .

**MADAM SPEAKER:** Order please.

If honourable members want private conversations, could they please do so elsewhere so we can conduct the business of the House in an orderly fashion?

**HON. W. PARASIUK:** A separate claim tax was levied in lieu of normal rental. In order to continue the province's ability to collect the mining claim tax, Part 3 of the old . . .

**MR. H. ENNS:** Madam Speaker, I hesitate to interrupt, but I would ask for some order in the Chamber so that some of us who wish to listen to the explanation . . .

**HON. W. PARASIUK:** I can appreciate the Member for Lakeside's interjection. This is quite an esoteric topic that he and I really want to get into in some depth, and I think it's important that at least I can hear what I'm saying and he might hear what I'm saying as well.

Part 3 of the old Mining Royalty and Tax Act is being re-enacted as The Mining Claim Tax Act. The new act does contain one significant change that I'd like to make the members aware of. The level of the tax, which is just \$10 per claim, is removed from the act itself and will be set by a regulation made under the act.

Although it is not common to set taxes by regulation, the precedent has been set in the Saskatchewan oil industry and is incorporated into Manitoba's freehold oil and gas taxation legislation being introduced this Session of the Legislature. The reason for this change is to introduce a greater degree of consistency into the administration of the province's Crown mineral resources.

Rentals for mineral leases under The Mines Act are currently set by regulation. Since the Mining Claim Tax is a payment in lieu of rental, it should be set in a similar way. In future, any changes in the rental and fee structure applicable to mineral dispositions can be

extended to the Order-in-Council leases and patents without the necessity of drafting new legislative amendments.

The new Mining Claim Tax Act will come into force January 1, 1988, and the repeal of The Mining Royalty and Tax Act will be effective as of that date. This timing will allow for a review of the tax rate relative to other rentals and fees and the introduction of appropriate regulations which are made public.

With that, Madam Speaker, I conclude my comments on Second Reading of this legislation.

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

**MR. H. ENNS:** I move, seconded by the Honourable Member for Emerson, that debate be adjourned.

**MOTION presented and carried.**

### **BILL NO. 40 - THE HUMAN TISSUE ACT**

**HON. L. DESJARDINS** presented Bill No. 40, The Human Tissue Act; Loi sur les tissus humains, for Second Reading.

**MOTION presented.**

**MADAM SPEAKER:** The Honourable Minister.

**HON. L. DESJARDINS:** Thank you, Madam Speaker.

I'd like to first of all inform the members of this House that this is actually a companion bill, a companion to another one that will be introduced shortly, Bill No. 60, The Anatomy Act. I think some of the statements that I'll make, the information that I will give on this bill, I think you will understand why we need changes in The Anatomy Act also.

This bill will replace the present Human Tissue Act, and its major purpose is to maximize the availability of human tissue and organs for use in transplants and other therapeutic procedures, as well as for medical education and research.

However, it aims to achieve this goal with maximum sensitivity, most importantly, to the wishes of those donors whose bodies or body tissue will be used for the above-stated purposes and also to the wishes of their immediate families.

The impetus for this bill arises largely from the report of The Human Tissue Act issued by the Manitoba Law Reform Commission in March of last year, and much of this bill implements the recommendations of the Law Reform Commission.

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

We have also drawn to some extent on The Uniform Human Tissue Gift Act prepared by the Conference of Commissioners on Uniformity of Legislation in Canada.

Also, there is somewhat similar legislation throughout Canada, but I am confident in assuring this House that the bill we are tabling is among the most advanced and comprehensive pieces of legislation dealing with organ donation and use in Canada. It deals with matters not covered under the present Human Tissue Act of Manitoba or comparable provincial legislation, and it

has been developed to accommodate medical advancements for some time to come.

I will now like to turn to the general principles of this bill. The first area to which the bill applies is the use of a person's body or tissue from the person's body after death. The bill would authorize any adult person to direct that his or her body or tissue from his or her body may be used after death for therapeutic purposes, including transplants, or for medical education or medical research. This principle essentially consolidates the existing law which is split between two statutes. Presently, The Anatomy Act authorizes after-death donations of a person's whole body, whereas The Human Tissue Act covers donations of individual body tissue.

Additionally, however, the bill lowers the effective age for making a direction respecting use of the body or body tissue after death. Whereas the present law is restricted to adult persons, this bill would authorize individuals between ages 16 and 18 to authorize use of their body or body tissue after death, but only with parental consent. The rationale is that the 16 year old has reached a maturity level consistent with a decision to donate body tissue. This is evident from the right to seek a driver's licence at age 16.

In establishing the right of an individual to direct use of his or her body or body tissue, the guiding principle is the wishes of the individual. Where the individual has authorized such use, no surviving relative would be able to intervene.

But what if a deceased person has, prior to death, given no direction respecting the use of his or her body for transplants or other medical purposes? The present Human Tissue Act in this situation permits the nearest surviving relative to direct that the deceased's body be so used. The new act would also provide such authority and would expressly extend it to include those tragic situations where a person under age 16 has died and the surviving family members - generous and compassionate in the midst of their grief - authorize use of the person's body for a transplant or other medical purposes. However, consistent with the principle that the wishes of the deceased person should be paramount, a direction by a deceased person's family could not be acted upon where there was a reason to believe that use of the body or body tissue would be contrary to the religious beliefs of the deceased person or that the deceased person would have objected to such use.

Thus far, I have emphasized the bill's attempts to maximize the legal authority of individuals to donate their own bodies or the bodies of their loved ones after death to preserve the life or restore the health of others.

But is there more that we can do, any further steps we can take in this vital area? Two of the realities respecting transplants in these times are: (1) there is still a shortage for organs for potential recipients; and (2) most surviving relatives of a deceased person, when approached, do in fact agree to a transplant.

With these realities in mind, the government is proposing in this bill, a system of required consideration and request that, as far as we know, is unique in Canada but is becoming more common in the United States. The bill would require the last physician to attend a deceased person before death to consider the factors relevant to the possible performance of a transplant.

Where, after such consideration, the physician considers it appropriate to do so, he or she is required to request permission from the surviving relative to use the deceased's body or tissue for therapeutic purposes including a transplant.

By the simple expedient of asking, the supply of organs could be increased significantly, and experience again shows the donors' families will generally welcome the opportunity to recognize something positive from their grief.

I emphasize that discretion to request permission would ultimately rest with the presiding physician, and indeed no request would be permitted in certain circumstances, for example, where the presiding physician has reason to believe that use of the deceased person's body or tissue would be contrary to the person's religious beliefs or that the person, if living, would have objected to the use of his or her body after death.

I would now like to turn to two exceptions to the general principle that use of a person's body after death must be on the direction of the person before that, or with the consent of the surviving relatives. The present Human Tissue Act has a "Presume Consent" rule with respect to use of the pituitary gland after death. Where a post-mortem examination is being conducted on the body, the pituitary gland may be removed and used for therapeutic purposes even in the absence of a preset direction from the deceased or a direction from the family.

The new bill also contains this provision which in fact is common in similar legislation across Canada. Even here, the wishes of the deceased and surviving relatives are important. Where there is reason to believe that any of them would have objected to removal and use of the pituitary gland, the presumption of consent is defeated and the gland cannot be removed.

What is new in the bill is that we are proposing a similar "Presume Consent" rule with respect to the use of eye tissue in limited circumstances. Where a deceased person will be given a major post-mortem examination under The Fatalities Inquiries Act - that is, an examination that will require opening and examination of all body cavities - the bill will authorize the removal of eye tissue from the body and its use for therapeutic purposes only, including transplant.

This could be done in the absence of pre-death direction from the deceased person or subsequent directions from surviving relatives. This principle is also unique amongst other provinces, only Saskatchewan has anything similar. The object is to supply desperately needed therapeutic tissue, namely eye tissue, in situations where the body of the deceased person is by law being subjected to a major medical procedure.

Removal of the tissue would not be permitted unless there was a reasonable expectation that it would be used to treat a living person and under no circumstances would be permitted where there is reason to believe that the deceased person, if living, would have objected to the use of eye tissue after death, or that the nearest surviving relative of the deceased objects.

The second major area which this bill addresses is the donation of tissue by living persons for therapeutic purposes or for medical education or research. This legislation is entirely new in Manitoba, as the present

Anatomy Act and Human Tissue Act deal only with use of body or body tissue after the person's death. Once again, the wishes of the donor would be paramount. The principle is that any person 18 years of age or over and able to make a free and informed decision may consent to removal of tissue from his or her body and its use for specified purposes.

In order to ensure that the person's consent is truly free and informed, the bill requires the written certification of a physician that the potential donor understands the nature and effect of the procedure authorized by the consent.

The bill will also permit donation of tissue by living persons between age 16 and 18, but subject to stringent restrictions consistent with the recommendations of the Law Reform Commission.

For example, the tissue would have to be used for a transplant to a member of the donor's immediate family. There would have to be parental consent, as well as written certification from a doctor that the donor understands the nature and effect of the transplant.

This provision would permit, among other things, the transplant of a kidney involving immediate family members - the kind of procedure that already is occurring in our hospitals - and that should be familiar to the members of this House.

Finally, in the area of tissue donations by living persons, the bill would permit transplant involving donors under age 16, but only under very stringent restrictions, again generally consistent with the recommendations of the Law Reform Commission.

For example, in addition to parental consent and the other restrictions I have just referred to in respect to donors over 16, transplant involving a donor under age 16 would not be permitted unless the risk of the life and health of the donor would be relatively insubstantial for the purpose of the recipient of the tissue who would likely die without the transplant.

Also, the proposed transplant must involve regenerative tissue; that is, tissue that will restore itself in a donor's body. This restriction would prohibit, for example, kidney transplant involving donors under 16, but would permit transplant of, say, bone marrow.

In fact, it is my understanding that bone marrow transplants are not currently being done in Manitoba. But this bill, as I indicated at the outset, is designed to accommodate future developments in this rapidly expanding and exciting medical field.

Finally, in order to protect fully the interest of young persons in a potential transplant situation, the bill would require court approval for any transplant involving a donor under age 16.

The third major area covered by the new Human Tissue Act is to protect the integrity of the process of using human tissue for genuinely beneficial purposes. With certain exceptions, the bill would prohibit disclosing the identity of any person in respect of whom a direction or consent for the use of tissue has been given or refused, or who is a recipient or potential recipient of transplanted tissue. Also, an extension of a provision which is currently in The Anatomy Act with respect to dead bodies, the bill would prohibit selling, buying, or trafficking in bodies or tissue from bodies or the acquisition of bodies or body tissue, except as authorized by provincial law.

These provisions also are proposed on the recommendation of our Law Reform Commission. I

would like to add also, Mr. Deputy Speaker, that we've had meetings between the Attorney-General and myself and our staffs, and the MMA and people responsible and in charge of the transplants who have agreed and have recommended passing this legislation.

Thank you.

**MR. DEPUTY SPEAKER:** The Member for Pembina.

**MR. D. ORCHARD:** Mr. Deputy Speaker, I wonder if the Minister might entertain some questions for clarification. The Law Reform Commission - to make it a little quicker, has the Minister got an extra copy of that in his office which he might forward to me? My filing system won't allow rapid retrieval of the Law Reform Commission recommendations on this act that you've referred to.

**HON. L. DESJARDINS:** Is my honourable friend saying that he wants a copy of the Law Reform recommendations? I'll see if I can get that and give it to you as soon as possible. I'll probably get that from the Attorney-General.

**MR. D. ORCHARD:** Mr. Deputy Speaker, I move, seconded by the Member for St. Norbert, that debate be adjourned.

**MOTION presented and carried.**

**MR. DEPUTY SPEAKER:** Second reading, Bill No. 41 - An Act to amend The Animal Husbandry Act, standing in the name of . . .

**HON. L. DESJARDINS:** Do Bill No. 60.

**MR. DEPUTY SPEAKER:** Okay. Bill No. 60 . . .

**HON. L. DESJARDINS:** I'll do Bill No. 59 following this, as I - well, I can do Bill No. 60 right now; it doesn't matter.

### **BILL NO. 60 - THE ANATOMY ACT**

**HON. L. DESJARDINS** presented Bill No. 60, An Act to amend The Anatomy Act; Loi modifiant la Loi sur l' Anatomie, for Second Reading.

**MOTION presented.**

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

**HON. L. DESJARDINS:** Thank you, Mr. Deputy Speaker.

It is proper I guess that I should introduce this because it is the companion bill, and I just have a very short addition to what I've already said on the previous act.

Mr. Deputy Speaker, this bill is a companion to the proposed new Human Tissue Act and simply makes consequential amendments to The Anatomy Act based on the proposed new principles of The Human Tissue Act. For example, we intend to remove the provision in the present Anatomy Act that allows a person, prior to death, to direct that his or her body be used after death for the purposes of the act. As I indicated with

respect to The Human Tissue Act, we are proposing to consolidate all of these statutory directions in The Human Tissue Act, so that the law respecting pre-death directions is consistent and easier to find and understand.

Also, where necessary, we propose changes in The Anatomy Act to accommodate the authority given by the proposed new Human Tissue Act to direct the use of a body or body tissue. In those rare cases where the inspector of anatomy will make such a direction, he or she would be able to move quickly to use the body for a transplant, rather than waiting the 48 hours currently prescribed under The Anatomy Act. However, this power could not be exercised where there is a reasonable expectation that a surviving relative will come forward to claim the body of the deceased person.

The Anatomy Act amendments also increase the penalty for unlawful trafficking of a dead body or any other contravention of the act. The proposed new penalty, in fact, is consistent with the penalty under the anti-trafficking provisions of the proposed new Human Tissue Act.

Finally, we propose to make The Anatomy Act subject to The Human Tissue Act in order to establish and clarify the fundamental principle that a pre-death direction by an individual, or a direction by his or her surviving relatives, should be the conclusive and governing basis for the use of the person's body after death.

Thank you, Mr. Deputy Speaker.

**MR. DEPUTY SPEAKER:** The Member for Pembina.

**MR. D. ORCHARD:** I move, seconded by the Member for River East, that debate be adjourned.

**MOTION presented and carried.**

### **BILL NO. 59 - THE MENTAL HEALTH ACT**

**HON. L. DESJARDINS** presented Bill No. 59, An Act to amend The Mental Health Act; Loi modifiant la Loi sur la santé mentale, for Second Reading.

**MOTION presented.**

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

**HON. L. DESJARDINS:** Thank you Mr. Deputy Speaker.

I'm pleased to introduce the following amendments to The Mental Health Act. Mental Health Acts are always subject to revision as our knowledge of the mentally ill increases and as we develop more refined conceptions of individual's civil rights as represented in our Charter of Rights and Freedoms.

These amendments are based on work done by a committee that I established to review the act and bring forward Charter-related amendments. As well, these amendments embody the spirit of what are as yet draft recommendations of mental health legislation proposals being developed by the Uniform Conference of Canada, a body that seeks to bring about conformity of laws across the country that remain within provincial jurisdictions.

The major purpose of mental health legislation is to ensure that the individual's rights are protected so that treatment is not arbitrarily applied against a person's will, but then to ensure that treatment is available to those who, by virtue of mental illness, do not recognize the need for treatment. It is this delicate balance that this legislation is intended to address.

Essentially, the work of The Mental Health Act Review Committee was divided into two phases.

Phase I was initiated in January 1985, when I invited the major professional associations, the provincial Mental Health Association, consumer groups, hospitals and other service agencies to comment on the existing Mental Health Act and to suggest changes to it.

While awaiting their submissions, a committee conducted a review of The Mental Health Acts of all the provinces, the Canadian Charter of Rights and Freedoms, and the Manitoba Law Reform Commission's 1979 report on emergency, apprehension, admissions and rights of patients under The Mental Health Act.

As well, numerous other documents on mental health concerns in Canada and abroad were reviewed. Additionally, the committee consulted with the directors of mental health from a number of provinces and with legal experts regarding the Charter and its implications for the current Mental Health Act.

After reviewing the submissions, the committee developed a set of recommendations in the form of a discussion paper. This paper was distributed to all those who originally submitted, as well as other professionals and consumer groups. Once again, these various organizations were asked to comment.

Phase II consisted of reviewing the submissions and the drafting of recommendations. It is these recommendations that form a framework for the amendments which I am now introducing.

Notwithstanding the above noted submissions, it was the Canadian Charter of Rights and Freedoms that most influenced the majority of the committee's deliberations. Of primary concern to any mental health legislations are sections 7, 10 and 15 of the Charter.

Section 7 states: "Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice."

Section 10 further guarantees: "Everyone has the right on arrest or detention: (a) to be informed promptly of the reasons therefor; (b) to retain and instruct counsel without delay and to be informed of that right; and (c) to have the validity of the detention determined by way of habeas corpus and to be released if the detention is not lawful."

Section 15 states: "Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability."

In considering these sections of the Charter, our goal in proposing these amendments is to blend the ability to help people with mental disorders who experience serious and urgent situations with their right to the protection offered in these sections.

As noted previously, of tremendous benefit in considering these amendments was the work done by the Uniform Law Conferences Committee on a Uniform

Mental Health Act. While that committee's final draft has not yet been adopted, their proposed recommendations are incorporated in the majority of the following amendments.

While it is not possible to detail all the amendments, which total over 40 pages, the major ones include:

1. The introduction of a new definition of mental disorder which more accurately reflects the functional criteria for determining a person's need for mental health treatment. This definition states that: "Mental disorder means a substantial disorder of thought, mood, perception, orientation or memory that grossly impairs judgment, behaviour, capacity to recognize reality or ability to meet the ordinary demands of life."
2. The implementation of a two-certificate process which will require a medical certificate to authorize conveyance and brief detention and a second certificate for longer-term detention. This two-certificate process will replace the court orders or warrants currently required to authorize conveyance of a person to a psychiatric facility.
3. The introduction of specific criteria such as required to proceed with an involuntary admission where before there were none.
4. The inclusion of specific patient rights to bring The Mental Health Act in line with the requirements of the Charter. These rights include access to a review board to review all aspects of the committal and involuntary treatment process.
5. A competency examination to determine both capacity to consent to treatment and competency to administer one's own estate.

Since mental health legislation is constantly evolving, it is expected in the future that these amendments which I have introduced today will require further revisions. This will be especially so when the proposed vulnerable adults legislation is introduced. Then we anticipate that mental retardation and guardianship will be removed from The Mental Health Act. As well, by that time, we will be in a better position to evaluate the impact of the Uniform Law Conference's recommendations on Mental Health Legislation throughout Canada. The current amendments, however, will ensure the legislative framework for the care of the mentally ill which will be in keeping with the principles of the Charter of Rights and Freedoms as well as ensuring that those in need of treatment can receive it.

In closing, I'd like to inform the members of the House and the Opposition that a paper is being prepared, the usual paper where we have the present act, the changes and what it'll mean, to make it easier to look at the act. I'll provide that as soon as I can, in a couple of days or so.

Thank you very much.

**MR. DEPUTY SPEAKER:** The Honourable Member for Pembina.

**MR. D. ORCHARD:** Mr. Deputy Speaker, I move, seconded by the Member for River East, that debate be adjourned.

**MOTION presented and carried.**

**BILL NO. 41 - AN ACT TO AMEND  
THE ANIMAL HUSBANDRY ACT**

**HON. B. URUSKI** presented Bill No. 41, An Act to amend The Animal Husbandry Act, for Second Reading.

**MOTION presented.**

**MR. DEPUTY SPEAKER:** The Honourable Minister of Agriculture.

**HON. B. URUSKI:** Mr. Deputy Speaker, this act was enacted and given Royal Assent back on May 4, 1933. It has been amended several times since then in order to ensure that it reflected and served the needs of an ever-changing livestock industry. It was last amended in 1976, when a substantial section regarding artificial insemination was added to it. We find that it is now outdated in terminology and in dealing with issues of modern livestock technology and changing rural environment. It needs to be updated too in respect to licence fees and penalties.

The changes to the act which are proposed in this bill are presented in order to address problems arising from the present act. These problems were brought to my department's attention by livestock producers, producer organizations such as the Manitoba Sheep Breeders' Association and many concerned individual members of the general public.

The changes proposed are in parts 1, 2, 3, and 9 of the act, and parts 4, 5 and 6 remain unchanged.

The specific objectives of the bill, Mr. Deputy Speaker, are: (1) to expand the very limited definitions of some of the terms of the present act and to update the language by replacing some very antiquated terminology with more appropriate terms. For example, the definition of animal has been changed from "an animal of husbandry" to "any animal kept for domestication or captivity." This reflects the increased number of species of animals that are kept under domestication.

"Sheep and turkeys" has been changed to "animals and poultry." The department has received several complaints in recent years that keepers of species other than sheep and turkeys are not protected under the present act.

"Husky and sleigh dog," for example, is changed to "dog," because most problems with dogs running at large nowadays involve dogs other than Husky or sleigh dogs.

"Giving tongue," Mr. Deputy Speaker, an old English fox-hunting term, is now changed to "disturbing."

"Mileage" is being changed to the metric conversion.

To remove the hardships imposed on finders of stray animals by the present legislation and to put the onus on municipalities to enact and enforce by-laws regarding stray animals and mischievous dogs, that's the second objective of the act, Mr. Deputy Speaker. For example, under the present act, the finder of a stray animal is required to keep the animal for two weeks before a notice of find can be posted and is also responsible for paying for the notice. The proposed changes require finders to notify municipalities or the RCMP immediately, and the animal must be placed in a pound if the owner cannot be contacted.

(Madam Speaker in the Chair.)

Secondly, the period of time an animal must be kept before being sold is changed from one month down to 10 days.

Thirdly in this area, the responsibility for dogs running at large is placed upon the municipalities, and will require them to address this problem by enacting and enforcing appropriate by-laws.

The third objective, Madam Speaker, is to add sections regarding offences and penalties to the part of the act concerning brands. The present act covers only registration and cancellation of brands, and there are no provisions for penalties for such acts as the misuse of brands.

In order to address the problem of rustling, provision has been made for the requirement of proof of ownership to accompany all animals being transported.

Vents have been eliminated from the act because this is a practice no longer used.

The fourth objective is to recognize the commercial development of embryo transplant transfer in livestock, especially cattle, by including regulations governing the procedure with those of artificial insemination.

The artificial insemination part of the act has also been amended to confirm the custom that has evolved and is practised regarding designated areas, or area protection and technician commitment to provide an equal opportunity for all producers to obtain semen and embryos from all suppliers, and to ensure the provision of A.I. services in all areas of the province.

And fifthly, to bring the penalties and fees in line with present-day costs, that is, moving them from \$2 to \$10, \$25 to \$100, and \$50 to \$200.00.

The intent, Madam Speaker, of the act is to control stray animals and dogs running at large, to ensure the protection of injured or abused animals, to regulate the use of brands, to allow for the improvement of livestock breeding and the government purchase and sale of livestock and to regulate the use and sale of semen and embryos for artificial insemination and embryo transfer purposes.

The powers of the act allow the enactment of local by-laws respecting stray animals and dogs running at large, the issuing of permits and licences related to brands and the practices of artificial insemination and embryo transfer, and authorize inspectors to carry out their duties as required to effect compliance with regulations of the act.

In this regard, the definition of an authorized judicial officer has been reworded to reflect the changes that have taken place since 1933 when the act included in the the definition: "A superintendent of an Indian agency or an assistant Indian agent, appointed under The Indian Act (Canada), a duly ordained minister, clergyperson or priest of a church or religious denomination, or an evangelist, missionary, or theological student authorized or employed by a church or religious denomination having charge of a mission stationed in, or conduct services in an unorganized territory."

The extent to which the RCMP personnel are involved in maintaining law and order in the rural areas, and their necessary assistance in the successful administration of the act, is recognized by their appointment as inspectors under this act.

Where appropriate, in matters where it is deemed unnecessary for the Minister to be involved, jurisdiction formerly vested in the Minister is being transferred to the Director of the Animal Industry Branch. The right of appeal to the Minister is of course maintained.

The act is compatible with the municipal administration statutes. The identification of animals in transport is compatible with the Department of Highways and Transportation regulations. Those are the issues that arise with compatibility with other statutes.

As well, there may be some controversy from municipal governments in those sections requiring municipalities to enact by-laws regarding stray and mischievous dogs and making municipalities responsible for damage caused by mischievous dogs. The department has received several complaints regarding the reluctance of municipal councils to enact such by-laws. In some areas, packs of dogs running at large are a real problem. The Manitoba Sheep Breeders' Association, as well as numerous individuals, have asked for these changes, pointing out that this will bring our act in line with those of other provinces, particularly Saskatchewan and Ontario.

Those sections in Part III, the brands section, dealing with the requirement of a bill of sale for transported animals, should help to address the problem of rustling and will bring our act in line with those of other western provinces.

I might point out, Madam Speaker, that there were concerns raised by the Hog Board about the need for identification of hogs being transported to market and I think, in terms of our discussions, there is no intent to enforce the act in terms of hog transportation, but it's clear that most hog producers will have a valid hog producer's number if ever there was some need to check. But we, in discussion with the RCMP and with the Hog Board, have basically resolved the issue to say that the intent is primarily for cattle and that the issue of cattle identification is part and parcel of the act.

These changes have been discussed with the Manitoba Cattle Producers' Association and the Manitoba Beef Commission, and both organizations appear supportive of the changes dealing with brands.

Since its addition to the act in 1976, the legislation regarding artificial insemination has proved to be sound and of benefit to the industry in ensuring that cattle breeders anywhere in the province have an equal opportunity to obtain semen available anywhere in Canada and the United States, and that artificial insemination services are available in all areas of the province.

It is expected that the inclusion of embryos and embryo transfer procedures to this part of the act will prove to be equally sound and beneficial in making the benefits of embryo transfer available to the livestock industry.

Madam Speaker, this then is the gist of our proposed revision of The Animal Husbandry Act. I shall be pleased to discuss it in more detail when we go to committee, and I will have staff there to explain some of the details which I may not be able to explain.

As well, I want to ask the Pages to provide what I have provided in the crop insurance bill, a couple of copies for the government caucus and about half-a-

dozen copies of the spreadsheets of the changes to the existing act, the proposed changes and the comments on the changes of Bill No. 41, for members opposite for their information.

I want to indicate as well, while I'm on my feet, Madam Speaker, that there will likely be some minor amendments in terms of the drafting. There were some headings to the different parts of the act that were left out in the original printing, and I'll give my honourable friends an example.

For example, in Part 1, there was no heading in printing about the stray animals and poultry municipalities. So those headings will be made as amendments because they are missing from the draft. So there will be some minor amendments due to some missing out in the printing, but they will be minor in nature. If there are some further suggestions that honourable members will make during the debate of this bill, I'll be pleased to hear those suggestions to see whether or not some of them can, in fact, be accommodated if they prove to be valuable contributions in the debate.

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

**MR. G. FINDLAY:** Thank you, Madam Speaker. I move, seconded by the Member for La Verendrye, that debate be adjourned.

**MOTION presented and carried.**

### **BILL NO. 46 - THE CHARTER COMPLIANCE STATUTE AMENDMENT ACT, 1987**

**HON. R. PENNER** presented Bill No. 46, The Charter Compliance Statute Amendment Act, 1987; Loi de 1987 modifiant diverses dispositions législatives afin d'assurer le respect de la Charte, for Second Reading.

**MOTION presented.**

**MADAM SPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** Madam Speaker, this is the fourth bill specifically directed to the issue of Charter compliance that the government has tabled in this House over the course of the past three Sessions. It's the second bill dealing primarily with the equality guarantees set out in section 15 of the Charter.

I submit that four Charter compliance bills in three years are, in and of themselves, examples of the government's pro-active response to the Charter. By that I mean that we are not waiting to be directed by the courts but attempting to anticipate reasonably. It does not stop there however, Madam Speaker, because many other bills, although not specifically referring to the Charter in their titles, nonetheless take important steps towards Charter compliance. For example, in the current Session, we have before the House the new Human Rights Code and a new Change of Name Act, both of which propose changes to the present law specifically directed in some aspects to equality guarantees under Charter section 15.

Additionally, Madam Speaker, I would like to remind members of the House of the very significant changes that the Manitoba Public Insurance Corporation made in the Autopac premiums and benefit structures last year. These changes significantly restrict the use of age, sex and marital status as criteria for determining premium payments and no-fault benefits under the Autopac scheme. In the case of premium payments, the changes eliminated distinctions that, despite being openly discriminatory, had been securely established in the insurance industry for many years.

I should also, Madam Speaker, make clear that this bill is merely another stage in the Charter compliance process and we are already planning significant legislation for the future. My departmental officials are presently analyzing several Law Reform Commission Reports with a view to consolidating and simplifying the rules relating to maintenance and distribution of marital property, family maintenance and the distribution of marital property. Once tabled, these amendments will also be recognized as Charter section 15 compliance legislation because they will do away with the inconsistencies and inequalities in the current patchwork of statutes dealing with maintenance and with family property distribution.

And so we will be looking at, pursuant to recommendations of the Law Reform Commission, The Devolution of Estates Act, The Dower Act, The Married Womens' Property Act, The Marital Property Act, and so on, proposing to consolidate those. That will be for the next Session and, as I indicated, I hope to be able to table a White Paper before the end of this Session so that all members have an indication of what we will be considering.

I will now deal briefly with the major principles of Bill 46. The focus is primarily but not exclusively on statutory provisions that discriminate on the basis of religion and age. I should say, Madam Speaker, that there are no really significant policy issues addressed in this particular Charter compliance bill but nevertheless they are, in and of themselves, important in bringing our statutes into the era of the Charter.

In terms of religious discrimination, various statutory oaths of office and oaths of allegiance do not provide the option of affirming rather than swearing the oath. We are proposing to amend each of these to permit the option of affirming. At the same time, we are proposing amendments to related enabling and deeming provisions, such as those in The Evidence Act and The Interpretation Act in order to assure that, under all provincial laws, the legal status and effect of taking an affirmation is identical to swearing an oath. There are many people in this province, Madam Speaker, who for religious reasons or perhaps because they don't have a particular religion, prefer to affirm.

As for the changes dealing with age, the overall intent is to expand various statutory rights and privileges that currently are restricted on the basis of age. The current restrictions cover all parts of the age spectrum. For example, one of the elements of the bill deals with The Chartered Accountants Act where it was stipulated that, before you could be admitted to that society, you had to be age 30. It was clearly discriminatory and, incidentally, that society has been consulted, as have the various departments affected by changes that are being proposed.

Most of the changes are in relation to age 18, however, in cases where the restriction is either inherently unfair and unrelated to the notion of the age of majority or in fact fails to conform to the present administration of the law.

One example of an inherently unfair provision is in The Highway Traffic Act where the convicting Justice is authorized to order impoundment for up to three months of a bicycle belonging to a person under age 18 who has violated the act. No similar penalty is permitted in respect to a person over the age of 18, and thus there is a clear case of age discrimination that we are proposing to rectify because it can't really be justified on any reasonable grounds.

The bill also proposes -(Interjection)- Well, it was at your urging, threatened to take away your bicycle again, didn't they? The bill also proposes, Madam Speaker, some amendments to overcome discrimination based on disability, for example, in statutory limitation periods, penalized persons under a disability who wished to take legal action. These will be changed to give disabled persons the same opportunity as others to make their claim. So that once the disability which has, for example, prevented a person making a claim is removed, the statutory limitation period will run from then rather than from an earlier date, or will be at least the same as provided by The Limitations Act for other persons and not as is presently the case in one or two instances, a shorter period of time.

So, Madam Speaker, as I say, none of the changes being proposed in this particular bill are, in themselves, momentous. They are just another step on the way towards the compliance with the Charter to which we dedicated ourselves post-1982, and I commend the bill to the House.

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

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

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

**MOTION presented and carried.**

## **BILL 61 - THE LABOUR RELATIONS ACT**

**HON. A. MACKLING** presented Bill No. 61, An Act to amend The Labour Relations Act; Loi modifiant la Loi sur les relations du travail, for Second Reading.

**MOTION presented.**

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

**HON. A. MACKLING:** Madam Speaker, I'm pleased to have this opportunity to speak in some detail on the content of Bill 61, An Act to amend The Labour Relations Act.

This bill adds a procedure called "final offer selection," as another option for settling labour contract disputes. I believe it will be an enhancement of the existing settlement methods.

Madam Speaker, let me make it absolutely clear that this new procedure does not replace or take away from

the dispute settlement methods that are now available to the parties. Final offer selection does not, for example, replace or restrict the use of conciliation, mediation or conventional arbitration. It simply adds another option that the parties can choose if they feel it would be appropriate in their particular circumstances.

In some ways, Madam Speaker, I guess that one might characterize this as an improvement that may not be used in a great number of cases. We believe, however, that it is a significant change because it opens up another opportunity for parties to reach an agreement.

To fully understand the significance of this measure, it is necessary to consider the historical development of the field of labour relations.

Most people tend to think of government involvement in labour relations as a very recent phenomenon. In reality, governments have for centuries been involved in labour relations. For example, in England, during Tudor and Stuart times, the government regulated wages. Throughout the 18th Century, there were laws banning workers from organizing. It wasn't until the 19th Century and after considerable hardship and even violence that provisions were made in the law to allow workers to organize and to protect workers from intimidation.

The key to the modern relationship between employers and employees has been this ability of workers to organize and negotiate suitable arrangements and benefits with employers. As our civilization has progressed, so has this relationship grown and the procedure matured. Employers, workers and union representatives have learned to work with this system and have benefited from it.

The maturing of the labour relations process has involved the introduction of appropriate legislation to assist the parties reach satisfactory agreements. Throughout the history of this movement, improvements in labour legislation designed to protect employees or to ensure fairness in the workplace have often been seen by employers as shifting the balance of the labour-management relationship. Yet management has always had the greater power in that relationship and probably always will have. In the past, legislation has been introduced for the purpose of bringing some balance into an otherwise unbalanced situation.

Today, the laws governing collective bargaining affect a substantial sector of the labour force. Close to 50 percent of Manitoba's non-agricultural workers are covered by collective agreements. The province's economic prosperity is heavily influenced by the conditions in organized sectors of the economy. A climate of industrial harmony is important to the future of Manitoba as a good place to work and to invest.

Over time, labour legislation in Manitoba has developed into the sophisticated and useful instruments contained in The Labour Relations Act. Various options such as conciliation or mediation have been established in the process. Recently of course, in 1984, we developed grievance mediation and expedited arbitration.

As we head towards the 21st Century, we need to keep innovated. We need to protect the interest of workers and employers, including their ultimate rights to strike or lock out. But we must also seek other options. We believe final offer selection is another

option. It is an effective mechanism in helping the parties reach a settlement. Then the public interest is served because of fewer work stoppages.

Improvements and new innovations to labour legislation are desirable ways of increasing harmony in labour relations. Through the introduction of Bill 61, the final offer selection process, our government is contributing to this ongoing commitment to fair and progressive labour legislation.

What is final offer selection and how does it work? Union and management commence bargaining for a new collective agreement in the normal fashion. If they're having difficulty reaching agreement, either the union or management may choose to ask the workers to vote on whether or not to use final offer selection. This vote can take place no earlier than 60 days before the exploration of a collective agreement and no later than 30 days before expiry of the agreement.

If the workers vote "no," collective bargaining will continue and, if no agreement is reached, a strike or lockout could result. If the workers vote "yes," union and management will submit a list of unresolved issues to a selector. The selector is an impartial third party who can be chosen by mutual agreement or, if the parties cannot agree, a selector can be appointed by the Manitoba Labour Board.

The selector will meet with the parties to hear arguments in support of the parties' offers. The selector will then choose either the union's offer or management's offer. The offer chosen, along with all the items previously agreed to, would then constitute the collective agreement.

In certain cases and conditions, either the union or management could call for a vote of the workers to endorse final offer selection after a work stoppage, a strike or a lockout, has begun. This rule will apply if the work stoppage is in progress for a minimum of 60 days but not more than 70 days.

Madam Speaker, we expect that the existence of final offer selection will encourage both sides in a labour dispute to bargain in good faith and to resolve disputes through mutual agreement.

Because the selector picks either one offer or the other, without mixing or matching of the proposals, we expect that both sides will be encouraged to narrow the number of unsettled items to a very few, and that the final offer submitted will be their best, most reasonable offer.

In selecting the better final offer, the selector will consider various criteria as stipulated in the bill. Criteria for assessing the offers include the terms of the previous contract, changes in the cost of living, the employer's ability to pay, and other related factors. The emphasis is on what is reasonable, based on the information and documentation provided. The selector's decision is binding on both parties.

This new provision does not replace any of the mechanisms currently available under The Labour Relations Act, but only provides another alternative.

Again, let me state that we believe that it will reinforce the collective bargaining process because it encourages the parties to engage in serious and meaningful bargaining throughout the process.

Right up until the selector makes that final decision, the parties are still free to reach a settlement on their own. As you can see, Madam Speaker, this procedure

is not pro-union or pro-management; it is pro-settlement.

The legislation is a unique model developed especially for Manitoba. We are now, however, the first ones to introduce this kind of mechanism for settling contract disputes. Variations of a final offer selection process have been tried in other jurisdictions with some success. It's been used in Ontario, New Jersey, Indianapolis, Oregon, Michigan, Wisconsin, and in other places, usually in the public sector.

Generally, these jurisdictions have found that it encouraged the parties to:

- negotiate seriously right up to the final selection;
- narrow the number of unsettled items; and
- develop more realistic final offers.

-(Interjection)- Well, Madam Speaker, honourable members opposite, by their continued interjections, obviously underscore the importance of this legislation.

Madam Speaker, the experiences of final offer selection in other jurisdictions were that they found that, by encouraging the parties themselves to compromise rather than risk the other offers being selected, the result was more likely to be acceptable than if an arbitrator had compromised the two positions.

A negotiated settlement is always preferable to one determined by a third party. The availability of final offer selection, where it has a reasonable chance of producing such a result, is a desirable development.

Final offer selection is not magical. It will not be the answer in every case and the parties are still free to use other existing methods of conflict resolution. But we think it has potential as a useful tool in some circumstances. We believe it deserves an opportunity for trial here in Manitoba.

As I mentioned, we have developed a unique form of final offer selection that fits the needs of the Manitoba labour relations situation. We developed this model after studying those used in other jurisdictions. The key difference is that the Manitoba model has been designed in such a way as to support and reinforce, not replace, the collective bargaining process.

All Manitobans can be proud that our province boasts one of the best labour relations records in the country. Last year, we had the lowest rate of person days lost through work stoppages next only to Prince Edward Island. Manitoba is the envy of other provinces because we experience so few work stoppages and so few days are lost because of them.

It is a tribute to the multitude of workers, employers and unions that come together in good faith to work out mutually beneficial arrangements for their own work setting.

You may ask, who benefits from this favourable situation. Everyone, Madam Speaker. Business benefits because it means our workplace is peaceful and our work force is productive. Work stoppages cost businesses in lost productivity, lost customer confidence and lost profits. Good labour relations means good business. Certainly, Madam Speaker, workers benefit from harmony in the workplace. A stable labour relations environment provides a stable income and an opportunity to build a good quality of life for workers and their families.

I suppose that, for the benefit of the honourable members opposite, I must point out that our good

labour relations is no accident. It is not a coincidence. It is not luck. It is a direct result of sound policies and progressive legislation implemented over the years. As Minister of Labour, I am very proud of our government's accomplishments in the labour field.

Manitoba has a good labour legislation because we look to future trends and to the needs of both employers and employees, considering the greater public interest of all Manitobans. We have been innovative in introducing legislation and procedures that protect workers, establish standard practices for business, and create a high quality of life for the people of our province.

We accept and encourage the amicable settlement of labour disputes and contracts through the collective bargaining process. We are committed to this as the best way yet developed of protecting the interests of all parties in the workplace. Whenever necessary, the Department of Labour stands ready to facilitate that process so that agreements are reached. Our approach is a positive supportive one that helps rather than interferes.

Our approach and our good record here in Manitoba contrasts sharply with the experience of other Provincial Governments such as British Columbia. Policies of the government there have festered confrontation and bitter conflict, resulting in protest strikes, disruption of services and hardship for ordinary people. That is not the way we want to do things in Manitoba, Madam Speaker.

Whenever you try to do something new, something different, critics appear. In the discussions I had about this bill, I have received many positive comments and a good level of support for the idea of another option to settle disputes. On the other hand, I know there will be some who will be critical.

Perhaps it is natural that a few representatives from both sides of the labour equation may be apprehensive of something new and untried. They may be skeptical of its effects on their traditional ways of doing things or they may wish to reserve judgment with a "wait and see" attitude. To that, I say fair enough. It is a fairly new process and a unique model.

I would like to allay their fears by pointing out that it is an optional process and simply another tool at their disposal. The uniqueness of the model is, I think, an advantage in that it has been tailored specifically to the Manitoba situation. We firmly believe that it can be a useful mechanism in some situations and we believe that it is worthwhile to make it available as an option. Some business interests may suggest the legislation is unbalanced in favour of the union side. I cannot agree with that assessment. It's a fact that final offer selection can be initiated by either the employer or the union.

The process is fundamentally fair because the final decision, in either case, is up to the employees. The negative view overlooks the great power that has always rested on the management side of the labour relations equation. Management has the ultimate right to open or close the plant, hire or lay off workers, and determine the nature of the jobs in the workplace.

Management isn't losing rights simply because labour legislation encourages fairness and equity in the workplace. The final offer selection process provides more say to the individual employees themselves.

Whether the union or the employer requests final offer selection, it must be supported by a majority "yes" vote of the employees before it can take place.

As you might expect, Madam Speaker, the honourable members opposite are ready to criticize this and any new measure. They have the unenviable record of being against anything new or progressive. To illustrate this, I need only go back to the revisions of The Labour Relations Act that our government implemented in 1984. Those were positive changes that were long overdue. Indeed, those changes have led to increased harmony and a very peaceful period of labour relations that has greatly benefited the people and the economy of Manitoba.

But when we look back through Hansard and through the news clippings of the day, what do we find? It's a situation of *deja vu*. We find the Opposition blindly opposed to revisions in labour legislation. They predicted the apocalypse simply because the government improved the province's labour laws.

In fact, on June 29, 1984, the Honourable Opposition Leader said in the house, we're on the slippery slope to destroying labour-management relations in this province. You can find the same arguments in the debates over changes to labour legislation made in 1972. History repeats itself over and over again. Of course, the Opposition's predictions never materialized. They claimed better labour laws would drive business out of Manitoba. It didn't happen. In fact, businesses benefited from the improvement in the labour relations climate.

As a matter of fact, we've consistently had one of the best records in Canada in terms of low unemployment rates, real economic growth, capital investment growing at a rate twice that of the national average. Most economic forecasters believe that Manitoba's future growth will continue to surpass the national average.

There is today no question that the 1984 amendments to The Labour Relations Act were innovative and forward-looking, but the Opposition criticized us for them. They couldn't see it then but the proof is all around us now that we were right. Now, today, we are again hearing the same tired arguments from the Opposition as the government introduces Bill 61. The members opposite say, if there's no problem, why do anything? Such is their visionary approach. They think standing still is moving too fast. They say, if it ain't broke, don't fix it. Because Manitoba's labour record is good, leave it alone. Don't make improvements.

Why is it the honourable members opposite won't learn from history? And as I indicated, Madam Speaker, earlier on today in question period, I was amazed to hear people who up until a couple of weeks ago were saying, oh, the labour relations in Manitoba are desperate; it's terrible.

When the news of final offer selection was being introduced as a further option, these same people were talking about, well, the labour relations in Manitoba is probably the best in the country. (Interjection)- Well, you know, that's the kind of argument that we can expect to hear from members opposite. Yes, Madam Speaker, we do have a good labour relations environment here in Manitoba. That good record is a trust and a responsibility that we in government, in the government benches, take very seriously. Rather than

wait for time to pass us by, we are anticipating changing times and changing needs of the parties involved in the labour negotiation process. That means moving ahead with progressive legislation that ensures a healthy labour relations climate for Manitoba, not just today but for the future as well.

**MR. D. ORCHARD:** And you will all pay for it.

**MADAM SPEAKER:** Order please, order please. The Honourable Minister has the floor.

**HON. A. MACKLING:** In conclusion, I want to express our government's ongoing faith in the collective bargaining process. It is always our hope and expectation that contract negotiations will be settled amicably through collective bargaining. In fact, this is what happens in the vast majority of cases. If parties want the support of conciliation or mediation to help in this process, Manitoba Labour will always be standing by ready to assist.

Today this bill, Bill No. 61, we are simply adding another option, another alternative mechanism for the parties to choose if they feel it would assist them in settling their contract dispute. In some cases, the option of final offer selection might be used instead of a work stoppage. In any event, the nature of final offer selection is such that it encourages the parties to bargain seriously and reasonably toward an agreement on their own. We firmly believe that any mechanism that contributes to peaceful settlements of disputes is a worthy measure and I'm pleased to commend its introduction to all members of this Assembly.

**MADAM SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. D. ROCAN:** Thank you, Madam Speaker.

I move, seconded by the Member for Virden, that debate be adjourned.

**MOTION presented and carried.**

## INTRODUCTION OF GUESTS

**MADAM SPEAKER:** Before calling the next bill, may I direct the attention of honourable members to the gallery where we have 30 students from Grades 7 to 9 from the McAuley School, under the direction of Mrs. P. Crosson. The school is located in the constituency of the Honourable Member for Virden.

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

## BILL NO. 62 - THE INSURANCE ACT

**HON. A. MACKLING** presented Bill No. 62, An Act to amend The Insurance Act; Loi modifiant la Loi sur les assurances, for Second Reading.

**MOTION presented.**

**MADAM SPEAKER:** The Honourable Minister.

**HON. A. MACKLING:** Madam Speaker, I have copies of my remarks and copies of a spread sheet for . . .

Madam Speaker, under the current legislation, agents, brokers and adjusters wishing to appeal determinations of their licensing status by the Superintendent of Insurance, must do so to the Lieutenant-Governor-in-Council. In order to create a less formal appeal procedure, an appeal board consisting of a chairperson, two lay persons and two industry representatives will be established, pursuant to the provisions of this bill. Appeals will also be expanded from the current suspension or revocation of licence, to include appeals of condition of licence, reprimand, as well as decisions of the Superintendent of Insurance, dealing with policy wordings and advertising.

The current legislation requires the Superintendent of Insurance to maintain records of agents licensed under The Insurance Act. This requirement will be expanded to include brokers, adjusters and assistant adjusters. As the act currently makes the status of an agent's licence available to the public, this will be expanded to include the licensing status of brokers, adjusters and assistant adjusters.

In dealing with the misconduct of agents, brokers, adjusters and assistant adjusters, the Superintendent is currently empowered to only suspend or cancel a licence. There are cases where the suspension or cancellation of a licence is too severe. Therefore, the official action of reprimand is being introduced to allow some form of action of a less severe nature to be taken where warranted.

Steps also in this bill, Madam Speaker, have been taken to create an insurance exchange, to be called The Canadian Insurance Exchange, to operate along the lines of Lloyd's of London and the New Insurance Exchange. I'm sorry, Madam Speaker, I said, in this bill steps are taken - this Insurance Exchange was developed and this New Insurance Exchange will be located in Toronto. Amendments in this bill are included to accommodate the licensing of the Canadian Insurance Exchange in a manner similar to the licensing of Lloyd's of London.

The capital and supply requirements for licensing an insurance company are being upgraded to a level in keeping with inflationary impacts and current requirements in other jurisdictions. It will now be necessary to have \$3 million capital stock to license a life insurance company, and \$2 million for an other than life insurance company.

In both cases, the company must also have an unimpaired surplus of \$1 million. Companies currently operating in Manitoba, who have less capital and surplus requirements than are being set out here, will not be required to meet these capital and surplus amounts. Mutual insurance companies will be required to have in force contracts in the amount of at least \$2 million.

The Superintendent of Insurance will be given the authority to order an insurer or agent, after a hearing into the matter, to cease using any form of policy wording or advertisement that is unfair, misleading or not in the public interest. Provision is also being made for these orders to be appealed to the appeal board described earlier.

At the last Session of the Legislature, legislation was passed enabling the establishment of a compensation plan for general insurance companies. Manitoba took an active part in the development of this plan, which will be industry operated, but government regulated.

Powers to establish, through regulation, ongoing solvency tests and standards to accommodate the efficient operation of this plan will be included in these amendments.

The current Insurance Act requires insurance agents to hold themselves out publicly as insurance agents. The Insurance Agents' Association of Manitoba has requested a change in the requirements to accommodate an opportunity that they have to join with insurance agents in other provinces in presenting national television advertising. To accommodate the Insurance Agents' Association of Manitoba, provision is being made for insurance agents who contract with more than one insurer to hold themselves out publicly as brokers.

For more than 20 years, the Insurance Branch has required applicants for the licence of insurance agent to have the sale of insurance, with some notable exceptions, their sole occupation. Insurance agents have been able to be simultaneously licenced to sell all insurance products. Real estate agents have historically been able to be licenced to sell general insurance, as well as real estate.

In towns and villages of less than 5,000 persons where it is necessary for economic purposes for an individual to have more than one business or occupation, these restrictions have not been applied.

These requirements will be formalized into legislation through these amendments. The restrictions will not apply to crop hail insurance agents nor accident and baggage insurance agents. To accommodate those occupations compatible with the sale of insurance products and to give flexibility to the system for dealing with the integration of financial services, these amendments will allow the Lieutenant-Governor-in-Council to establish, by regulation, the functions that will constitute the occupation of the various classes of insurance agent.

Currently, all of the insurance agents' licences issued in Manitoba expire effective the end of May of each year. This simultaneous expiry of all insurance agents' licences causes a tremendous increase in workload for the insurance branch at that time each year. To accommodate a change to a more efficient system, the Lieutenant-Governor-in-Council will be empowered to pass regulations to alter the expiry date of insurance agents' licences.

Some difficulty is being experienced with insurance agents moving from company to company, replacing their clients with each company as they move. In some cases, where an agent moves to another company, it may be in his client's interest to change to the new company, in other cases it may not.

As the first year of commissions and life insurance policies are generally substantially higher than renewal commissions, it is believed in some instances these changes are motivated by the individual agents' attempts to increase their income. To deal with this practice, we will require an agent not rewrite any policies of his previous sponsoring company with his new company during the first year after he has severed relationships with the old company.

It is believed this requirement will discourage those incidents where policies are rewritten solely for the purpose of enhancing an individual agent's income, while allowing the agent, where it is really in the client's

best interest, to subsequently change the insurance coverage.

Madam Speaker, they are, in essence, the principles and provisions of this bill which I commend to all members of the House.

**MADAM SPEAKER:** Are the honourable members ready for the question?

The Honourable Member for St. Norbert.

**MR. G. MERCIER:** I move, seconded by the Member for Kirkfield Park, that the debate be adjourned.

**MOTION presented and carried.**

**BILL NO. 63 - AN ACT TO REPEAL CERTAIN STATUTES RELATING TO HOSPITALS, HOSPITAL DISTRICTS AND NURSING UNIT DISTRICTS AND OTHER MATTERS**

**HON. R. PENNER** presented Bill No. 63, An Act to Repeal Certain Statutes Relating to Hospitals, Hospital Districts and Nursing Unit Districts and Other Matters; Loi abrogeant certaines lois concernant les hôpitaux, les districts hospitaliers, les districts régionaux de soins infirmiers et d'autres questions, for Second Reading.

**MOTION presented.**

**MADAM SPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** Madam Speaker, this is a companion piece to Bill 4 and other parts of the validation package. This bill repeals ten acts respecting hospitals, hospital districts or nursing districts in rural Manitoba. The legislation was passed at a point in time when special provisions were required because there was no other act of general application in place.

With the passage of time, the special purposes have been achieved or else they are provided for in our health or hospital legislation. These acts have been researched to determine that they are spent, Madam Speaker, and I'm certain honourable members will appreciate the value of deleting such legislation from the listing of current statutes, rather than simply translating them. This bill contains, appended to the bill itself, an annex which indicates what the particular bills being repealed are, and I commend it to the House.

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

**MR. G. MERCIER:** A question for clarification, Madam Speaker, to the Attorney-General.

Is he prepared to resign if he has made a mistake in repealing any of these acts if the bill is passed?

**HON. R. PENNER:** Only if I get paid danger pay, Madam Speaker, and that's far from being the case.

Certainly we rely on very, very good legislative counsel in arriving at these decisions, and I am satisfied that indeed no mistakes have been made to this date, nor will there be. It's always possible in a revision, for

example, a statutory revision or something like that, that a mistake might be made and, if so, we would cooperate with the members opposite in restoring rights lost in that way.

**QUESTION put, MOTION carried.**

**HON. R. PENNER:** And refer to the Standing Committee on Regulations and Orders.

**BILL NO. 67 - THE OFF-ROAD VEHICLES ACT**

**HON. J. PLOHMAN** presented Bill No. 67, The Off-Road Vehicles Act, for Second Reading.

**MOTION presented.**

**MADAM SPEAKER:** The Honourable Minister.

**HON. J. PLOHMAN:** Madam Speaker, it is my pleasure to present, for Second Reading, The Off-Road Vehicles Act. This new act has been prepared following extensive consultation with various individuals, organizations and in conjunction with a number of government departments and representatives.

A motivating factor in the preparation of this act has been the increased use of off-road vehicles, the alarming growth in accidents and injuries and our long-standing commitment to safety. The increased use of these vehicles has led to a growing number of injuries, deaths, traffic and trespass violations, as well as concern for impact on the environment. Consequently, our government is hopeful that this legislation will lead to a reduction in the number of injuries and fatalities caused by these vehicles.

I would ask members of this House examining this act to be particularly cognizant of the previous impact that these vehicles have had on the lives and on safety as it relates to children. A recent study conducted at the University of Manitoba by four medical doctors concluded that, from 1979 to 1985, 700 children were injured in off-road vehicle accidents, 33 were killed. Needless to say, these are alarming statistics.

The concerns brought about by off-road vehicle use are ones which are pervasive throughout all of Canada. In an effort to alleviate these concerns as they apply to Manitoba, we have introduced a number of measures through this new proposed legislation.

These measures include: age restrictions, mandatory helmet use, as well as compulsory insurance and registration, along with restrictions to ensure protection of the environment. I would like to expand slightly on some of these measures, Madam Speaker.

Following proclamation of this legislation, children under 14 years of age will be prohibited from operating off-road vehicles - and this is the key point - unless they are accompanied and supervised by a parent or a person who has been authorized, an adult who has been authorized by that parent, and the child must be in clear view at all times. Unless these conditions prevail, it will not be legal for children under 14 years of age to operate these vehicles. What this does is put the onus and the responsibility where it should be, on the parents of children under 14 years of age.

It will also be mandatory for off-road vehicle operators and passengers to wear a helmet. This will additionally pertain to snowmobiles, which will be included in this new act. Exemption will be granted to those riding on vehicles equipped with occupant roll-over protection and seat belts, and individuals operating off-road vehicles for specific utility purposes, such as farming, trapping, hunting and commercial fishing.

In terms of licence requirements, those who are crossing public roadways or engaged in farming activity and travelling along roadway shoulders will be required to hold a valid driver's licence. That is, that anyone who is going to be permitted to operate off-road vehicles on the shoulders, which isn't allowed currently under The Snowmobile Act, must have a valid driver's licence and therefore be over the age of 16 years. They can only do so if they're engaged in agricultural activities. Otherwise, we're not allowing in this act anyone to operate on the shoulders of roadways. It will involve vehicles only with three and four wheels, not snowmobiles on shoulders.

Under the proposed act, off-road vehicles will be registered for a three-year term. It is proposed that this term take effect October 1, 1988. This date coincides with the existing term for registering snowmobiles.

A component which was strongly requested by agricultural representatives, especially as it applies to crop damage, as well as by many others during the consultation, was the component dealing with compulsory liability insurance. After careful review and much consideration, we believe that, as a minimum, third-party liability insurance is a necessary requirement. We have, therefore, included this requirement in the proposed act as a precondition of registration. I should point out that the other provinces that do have similar legislation - New Brunswick, Ontario and Alberta - also have a requirement for compulsory liability insurance.

As well, in an effort to recognize the need for protection of the environment and to also ensure flexibility in application of this act, the new Off-Roads Vehicle Act includes provision for rural municipalities and local government districts and Northern Affairs Councils, to establish by-laws which will further restrict off-road vehicle use on property within their respective jurisdiction.

In an effort to further protect the environment, it will be necessary for operators to obtain permission from landowners to operate on private property. The operation of off-road vehicles on highway interchanges will not be allowed. In addition, federal standards pertaining to noise and emission levels, lighting equipment and vehicle identification numbers will be in force. Mandatory muffler and spark arrester requirements will also be adopted in this act.

Madam Speaker, I believe that the new Off-road Vehicles Act will provide Manitobans with legislative measures which are necessary, in view of the increased use of off-road vehicles.

Currently, only snowmobiles and three- and four-wheel, all-terrain vehicles are covered under legislation, more specifically, The Snowmobile Act.

It is our government's intent that The Off-road Vehicles Act will encompass snowmobiles and all types of other off-road vehicles. This includes mini-bikes, dirt bikes, trail bikes, as well as dune buggies. Although

many motorcycles manufactured today are street legal, they also have off-road capabilities and, when operated as such, they will operate under the provisions of The Off-Road Vehicles Act. That's an important requirement under the act, that four-wheel drive vehicles, for example, as I said, motorcycles which are used as off-road vehicles, when they are being off the road they come under the provisions of this act, rather than The Highway Traffic Act.

I would like to emphasize once again that safety has been a key concern in the development of this legislation. Our government has made extensive efforts to consult with municipalities, town councils, manufacturers, agricultural groups, the medical profession, law enforcement officials, as well as other groups and individuals, including Native organizations, during the preparatory process of this legislation.

I am confident, Madam Speaker, that the legislation will provide a solid basis to address the concerns and opinions which were expressed prior to this Second Reading of The Off-Road Vehicles Act. I also firmly believe that this legislation is necessary to ensure the protection of the people of Manitoba as well as the environment of our province.

**MADAM SPEAKER:** The Honourable Member for Ste. Rose.

**MR. G. CUMMINGS:** Madam Speaker, I move, seconded by the Member for Portage la Prairie, that debate be adjourned.

**MOTION presented and carried.**

#### **BILL NO. 44 - THE COAT OF ARMS, FLORAL EMBLEM AND TARTAN ACT**

**MADAM SPEAKER:** Debate on Second Reading, on the proposed motion of the Honourable Minister of Culture, Heritage and Recreation, Bill No. 44, standing in the name of the Honourable Member for Kirkfield Park.

**MRS. G. HAMMOND:** Madam Speaker, would you mind repeating . . .

**MADAM SPEAKER:** I just called Bill No. 44.

**MRS. G. HAMMOND:** We're prepared, Madam Speaker, to let this go to committee.

**QUESTION put, MOTION carried.**

#### **BILL NO. 50 - AN ACT TO AMEND THE CONSUMER PROTECTION ACT**

**MADAM SPEAKER:** On the proposed motion of the Honourable Minister of Consumer and Corporate Affairs, Bill No. 50, standing in the name of the Honourable Member for Riel.

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

On reviewing the bill, I understand, and what we've reviewed is that this particular bill provides licensing

of direct sellers and increases the maximum dollar value amount of the average sales, also probably changes some of the warranty requirements for the consumers.

He mentions in his preamble and, when he explains this particular bill, he mentions under some of the warranties that the third party, when he goes out of business, there are problems collecting from the auto dealers, etc.

I was wondering whether the Minister - if somebody buys a contract and in the contract there's a warranty bill, say, for Wax-All etc., that if the Wax-All went out of business, would they go back to the dealer. However, if the Wax-All provided the warranty and it was specified in the contract whether this would still apply under this bill. These are questions that the Minister will probably answer later on.

Also, I would like to know in this particular bill whether, under section 75(2), page 2, whether in the licence of direct sellers or 75(2), whether these people all must require penal bonds in regard to this proposal also. I would also like the Minister, when he's explaining this particular bill, when it's finalized, whether he would explain 81(3.1) where it mentions: "The director may limit the aggregate number of direct sellers who may be licensed to act for and on behalf of a vendor licensed in accordance with subsection 75(1)." I would like to know at that time, could he explain what he means by the "limit" and how they will go about policing the limit on that section?

Madam Speaker, I would also like the Minister, under 75(3) to define the word "direct seller" under that part of the bill. There isn't anybody else who will be speaking or asking questions on the bill. I just want to refer to the Minister or whoever is taking the responsibility of the Minister right now to answer these questions in his closing remarks or probably answer them at committee, and we at this time have no problems with it going on to committee.

**MADAM SPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** I thank the Member for Riel for his remarks and for the questions which he has raised. They will be referred to the Minister of Consumer and Corporate Affairs who will be happy to deal with them at committee, at the outset of consideration at committee. Accordingly I will be concluding debate on the bill for this side.

**QUESTION put, MOTION carried.**

### **BILL NO. 47 - THE HUMAN RIGHTS CODE**

**MADAM SPEAKER:** On the proposed motion of the Honourable Attorney-General, Second Reading of Bill No. 47, standing in the name of the Honourable Member for Assiniboia.

The Honourable Member for St. Norbert.

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

I would like to speak to this bill and then I understand the bill will continue to stand in the name of the Member for Assiniboia.

**MADAM SPEAKER:** Is that agreed? (Agreed)

**MR. G. MERCIER:** Madam Speaker, firstly let me say, and I think it is widely known, that our caucus has decided that each member of caucus will be able to vote as his conscience dictates with respect to this bill. I wish to therefore express my views on this bill at this time.

There are of course, Madam Speaker, many issues in this bill, but the aspect certainly of the inclusion of sexual orientation in this bill has been highlighted and I will be dealing with it. But I'm sure, Madam Speaker, I can speak for most members of the House when I say this, none of us certainly want to have our remarks in any way misinterpreted.

I don't believe, Madam Speaker, that there is any member of the House or any reasonable member of our society who wishes to see homosexuals or lesbians be victimized or any other citizen of this province be victimized. We therefore, I'm sure all of us, want to approach this matter with some compassion and some tolerance. All of us I think have had various kinds of religious upbringing, and all of us have religious convictions of some kind and no one, I'm sure, in this Assembly wants to see anyone hurt by other people's actions.

But the question, Madam Speaker, is of course whether the provisions of this bill contain the appropriate method of dealing with this particular problem or whether this bill should be amended and other means sought to deal with this particular problem.

Madam Speaker, in general, I think it is fair to say of course, and perhaps obvious, that individual rights must, of necessity, clash with other people's rights or society's rights as a whole. We must remember, I think, that parents have rights, that employers have rights, that property owners have rights and that individual rights that are established in any piece of legislation must therefore be balanced. We have, Madam Speaker, a Canadian Charter of Rights and Freedoms, and it should be noted that in section 2 of that Charter everyone has the following freedoms:

- (a) freedom of conscience and freedom of religion;
- (b) freedom of thought, belief, opinion and expression;
- (c) freedom of association.

Madam Speaker, those are fundamental freedoms which are contained in the Canadian Charter of Rights and Freedoms which all of us have and which I may say, as many of us said, we all had before passage of the Charter of Rights and Freedoms, but I don't think this is the appropriate time to get into that particular argument.

Madam Speaker, I ask members of the government to consider whether the intent of the government to protect human rights by including sexual orientation may be distorted by threatening the rights and liberties of many other individuals and groups in our societies by in some way contravening or clashing with the fundamental freedoms that I've referred to, particularly freedom of conscience and freedom of religion.

As I've said, Madam Speaker, each member on this side of the House, in our caucus, has the right to vote as their conscience dictates on this bill. I'm somewhat concerned, Madam Speaker, that members on the other side of the House, members of the government, apparently are bound to vote for this bill. They do not

have the right to vote against their bill. Madam Speaker, should not they possess the same freedom of conscience, the same freedom of religion, the same other fundamental freedoms that would allow them if their conscience dictated to vote against part or all of this bill?

It seems strange to me, Madam Speaker, that a Human Rights Code that is as controversial as this should be passed by the government compelling its members to vote for it and thereby depriving each of them their own individual rights. We have a Human Rights Code passed by this government in which they are compelling each of their members to vote for it and they are saying to them by a majority vote of their caucus, no matter what your conscience may dictate or what your religious convictions may dictate to you, you have to vote for this bill.

The Minister of Health is saying, no, Madam Speaker, and that's encouraging. That's encouraging that he would be disagreeing with what I have just said.

I point out to members of the Legislature that the Province of Ontario just dealt with this matter a few months ago and they had a free vote. All members of that Legislative Assembly had the right to vote as their conscience dictated. Why should Manitoba members of the Legislature be compelled to vote for what a majority of their caucus decided? Why can't they enjoy the same freedom of conscience and freedom of religion that members of the Ontario Legislative Assembly had?

Madam Speaker, it is obvious, certainly to the public, that there are members of the Opposition who disagree with the contents of this particular bill. It's been reported in the press, and I suppose we'll have to wait for each of those individual members to speak.

The Minister of Natural Resources is reported to be opposed to this. The Minister of Health, the Minister of Urban Affairs and the Minister of Industry and Technology are reported to all have serious concerns about the contents of this bill.

Madam Speaker, I would hope that, in the interest of human rights, the Government House Leader, the Premier, the Whip, the NDP Caucus will allow each individual member to vote as their conscience dictates with respect to this matter. The Whip says: No way. The Whip says: No way, Madam Speaker, so we are going to have, apparently, a Human Rights bill passed by this government which their members are compelled to vote for a majority caucus decision, where a number of them believe that the provisions of the act or some of the provisions of the act violate their freedom of conscience, their freedom of religion, Madam Speaker. That does not speak well for the process, Madam Speaker. That does not speak well for those individual members who would like to vote otherwise.

This is a very interesting bill and there is a very interesting concept in it that has implications that are simply not known. I hope the Attorney-General, when he sums up debate on Second Reading, will address this aspect.

The preamble and section 58 of the act state that this act is paramount over every other act of the Legislature, whether enacted before or after this code. I would hope, Madam Speaker, that when the Attorney-General closes debate on Second Reading, he will tell us each and every provision of each act of the Legislature that this act is going to supersede. I hope

that the government caucus had that information when they voted to compel all of their members to vote for this bill. Because what does it mean? What provisions of the acts of the Legislature are going to be affected?

There have been issues raised arising out of the passage of similar legislation in Ontario. There have been concerns expressed in newspapers and in the media in this province about possible implications that have to be raised. Hopefully the Attorney-General will respond and advise us whether they're correct or not.

One question that has been raised is: If this act is paramount over all other acts of the Legislature, are marriages between homosexuals to be validated? Is The Marriage Act to be overruled?

There are questions related to adoptions and what rights will be given to people as a result of the passage of this legislation or with respect to the whole area of foster parents and what effect this legislation will have.

What effect will this legislation have in the area of day care workers? What effect will this bill have on the area of education, Madam Speaker? That, I think, will be a very important concern of a significant number of Manitobans because, whilst the vast majority of Manitobans are very reasonable and tolerant people, many of them would have a very real concern about a homosexual teaching in a classroom and in some way serving as a role model for their children. That's a fact of life. That's a question that people are asking.

I'm trying, Madam Speaker, to deal with this in a reasonable way but these are questions that are being asked, that I hope the Attorney-General will be able to respond to.

There are questions that are being raised with respect to Civil Service benefits, for example. One of the proponents of this legislation has indicated publicly that, when this act is passed, that will mean that his so-called spouse or partner or whatever you want to call him, will be entitled to Civil Service benefits. Now, if this act is paramount, perhaps that is indeed the case and there are these implications, Madam Speaker, that have to be dealt with very carefully and very well and in a very detailed fashion.

There are concerns, for example, that have been raised in other jurisdictions, Madam Speaker, with respect to Big Brothers and Big Sisters organizations. There are reported cases in the City of Minneapolis with respect to a Big Brothers Association where, as a result of their human rights ordinances which are, I assume, somewhat similar to what we have in this legislation, that organization cannot discriminate against a homosexual; that in fact that organization cannot tell the mother of the child that the Big Brother is a homosexual. That's what happened there. I think people are concerned about those kinds of things that are taking place in other jurisdictions and would want to be assured that, if the government is going to pass this, those kinds of things cannot happen in Manitoba.

So, I hope, Madam Speaker, when the Attorney-General sums up, he will be able to deal in a very detailed fashion with what the implications are of making this bill paramount to all other pieces of legislation in Manitoba.

There is another aspect that I wish to deal with a general subject, and that is this idea, Madam Speaker, of not being able to terminate a member of the commission or member of the adjudication panel, for

cause. (Interjection)- Pardon me? You cannot terminate except for cause. Madam Speaker, it's an interesting situation because, when the Attorney-General assumed office, he replaced the whole Human Rights Commission. I acknowledge, Madam Speaker, that we did the same thing when we were elected in 1977. But what the Attorney-General is now trying to do is say in this legislation that, even if we are defeated in the next election, the commission is going to stay there and the chairman who is also appointed for five years under this legislation and who also, I believe, cannot be terminated except for cause, will stay there.

Now, I want to say that it is my personal view, Madam Speaker, that I have a great deal of sympathy for some changes in the existing system, because I don't think the public interest is particularly served by the way in which the appointments and removal of boards has been done in the past. And I've tried to address it on a number of other bills.

I'd like to just make a suggestion to the Attorney-General to consider. If we really want to have a Human Rights Commission that represents a consensus view of Manitobans, why would we not have a situation that might be similar to the appointment of legislative committees, that the government in power has a majority, but that the members of the Opposition appoint a significant number. In committees it's 7/4. The bill proposes 13 members. Why couldn't it be 8/5? The government appoints the chairperson who serves during the life of the government and it's recognized that, after an election, the government may appoint a new chairman.

I think in that way, Madam Speaker, the public interest would be much better served by having people represented by both the government and the Opposition on the Human Rights Commission. And I think in neither case would we then see, assuming this government were in power, appointing the whole commission. It's more likely, Madam Speaker - in the same way as if we appointed the whole commission. I'm trying to be almost non-partisan about this issue. In neither case would you have a commission all of one political philosophy, which they mainly are, run off in one - or at least the possibility of them running off in one extreme political direction. If you had the balance, although the government would have the majority of the members, I think by having some members appointed by the Opposition would serve as a reasonable balance in decisions that the committee made.

The Government Whip made a comment. I don't think he's too impressed with the argument I've been making, Madam Speaker, but I think what he should - (Interjection)- he's unimpressed, Madam Speaker, but there have been a number of people who made recommendations on the Human Rights Commission who have recommended a much more independent Human Rights Commission, much more independent from government, and that's a worthwhile objective. I think we could make the Human Rights Commission perhaps a better representative or instrument of the whole Legislative Assembly if all members of the Legislative Assembly had the right to make a certain number of appointments. Whoever the government is in power would have the right to appoint a majority.

I'm suggesting it, Madam Speaker, because I, for one, do not like and I will not support this government

appointing a board and a chairman that cannot be replaced by a new government.

Madam Speaker, I'm also concerned with the fact that in this act - and these concerns now are more based on a commission that is totally appointed by the government - that the court review of decisions is made much more narrow in scope in this legislation. As the Attorney-General pointed out briefly in his remarks, there have been a number of decisions made over the last few years that have found against the decisions of the Human Rights Commission.

So what we have then with these kinds of provisions is a Human Rights Commission appointed in total by the government which cannot be dismissed for cause, and the scope of the review of the courts is made much more narrow. Should not, Madam Speaker, the very considerable powers of the Human Rights Commission, which can be determined and whose judgments can be made by political appointments of one party - and that could be their party or that could be our party - be fully open to review by the courts? I think that would be much more safe and much more in the public interest, Madam Speaker, than the situation of making the court review of the decisions much more narrow in scope.

We should point out, Madam Speaker, as the Attorney-General noted in his opening remarks, that there are numerous instances in this legislation where the commission or Cabinet will determine if bona fide and reasonable cause exists for the discrimination. I suggest, Madam Speaker, that should be reviewable in full by the courts, particularly if we're going to have this totally politically-appointed commission with the further powers and jurisdiction that is given to it by this piece of legislation.

Madam Speaker, there are a number of issues that have arisen just in the past few days with respect to this legislation. There is a much broader interpretation of what discrimination means. Paragraph 9(a) is an example of that where discrimination is defined as "differential treatment of an individual on the basis of the individual's actual or presumed membership in or association with some class or group of persons, rather than on the basis of personal merit," and then in the employment section, again, the commission is given the responsibility of determining whether or not there are "bona fide and reasonable requirements or qualifications for the employment or occupation."

Madam Speaker, there are sections that could cause a lot of concern to religious organizations, to private schools, to religious schools, as to whether or not they have to hire a communist, a Marxist-Leninist, an atheist, or whatever, that does not fit into the teachings of their particular organization.

The legislation previously, Madam Speaker, would seem to be somewhat stronger, the previous section 6(7), in protecting those types of exclusively religious, philanthropic, educational, fraternal or social organizations, and I would ask the Attorney-General to consider that in a possible amendment to strengthen the protection that religious organizations or religious schools deserve, Madam Speaker.

It is also interesting to note, and this again relates to the power of the Human Rights Commission and the kinds of decisions it can make in that, under section 52, "the onus of proving (a) the existence of a bona

fide and reasonable cause for discrimination" is on the applicant.

Now, Madam Speaker, you have to look at that, I think, very carefully and take it in the context of a totally politically appointed commission where the scope of review of the courts is much narrower than it has been in the past and where there is a much greater possibility if the commission is led in an extreme political manner . . .

**A MEMBER:** Which it will be.

**MR. G. MERCIER:** Well, the commission or the adjudicator - well, the Attorney-General talks about adjudicators. There is no magic in adjudicators, Madam Speaker, because there is presently filed in the Court of Queen's Bench an example of the kind of arbitrator that this government has appointed related to a labour dispute involving Westfair Foods who are currently on strike, where this government, the Minister of Labour appointed - and it's all pointed out in an affidavit. After the affidavit was filed, I understand the government revoked the appointment of Mr. Robert Mayer of Thompson as an adjudicator.

Mr. Robert Mayer of Thompson is well-known as an NDP President of the Manitoba N.D. Party, as a man very much involved in NDP political activities, who had absolutely no experience as an arbitrator but who was appointed and had close affiliations with the union involved and the people involved in the particular union.

But despite all that, the Minister of Labour appointed Mr. Mayer as an adjudicator in that particular case. Now that was challenged by Westfair Foods in an affidavit that the news media can walk across the street to the Law Courts Building and look at. As I understand, as a result of that, the government revoked the appointment of Mr. Mayer as an arbitrator.

Madam Speaker, if the government is trying to assure us that there will be all of these independent arbitrators appointed to arbitrate these disputes under the Human Rights Commission, Madam Speaker, we only have to look at their record of the past month, in trying to appoint Mr. Mayer in that particular case.

How do we know, Madam Speaker, that the government is not going to proceed in the same manner and establish in these adjudicators to adjudicate these disputes where they've made the scope of the court review more narrow?

Madam Speaker, we're here to try and protect the public interest. The record of appointment of arbitrators by this government is no assurance in any way, shape, or form that these matters are going to be carried out impartially.

The legislation also says these adjudicators can't be removed except for cause. They're stuck on the panel. Madam Speaker, when the Attorney-General says, well, the adjudicator will have to establish that. But we have no assurance how impartial these people will be, and yet the onus of proof in the legislation where someone who wishes to bring forward and prove or allege a bona fide reasonable cause for discrimination, is on the person proving it, Madam Speaker, and the court review is narrow. These have to be matters of concern, Madam Speaker, in reviewing this particular piece of legislation.

In the same way, Madam Speaker, when the legislation says that failure to make reasonable accommodation

for the special needs of a group or an individual is discrimination and that's determined, I take it, whether it's by an adjudicator or a commission. We know what the commission will be; it'll be a politically appointed commission by the NDP Cabinet in caucus, unless they adopt something along the line of what I suggested, Madam Speaker. What will be the criteria? There's no criteria in this legislation. If they appoint some zealots, Madam Speaker, they could be very dangerous, and that's the simple fact of the matter.

This commission, Madam Speaker, is going to be a very powerful body, an extremely powerful body. And in the definition of systemic discrimination, Madam Speaker, that kind of discrimination can occur even if there is no intention to discriminate. Even if there is no intention whatsoever, the commission or the adjudicator can find discrimination and impose the penalties that are allowed by the act.

So, Madam Speaker, it's very powerful and I'm saying, hopefully, decisions will be reasonable, but there's no protection in this piece of legislation that they will be, when you limit the scope of the courts, fully politically appointed by this government. The onus on proving these exceptions is on the person who alleges it, and when we have the record of arbitrators that we have by this government.

Madam Speaker, another matter related to the Affirmative Action section in which the approval of the commission is no longer necessary for Affirmative Action programs, I would ask the Attorney-General, what does someone do or what recourse do they have if someone is alleging reverse discrimination? To whom do they go? To the commission? To an adjudicator, when there's no approval for the commission required?

Madam Speaker, the Attorney-General, in his remarks, had cited section 14(11) as some sort of defence or safeguard to someone, as I think he said, to a teacher for example, teaching homosexuality to his or her class. I point out to him, and I think he is well aware of it, that the wording of this section really says: "Nothing in this section prohibits the lawfully disciplining of an employee or 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 forum for promoting beliefs or values." Now that's fairly specific, Madam Speaker, as a forum. I don't think you would find that the classroom would be used as a forum. I think, Madam Speaker, there would be much more subtle methods that could be used. I am not saying that will be used, but that could be used and that cause a concern for Manitoba parents and for their children in the classroom.

Madam Speaker, those are the concerns that I'm not sure are adequately recognized in this bill, the rights of Manitobans and their right to freedom of conscience, freedom of religion, rights of parents in the educational system from day care through to high school, Madam Speaker. I'm not sure that those rights are in any way protected in this bill. I suggest that, if they are to be, there should be some much more explicit amendments to this piece of legislation.

Their concerns, Madam Speaker, about section 16 with respect to rental of premises, I have run across hundreds of Manitobans, Madam Speaker, who have used their hard-earned money to buy a duplex, who

live in one side and rent out the other side. What if they don't want to, for personal religious reasons, matters of conscience, rent the other half to a homosexual? They will be compelled to, despite the fact that they may want to raise their children in the other half of the duplex and, simply because of their personal views, not want that to occur, Madam Speaker. That will be a concern of many, many Manitobans.

Madam Speaker, time is passing quickly, but there are concerns that are expressed with respect to harassment, section 19(2)(a), section 13(1), that may be, where a very subjective test appears to be involved in the definition of harassment, and it certainly means some valid questions were raised about freedom of comment, whether these sections are too wide or too broad. I would ask the Attorney-General to examine them very carefully in that context, because I tend to agree with the suggestions that they are too wide and too broad.

I may ask the Attorney-General a question with respect to section 27, what are very strong rights of the Human Commission to access to premises and documents. I appreciate that this was in the previous legislation, but this act doesn't include any obligation upon the party to inform the other party of any rights that they may have and that this matter could be taken to court, and I ask them to examine it in that context. Really, how many times has this very great authority been used to enter homes or commercial premises, to inspect documents and records and take copies of documents and records? It is a large power, and it will be very interesting to know if the commission has ever used that. If it's never used it, maybe it should be taken out.

Madam Speaker, the Attorney-General, when he introduced this bill on Second Reading, said that the bill does not confer special rights for any individual or group, but it prevents wrongful discrimination. I would ask him, Madam Speaker, if that's his view of this act, why doesn't he call it "The Wrongful Discrimination Act" rather than The Human Rights Act, because this is a bill that does interfere with individual and group rights to freedom of religion, to freedom of conscience, and to certain rights of parents, employers and property owners.

Again in summary, Madam Speaker, if there is a problem, it's a problem that I think all members of the House would like to deal with because, again, no one wants to see any citizen of this province victimized. Everyone would like to see everyone else treated with some compassion, some tolerance, and doesn't wish to hurt other individuals or groups.

But in the same way, Madam Speaker, is it appropriate that individual rights of freedom of conscience and religion, rights as a parent or a property owner or an employer should be overridden in every instance? That, Madam Speaker, I think is something that most Manitobans are going to have a lot of concerns with.

I have raised a number of issues, asked a number of questions. I'm looking forward to - in a month or so when the Attorney-General concludes debate on Second Reading, hopefully we'll be in a position to answer some of those questions.

Thank you, Madam Speaker.

**MADAM SPEAKER:** Are the honourable members ready for the question?

**HON. R. PENNER:** It's standing adjourned in the name of the Member for Assiniboia.

**MADAM SPEAKER:** Assiniboia, right. (Stand)

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

**MADAM SPEAKER:** On the proposed motion of the Honourable Minister of Finance, Bill No. 43, standing in the name of the Honourable Member for Morris.

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

This begins the formal debate of Interim Supply Bill No. 2, Madam Speaker. I know there are a number of members on this side of the House who would like to enter the debate and will do so over the next few days.

Madam Speaker, the Minister of Finance, on behalf of the government, is asking for interim authority to expend \$1.688 billion over the next basically two-and-a-months, or at least so it appears by way of the bill. Madam Speaker, that represents 45 percent of the total appropriation. The point I want to make is that, when one combines the authority to be granted under Interim Bill No. (2) with that under Interim Act No. (1), Madam Speaker, fully 65 percent of expenditures of appropriation will be granted authority.

Madam Speaker, it begs the question, in my view - I maybe should correct that. I maybe should correct that, because I take it that Interim Act No. (2) consumes Interim Act No. (1).

Madam Speaker, that is then why the government is requesting \$1.688 billion of expenditure roughly over the next five-and-a-half months, to the midpoint of September, as indicated within the bill.

(Mr. Deputy Speaker in the Chair.)

Before I move into a more wide-ranging debate though, I'd like to mention that within the speaking notes of the Minister of Finance, he makes this comment, and I quote: "The second Interim Supply Bill is to provide for the balance of spending authority required for the present Session." He made the comment, "by agreement with the Opposition." Mr. Deputy Speaker, let me say for the record, if the Minister of Finance is saying that we have consented to rise as Opposition, that this House will go into adjournment before the middle of September, then I think I must say for the record that no assurance has been given, I believe, the Minister of Finance or, for that matter, the House Leader of the government. We may very well be here past the middle of September, Mr. Deputy Speaker, and there may then be some additional requirement for yet another Interim Supply Bill.

Mr. Deputy Speaker, the Minister talks about future commitment authority and, once we move into Committee of the Whole, I'll ask for a detailed explanation from the Minister as to why again he's requesting \$210 million, another increase in future commitment authority. Mr. Deputy Speaker, in my view, the government has not given sufficient reason to this

point in time why they need additional authority beyond that which has been granted by way of appropriation when indeed the final Estimates are passed by way of bill.

And yet, Mr. Deputy Speaker, one can't help notice that this additional authority is for, and I quote "financial obligations under the Manitoba Properties Incorporated lease agreements." Mr. Deputy Speaker, I'll have ample opportunity in remaining Estimates, departments of government expenditure, Estimate reviews, to expand the questioning with respect to Manitoba Properties Incorporated.

But isn't it interesting that the Minister is bringing forward this bill, Interim Supply Bill, encompassing yet an additional request for authority beyond the printed Estimates, specifically to satisfy additional requirements for Manitoba Properties Incorporated.

Mr. Deputy Speaker, I think this is as good a time as ever to launch into major discussion as to the financial situation, circumstances of this province, because here we are, here's the forerunner of a whole host of measures brought forward, not only by way of the budget but by way of other policy announcements. This government is desperately short of operating money. Mr. Deputy Speaker, the Minister of Finance made an announcement the other day - I felt a little embarrassed for him that he didn't have the courage and indeed the common courtesy to make a ministerial announcement in the House - with respect to the latest borrowing technique of the Provincial Government, that being provincial bonds under the very specific name of Savings Certificates. I want to thank the Minister for sending over a leaflet giving some detail on the program. Mr. Deputy Speaker, they're called Manitoba Investment Savings Certificate.

Mr. Deputy Speaker, I thought the Minister of Finance would be proud of this initiative. I thought he would stand in his place and, with some pride, make this announcement because, Mr. Deputy Speaker, there aren't many occasions when members opposite can give some type of compliment to the government, particularly in the area of financial affairs.

But this was one time when I, as the Finance critic, would have risen and given a compliment to the Minister of Finance. If you're going to raise money, if you're so desperate and you have to raise money and you're going to do it within the Province of Manitoba, how can one be terribly critical of that, Mr. Deputy Speaker? I would not have found anything to be critical with respect to that, well not too many things.

But, Mr. Deputy Speaker, a government that's so desperately short of funds, having to go to the market for \$1.54 billion in this fiscal year, finally decides to do something that has been done many times in the past - as the Minister of Finance points out to me, the last time it was done provincially, in 1979 - finally decides to go to the people of Manitoba, savers within this province, and asks them, not by way of investment in the selling off of buildings, but by way of a straightforward bond issue, asks them to invest through that financial instrument within their own province.

How can anybody be critical of that? Mr. Deputy Speaker, I won't be. That was an election promise of the government, and they fulfilled it. I say to them, well done.

Mr. Deputy Speaker, there still is some criticism to be attached to this move. My colleague, the Member

for Portage la Prairie, has been asking the Minister of Small Business over and over again where the other part of this program is because, Mr. Deputy Speaker, if you remember the election promises of your government - and I'm sure you do - you remember there was a two-pronged promise. One of them was to float provincial bonds; the second one was to develop the small business growth fund, or however so defined, \$50 million to be directed toward small business.

Mr. Deputy Speaker, this is what the government in the flyer and in the material says the purpose will be of the bond issue, and I quote: "Proceeds of this issue will be used for such economic development purposes of the Government of Manitoba and its agencies as has been authorized from time to time by the Legislature."

You know what the Minister said in the press release that accompanied the announcement? He said that the proceeds - and I don't have it with me - would be used for general economic purposes.

Mr. Deputy Speaker, where are the borrowings going to flow? Are they going to flow into the general Treasury, the Consolidated Fund of the province? Are they going to be earmarked in trust specifically to be directed into some of the small business programs that have been promised? Mr. Deputy Speaker, I daresay they're going to go into the Consolidated Fund to begin to attack a \$450 million deficit, unless the Minister of Finance can rise in his place or the Minister of Small Business rise in her place and tell us how the proceeds from the floating of this bond issue, conservatively estimated at \$20 million - and hopefully it will be larger than that - how they're going to flow to government, how they're going to be safeguarded in their own trust account and then directed further into the promotion of small business.

Mr. Deputy Speaker, I think these are critical questions and, of course, at the end of it, July 2, whenever the window closes for Manitobans to avail themselves of the opportunity to purchase these bonds, we will ask the Minister the question: How much capital has been raised; and secondly, why is it so much smaller than the \$500 million that was raised by virtually the same instrument in the Province of Alberta?

**A MEMBER:** \$900 million.

**MR. C. MANNES:** \$900 million, I stand corrected. I thank the Minister for the correction - \$900 million.

Mr. Deputy Speaker, at that time, when we put together those comparisons, it will be self-evident to anybody who wants to look at the situation that there's something wrong in Manitoba. There is something wrong in the area of finances; there is something wrong in the area of investments; there is something wrong with the way the economy is being managed by the government, but that's for another day.

Mr. Deputy Speaker, the question on the street today - and I'm sure your own constituents are asking you the same question or making comment - is: How much longer can the NDP keep the fiscal affairs of this province afloat, the fiscal ship. How much longer can they do it? Everywhere we go, Mr. Deputy Speaker, that question is asked. Mr. Deputy Speaker, we are going to Dugald tomorrow night, and that question will be asked there.

**A MEMBER:** How long?

**MR. C. MANNESS:** It will be asked.

**A MEMBER:** How about Russell?

**MR. C. MANNESS:** It will be asked in Roblin, it will be asked in Swan River and it will be asked in Dauphin; it will be asked everywhere. And you know what, Mr. Deputy Speaker . . .

**A MEMBER:** They disconnected the phone in Ellice.

**MR. C. MANNESS:** It will not be a put question that we give to somebody in the audience, Mr. Deputy Speaker, and it will not be asked by a Conservative Party member who's in attendance at one of our meetings. It will be asked by a small businessperson, it will be asked by a blue collar worker, it'll be asked by somebody in the academic community but, Mr. Deputy Speaker, it will be asked. It's asked in your constituency, it's asked in the Minister of Finance's, it's asked in mine, and it's asked every day.

There are not just fiscal Conservatives asking the question. The NDP Budget has caused an awareness, a consciousness that never did exist before. And by way of the latest announcement made over the last few days that this government is moving into yet another area of government control, Mr. Deputy Speaker, a Crown corporation, people are wondering about the fiscal sanity of members opposite. They are wondering what the agenda is, quite frankly. The question is being asked, and they know it's being asked. Mr. Deputy Speaker, our efforts to draw attention to the budget, to the mismanagement of fiscal affairs in this province is paying off.

**A MEMBER:** I'm worried about it.

**MR. C. MANNESS:** Mr. Deputy Speaker, as a Finance critic over the last two weeks, I've never had more requests to make comment upon a budget that the government thought was behind them. Indeed, all the strategy of the House Leader to try and shadow the bad effects of the Budget, indeed with some very controversial legislation; Mr. Deputy Speaker, is going astray because the Budget is not forgotten.

Mr. Deputy Speaker, today the media are showing more attention. Indeed, the Minister of Finance knows what the Free Press is interested in these days. They are wanting to do an accurate comparison as to taxation rates and levels between various provinces. The Minister of Finance knows because the word is out there; the word is out in the business community.

**A MEMBER:** That he is in trouble.

**MR. C. MANNESS:** The word is out in the community as a whole. It's in their constituencies, not only their own, but the people who support them, that we've got a real problem, Mr. Deputy Speaker. And indeed the media is awakening to it.

So I say to you, it's just a matter of time when the full force of the net flat income tax, Mr. Deputy Speaker, that's coming in, in July - next month - that will be

taken off for the first time, either on the bi-weekly pay cheques or on the monthly pay cheques, there will be beginnings of taxation revolt.

The members opposite can scoff all they want about our meetings, the first time ever, Mr. Deputy Speaker, that an Opposition party has had the wisdom and, I dare say, the courage to go out into the hustings, and not on a task force, but go out with a public meeting and talk about the Budget. You know that dry material that people can't stand, Mr. Deputy Speaker? We've done it and we're proud of it but, Mr. Deputy Speaker, I digress.

Mr. Deputy Speaker, without fail, at every meeting, I would say that the majority of people who come and attend tell us one thing, tell us that the net flat tax, as they understood it, before we have a chance to tell them what it is, as has been explained to them either through media accounts to this point, apply to something similar to the 54 percent provincial tax of basic tax.

Mr. Deputy Speaker, very few people in this province realize that 2 percent goes against their gross income. I know the Minister of Finance said it did during his Budget Address, but very few Manitobans understand that. After our meetings, I dare say half of the people who leave realize now that tax alone is going to cost them \$400 to \$600 to \$800 within their own household. Some people -(Interjection)- Well, there we go; there's the way - rich people. Two percent, 2 percent at what gives you \$400.00? Twenty thousand dollars, Mr. Deputy Speaker, he takes \$400.00.

Now the member talks about the rebate, yes, and there is a rebate.

**A MEMBER:** Do you tell them about it?

**MR. C. MANNESS:** Of course we do. We read out the rebate. I also use the Member for Concordia as an example, because he's the member who brings a resolution to this House talking about how complicated the tax form is, and then I read out to them what it is that the Minister of Finance has in his Budget as to how the tax credits come into account to reduce the impact. You know what, Mr. Deputy Speaker, nobody understands it. They say, how in the dickens can anybody bring-in anything so complicated.

The point I'm making, Mr. Deputy Speaker, the Minister opposite knows that those credits run out very quickly and individuals earning \$30,000 - rich? Are they rich, I say to the members opposite? Thirty thousand dollars. Their contribution is \$600.00. Once people realize that, whether it's 11 or 17 in Gimli, or whether it's 80 or 90 elsewhere, as we've had at other meetings, or whether it will be the 300 we have in Swan River, Mr. Deputy Speaker, people leave that hall, that building, with a new awareness.

You know what, Mr. Deputy Speaker? The thousands of other people who aren't there will have that new awareness driven home to them in the month of July. That's when the beginnings of a tax revolt are going to come, because buying Inter-City Gas or trying to gloss over the losses associated with other Crowns is not going to protect the government from the attacks that they are going to receive with respect to the latest and most profound portion of their taxation measures.

Mr. Deputy Speaker, the people are aware of a lot of things. They're aware of the economic activity in Ontario that allows that province, if they wanted to, to come in with a balanced budget; they're aware of that. They're aware of the fact that this government cannot continue to borrow, Mr. Deputy Speaker. They are fully aware of the fact that this government is losing hordes of money in foreign exchange losses. I think they are wondering and hoping that this new gesture, at least borrowing within the Canadian context, is something that will continue. Well, they know, Mr. Deputy Speaker, that this government cannot continue to lose money in the fashion it has in Crown corporations; I think they realize that. They know the economy today in Manitoba is false, Mr. Deputy Speaker. Everyone they talk to knows that the bubble, to use words of other members, is about to break because, quite frankly, they know it's based for the most part on borrowed funds in Limestone, in North Portage Development and so on. Mr. Deputy Speaker, I tell you people know that.

But there are some things they don't know. They don't know that they will be mercilessly taxed in the next few years because, Mr. Deputy Speaker, as I've said before, with this major take of disposable income by way of taxation - \$400 million ripped out of the economy - the government has done nothing meaningful, nothing to reduce deficits. Four hundred million dollars out of a small province like this; \$400 million when you include the fee increases; \$405 million taken out of the province, taxes and fees taken away from the disposable earning income of Manitobans.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. C. MANNES:** That's what I said, taken out of their hands. And yet, no meaningful reduction in deficit.

**A MEMBER:** He doesn't deny it; he doesn't deny it.

**MR. C. MANNES:** And you know what? Interest rates and interest contributions increasing. They know that the taxation agenda that the NDP are on is going to continue to follow in a fashion similar. There is no alternative, Mr. Deputy Speaker.

Well, what else do they know? They know that our credit rating right today is under review; it has to be. When you have a government that says we're going to again buy out another company and invest in another Crown corporation and they're trying to fool the public and say that no, a large cash transfer doesn't have to occur, Mr. Deputy Speaker, people, investment dealers know better than that. Mr. Deputy Speaker, today I tell you our credit rating is under review. I know the Minister of Finance doesn't care about that but Manitobans do, because they realize - we realize - the next step we take we're at a par with Newfoundland, Mr. Deputy Speaker. That's what they realize.

Oh, they know other things. They know that in spite of the path we're on, when sanity prevails, there is going to be some reduction in services, the services that we so badly want and desire, Mr. Deputy Speaker, because the course that we have, that the NDP has us on, will most certainly cause reduction in services in due course.-(Interjection)- The Member for Kildonan, he tempts me to talk about other provinces, Mr. Deputy

Speaker. Another time, I will gladly comply with his wish, another opportunity, but not today.

Mr. Deputy Speaker, what they know for sure and what else they know is that they're paying higher rates of taxation, when you combine them all, than any province in this country, except for Quebec.

Well, it's hard, Mr. Deputy Speaker, as you are well aware and indeed as most Manitobans are aware, when you begin to get into these debates as to levels of taxation. And the NDP has, of course, thrived on throwing confusing figures forward, using really benchmarks, incomes of \$20,000 per family, really that have no meaning in the sense of attempting to make a meaningful debate. They have very real meaning to the people who are earning \$20,000 but, when you get into the debate, it doesn't have much meaning.

Mr. Deputy Speaker, I found it interesting that tables provided to me by the Free Press - and I know the Minister of Finance has similar ones too. These were developed for the Edmonton Journal by Mr. Parry. I find it interesting that, when you look at a certain methodology - and I know the Minister of Finance will quarrel with the methodology in place, and I have some questions dealing with it too. But when one looks at it, when one tries to factor in such things as payroll costs and the cost of gasoline and, of course, property taxes and all the taxes associated with consumption by way of sales tax, tobacco and again property, and also factoring in some tax credits and making an assumption on the basis of a \$43,000 household income, Mr. Deputy Speaker, these figures come to the fore.

For instance, Quebec's total all tax is \$15,700 for a family earning \$43,000, the highest; the second highest, Manitoba, \$13,257.00. Then the third highest drops quickly to Ontario, \$12,800; then Newfoundland, \$12,500.00. But where is Saskatchewan and Alberta? We keep hearing the rings of our sister provinces to the West. Tell us about Saskatchewan and Alberta, they implore us. Well, I will. What is Saskatchewan? Saskatchewan, \$11,900; Alberta, the lowest of course, at \$11,500.00.

I know members opposite are going to dispute these figures. They are going to call into question the methodology and a whole host of the assumptions. I guess that I could too and, as I said to the Free Press reporter, for every one of the questions that are called in as to methodology by the members opposite, never forget what has been left out of the analysis. Mr. Deputy Speaker, what's been left out is the area of deferred taxation. Deferred taxation doesn't show up in this, no mention made of the cost of borrowings and how it's going to impact upon taxation in years to come.

Anyway, Mr. Deputy Speaker, what are we finding out? We have a land transfer tax which came in place in the middle of the week. I had a constituent phone this morning and he said to me, you know, the property that I had mortgaged was in my name alone and I wanted to do the proper thing and I wanted to put it in the name of my wife and myself. It's not being sold; it's being kept in the family. Do you know what it cost to do that? They asked for an exemption - \$280.00, just to put the name of the title not in his name alone but to share it with his wife. And they said, surely there's got to be an exemption for something like this, and the official at Land Titles said, no, there isn't. It used

to be 1 percent to do that and this property was worth \$75,000, and he was prepared to pay \$75 under the old system but today, to take that same property and put it into his wife's name, it cost him \$270.00, Mr. Deputy Speaker, plus the land transfer tax. And this is the party being fair. This is the party that would lecture us in saying how it is that all the assets that are earned within the family should be shared?

Mr. Deputy Speaker, the sales tax came in and, not only was it increased 1 percent May 4, but it came in an area of conservation materials. School boards, encouraged through programs brought forward and policies brought forward by the Minister of Energy, some number of them, I believe some 20, having availed themselves of the opportunity to purchase materials before that deadline, some of them saving \$20,000-\$25,000 on tax alone, Mr. Deputy Speaker; others just beginning the process of reviewing their needs in that area, today having to put back indefinitely their plans to put into place conservation programs because of the new sales tax and its application toward conservation materials.

Mr. Deputy Speaker, I've already touched the net flat tax. Indeed as I've said before, and I forewarned the Minister, look out come July. He's hoping that the \$20 or \$30 or \$40 reduction in the net take-home pay of individuals is going to be small enough, once you take it over a course of pay cheques, that people won't notice it. But, mark my word, they will, because we will be asking them to note it.

Mr. Deputy Speaker, I move into another area and, of course, that's the motive fuel tax. I wouldn't even be touching this, but isn't it interesting that the motive fuel tax which was more or less a minor adjustment highlighted by our Member for Charleswood - he asked a number of questions on it - becoming one of the forerunners of one of the major issues that will be before us, I dare say, not only in this Session but Sessions to come, of the government taking over the distribution system of Inter-City Gas.

Because, Mr. Deputy Speaker, it was this motive fuel tax increase that was raised for one reason or another - maybe it was to raise taxes - but I dare say it was also raised as a reason to cause a public dispute with Inter-City Gas and indeed with TransCanada Pipelines that has allowed the government some more political ammunition in its attempt to convince Manitobans, particularly people in Winnipeg, that there will be some saving associated with their move to nationalize that company.

Mr. Deputy Speaker, this government is desperately short of cash, and it's obvious to everybody who wants to look at it. It's so dogmatic in its views, and yet it's so dogmatic in its views in hating profit but so wanting to tax profit. And you know, it's a tremendous dilemma . . .

**A MEMBER:** They hate it but they love it.

**MR. C. MANNES:** They hate it but they want it, something like an addict. I think addicts, for the most case, hate their habits, Mr. Deputy Speaker, but they're driven. They're constantly driven.

(Madam Speaker in the Chair.)

Madam Speaker, what is obvious to me in this Inter-City Gas takeover is that the government is daring

Alberta, they're daring Ottawa, not to side with the Province of Manitoba, and it's all contrived. This is the biggest facade, as big as the Budget in some respects. And yet, Madam Speaker, the Minister of Finance sits in his place around the Cabinet table - and I question if he was part of the decision because he's going to have to tell Manitobans how it is he's going to come up with \$180 million dollars. He's going to have to tell Manitobans if he doesn't have to come up with the cash. I'm almost certain, Madam Speaker, that he's going to have to come up with cash and, if he doesn't come up with cash, he's going to have to tell us how it is that he's going to be able to service yet another \$200 million, thereabouts, of additional debt.

Madam Speaker, I say to the members opposite, they don't care about the consumers of gas in the City of Winnipeg. They could care less about that. If they did, they would care about the interest on the debt.

Madam Speaker, members opposite are making the claim, when the Minister of Energy made the announcement, that there would be a \$150 fuel savings, gas savings, to individuals in the City of Winnipeg. Yet, Madam Speaker, they throw a tax at them that will cost most Manitobans \$500 starting July 1.

Madam Speaker, how do you rationalize those two extremes and how do you possibly, as government, pretend to again enter into a field of Crown corporation, when your experience and managing is so horrible, to offer a \$150 savings on one hand and yet, on the other hand, tax a net flat \$400 alone? And if you add sales tax into it, I'm sure the cost to most families in this province is around \$1,000.00.

Madam Speaker, it's a shell game and, I dare say, Manitobans are becoming conscious of the fact that this government is so desperate. Why are they so desperate? Is it peer ideology? Well, I know they want from time to time to show that they're pro-active, that they will do things within the economy, within the marketplace. Is it to deflect growing attention from their fiscal state and their inept management? "Mismanagement" is a better word, particularly in the area of Crown corporation control. Is it, I dare say, to help their cousins in Ontario, given it's their elections?

There is no doubt in my mind, the NDP and their sojourn into the gas industry in Manitoba in the fashion they have are playing the point for their cousins in Ontario who are watching very closely what's happening in Manitoba, Madam Speaker. It's obvious that there is a bigger political agenda here, or is it an attempt to develop a fight with Alberta? For what purpose, Madam Speaker? At this time when the wishes of most Western Canadians is that we move united as a region, this government, is it going to want to pick a fight with the Energy Minister of Alberta? But what is the reason for it? Well, I dare say, part of the reason is to deflect some of the attention away from the Budget, Madam Speaker, because quite frankly, in my view, the Budget debate is just beginning.

People, Madam Speaker, are tiring of this government. I know that their agenda is to bring forward everything controversial in mid-term. Of course, we're being snowed under with new legislations as it comes forward on our desks on a daily basis. But I say to you and I say to them that their constituency is failing, their blue-collar small "c" conservative support, their grassroots support, which has been the basis of their

party, that support is crumbling, Madam Speaker. Without doubt, I dare say, if they went to the people of the province today, they would be turfed out most unceremonially.

Madam Speaker, in closing, I say this: from time to time we think, those of us in Opposition, that nobody listens to the concerns that we have with respect to fiscal matters. But I say to you today that the media within this province is asking the same questions we are. Why is private investment falling so drastically? Why are young professionals and people who are mobile and people who are prepared to contribute both of their time and their energies, why are they moving out of this province, Madam Speaker? People today, people of influence, are asking those questions, and they're seeking the answer. They asked what we would do, Madam Speaker. I think my colleague is going to address some of that. We, of course, would cut government spending. We've indicated the Jobs Fund, in our view, is on the hit list; it serves no meaningful purpose. Madam Speaker, we've said that proper handling of Crown corporations has to be put in the hands of people who really know how. And, Madam Speaker, we talk about the removal of waste. And we know through handling those four areas, Madam Speaker, that we can cause some meaningful efficiencies and savings to occur.

Madam Speaker, I thank members opposite. I know many members on this side want to enter into the debate. I end the debate by saying that the Minister's credibility is, quite frankly, shot within the business community and I implore upon him when he considers bringing in the next budget - and hopefully it could be a mid-term budget - that it'll have some reason to it.

Thank you.

### INTRODUCTION OF GUESTS

**MADAM SPEAKER:** Before I recognize the next member, may I inform the members that we had a group of students as well as some accompanying adults from the Philomene-Chartrand School, under the direction of Miss Cecile Atkinson. The school is located in the constituency of the Honourable Minister of Natural Resources. We had them here earlier and I wanted to take the opportunity to welcome them to the Legislature, although I didn't want to interrupt members who were speaking.

The Honourable Member for Inkster.

**MR. D. SCOTT:** Thank you very much, Madam Speaker.

It is with some interest that I listened this past half hour or so to the Member for Morris. I must say, frequently the Member for Morris impresses me with some of his arguments that he makes and with the sincerity that he normally uses in making some of those arguments. But today, I think, Madam Speaker, he fell into the same trap that so many of his other colleagues have fallen into and have yet to crawl out of.

Madam Speaker, I would like to just give you an introduction, a quick comparison, to what we're dealing with here as an Interim Appropriation Act for Manitoba, in comparison to what is happening just 200 miles to the west of us in Regina, Saskatchewan, where you have -(Interjection)- Well, the Member for Roblin-

Russell, who borders on Saskatchewan, just made some comment about a hair-brained government. That, for sure, is a hair-brained government that they have in the Province of Saskatchewan, no question about that whatsoever.

They have a government there that has not even called the Legislature into sitting yet. This is June 10, and they have yet to meet. Their fiscal year ended on March 31. They have no authority and the Clerk of their Legislative Assembly, in a report that was in the newspapers across the country a week or so ago, said that in his opinion the government does not have the authority to continue so long without being in Session and putting billions of dollars through Orders-in-Council. A government is not allowed to live through Order-in-Council.

**SOME HONOURABLE MEMBERS:** Oh, oh!

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

The Honourable Member for Pembina on a point of order.

**MR. D. ORCHARD:** Madam Speaker, I am desperately trying to listen to the Member for Inkster, but I can't hear for the shouting of the Minister of Finance heckling his own member.

**A MEMBER:** It's disgraceful.

**MADAM SPEAKER:** On the point of order, the Honourable Minister of Finance.

**HON. E. KOSTYRA:** On the same point of order, Madam Speaker, I was not heckling the member speaking. I was merely pointing out to the Member for Pembina that the difference in time between when the election was held here in Manitoba last year and when we came into Session was only two months . . . .

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

**HON. E. KOSTYRA:** . . . not the eight or nine months . . . .

**MADAM SPEAKER:** Order please.

The Honourable Member for Pembina had a point of order. It was not necessarily just the Minister of Finance who was causing a problem with decorum and noise in the House. There were many members causing a racket, and I would caution all members to conduct themselves in a parliamentary fashion.

Order please. I know we're getting close to adjournment, but let's all contain ourselves.

The Honourable Member for Inkster.

**MR. D. SCOTT:** Thank you very much, Madam Speaker.

It never fails when the members opposite are all howling like wolves in the wilderness on a moonlit night that they blame someone on this side of the House for making a racket so that they can't hear a presentation within the Chamber.

Madam Speaker, we have the case in Saskatchewan where they have not only continued against the opinion

Wednesday, 10 June, 1987

of the Clerk of their own Legislature, saying that never in the history of the Province of Saskatchewan has the government been so irresponsible as to govern into the month of June without even calling the House into Session to get approval, to go to the public for approval via the Legislative Assembly for the funds that they're going to be spending to deliver their programs.

I can't quite understand the members opposite here now talking about and giving any criticism whatsoever when we have almost finished our Supply debate. We've only got a few departments left. The vast majority of the funds have already been voted. This is essentially a housekeeping measure passed in this Interim Appropriation Act prior to the complete passage of Supply.-(Interjection)- Well, in the Estimates process we pass, and it needs as well recognized passage of legislation alongside of that. But in the Estimates process, when we go through each department, we approve the expenditure of certain sums of money for various programs after much lengthy debate by the members opposite and discussion of those Estimates.

None of that has taken place in Saskatchewan; they have not even called the Legislative Assembly into Session so that the members of the government, the public's representatives, can express an opinion as to what the government is doing.

Further and on top of that, one of the taxes that the member opposite just condemned, the tax which he refers to as a flat tax, the net income tax, in Saskatchewan they have increased that without going to the Legislative Assembly. They've increased it by a press release. They've increased their taxes without even going before the Chamber, and this member has the audacity to get up and to criticize the basis for our tax here when his sister province and sister government next door, a Conservative government of a very right-wing streak which is shared by many of the members opposite, is passing taxes and taxing a population via press release instead of by resolution and by bills before the Legislature, before bills.

So I ask the Member for Morris to give a little more consideration before he gets carried off sometimes in his rhetoric of criticism, to not be tossing too many stones when you live in a glass house. when your party in other jurisdictions is doing things that we here would not dream of doing, and that our party never has.

And as a matter of fact, when our party was in office in Saskatchewan, they had surpluses. When our party, initially our forefather party - the CCF - when it came into office in 1944, it inherited a mess and cleaned it up. And Tommy Douglas introduced programs such as Medicare, Saskatchewan Transportation Corporation, and so many other valuable services that no one else has dismantled. He did that at a time when he restored fiscal propriety to the Government of Saskatchewan and provided those services at the same time in what is not a wealthy province. So, so much for the note on the appropriations itself.

In reference to the members opposite and their little task force that's running around the province, it . . .

**A MEMBER:** Little is the word.

**MR. D. SCOTT:** . . . I have a prime photo here of the Leader of the Opposition along with his tax consultant,

and the member - not from Morris. I guess he had to be absent this day, but he had several of the other colleagues here. I think there are half as many members of the P.C. caucus at the public meeting in the Interlake as there were members of the general public, and I don't believe there were probably hardly any members of the general public who were at that meeting who weren't card-carrying Tories; I'd be very surprised. Their phone mechanism didn't quite work as well. And I note that tomorrow night, in a new advertisement in here, tomorrow night in Springfield, the Member for Springfield is going to have it now.

I'm wondering whether the Member for Springfield is going to have his nomination buses in place so that they can fill up the meetings, give out the free pizza and beer or whatever else came along with that nomination meeting . . .

**A MEMBER:** He'll have a turnout.

**MR. D. SCOTT:** . . . and they'll bring in the people to tell them what a disgusting Budget this is that we have here in Manitoba.

**A MEMBER:** Free pizza will do it.

**MR. D. SCOTT:** So that's what I'm waiting to see. Well, we have the Member for Kildonan and the Member for Ellice who are willing to board the bus for pizza and beer, I understand. So, yes, I guess they're pretty hungry.

The public of Manitoba certainly haven't been that hungry for the message that the members opposite have, but especially perhaps that is indicative of the brochure they sent around to the province called "Tax Grab of the Century." And under taxes, they're telling the people, tax grants - and the Member for Morris should be smiling now, and I appreciate his honesty in smiling at this point. But under increased taxes, they have such things as hydro rates, telephone rates, Autopac premiums. Since when are they your taxes? They're independent corporations. And they're tax increases? Any time a utility raises its rates in the past, when ICG raised its rates in the past, did the Opposition get up and say that was a tax, on the Public Utilities?-(Interjection)-

Yes, as the House Leader says, they probably will now. Four or five years time from now when there may well be increases in the gas rates that our New Consumer Corporation is going to be providing and, if there are any rate increases a few years down the road, I'm sure the members opposite will put out another bunch of bunk that gets to the public and call them tax increases. How dishonest can one be? How dishonest can one be when they send this sort of information out to the public?

The Member for Morris needs an explanation of what was dishonest, when they have under a big headline, increased taxes, and they include hydro, telephone and Autopac, Workers Compensation - those are taxes? They're not taxes.

**A MEMBER:** It worked so well you had 11 people at Gimli, it worked so well.

**MR. D. SCOTT:** Well, one of the reasons, and I can remember we played somewhat this game when we were in Opposition as well.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. D. SCOTT:** Perish the thought. But one of the reasons, Madam Speaker, that you go out with these little forums isn't to bring the masses out to your meetings. It's to provide a media event so that the lead critic can call up the different radio stations and say, listen, we're going round the country with this big task force or whatever you want to call it, about a series of public meetings, around to the public, around the province. And then they get to go on the radio and talk about the Budget again.

Well, I'm sorry that I do not have this particular information with me. But some time ago the Brandon Sun, for the Member for Brandon West, his hometown paper, wrote a little article, an editorial comment, about the farce of these whole public meetings that the Opposition are running around the province with, saying I think that's it. The editorial title is "Too Little, Too Late."

**A MEMBER:** That's the Opposition.

**MR. D. SCOTT:** I can't paraphrase the editorial exactly at this point, but they were wondering where the Opposition was during the Budget Debate. They were here, they say. Some of us hardly even noticed them. One of the things that one has to recognize, whether you are in Opposition or whether you are in government - oh my, here we have the point of order.

**MADAM SPEAKER:** The Honourable Member for Brandon West, on a point of order, I hope.

**MR. J. McCRAE:** The honourable member referred to an editorial in the Brandon Sun, just a little one, which said that the Opposition's opposition to the Budget was a little too little and a little too late, but the people in charge of the Brandon Sun . . . .

**MADAM SPEAKER:** Does the honourable member has a point of order?

**MR. J. McCRAE:** . . . who have to pay the payroll tax, Madam Speaker, have spoken to me since.

**MADAM SPEAKER:** Does the honourable member have a point of order?

**A MEMBER:** Yes, he does, Madam Speaker.

**MR. J. McCRAE:** They have spoken to me since and they are very concerned, Madam Speaker, about payroll tax.

**MADAM SPEAKER:** The honourable member does not have a point of order.

**MADAM SPEAKER:** The Member for Inkster.

**MR. D. SCOTT:** Thank you, Madam Speaker.

Once again, the Member for Brandon West has shown his mastery of the Rules of this House and his understanding of what a point of order is. Even his facts weren't right; it wasn't even a dispute of facts,

because it wasn't a little editorial, it was a major editorial, it was a long editorial, it was two or three columns long. It probably took up 20 inches of space, which is a pretty long editorial.

So I'm not sure if it's a reaction to the Brandon Sun to the representation that the constituents of Brandon West have in Legislature now; I hope it isn't. It certainly is a reflection of the Brandon Sun's attitude and opinion of the effectiveness of the government offices, because it certainly has not been a terribly effective government this year, or Opposition.

Madam Speaker, let us look for an instant at another one of the items that they have here criticizing the 1 percent additional sales tax. On May 8, we had the Free Press quoting - and please tell me if the Free Press quoted you wrong, it wouldn't be the first time, to the Member for Morris - but they quote Mr. Manness or the Conservative Finance critic saying: "Moving to sales taxes and other consumer taxes would eliminate some of the loopholes available in the income tax system." Here they have the biggest tax grab of the century that they sent out to the people, condemning the 1 percent additional sales tax that we have in this province, which still leaves us third-lowest of all provinces in the country who have sales taxes. Here they are condemning this.

**A MEMBER:** Who condemned it?

**MR. D. SCOTT:** What? Well you wouldn't have it in here and highlighted in your tax grab of the century. Anything in here, in this little brochure you guys put out, is a condemnation. The whole works of it is. You didn't put this out to praise it; you didn't come out to say that, along with this 1 percent sales tax there is a 1 percent increase in the cost of living tax credit which affects a quarter of a million Manitobans. You didn't tell people that. I'd be surprised if you told people that at the meeting.

I don't see anything in here about the fairness of the tax increases that went into effect, showing that some 75 percent of the amount of taxes that will be raised under this Budget will come from the top 30 percent of the income earners of Manitoba. Maybe they don't like that.

This is based on information provided by our independent analyst in the Department of Finance. They're not a bunch of hacks. They're not a bunch of hacks like the Fraser Institute that you guys run to and the Free Press runs to, to try and give any kind of economic analysis when other financial analysts, even Conservative ones, across the country refer to the Fraser Institute as more of a joke than anything else.

With the right-wing bent that they put on something, they don't have the capability to look at something with any kind of fairness or equanimity, and that is a sad, sad reflection for an organization that tries to bill itself as a major public policy institute like the Fraser Institute tries to do. It's lost its support even from members from their own economic and financial community. They don't give much credence any more to what the Fraser Institute has to say.

Let's take a look at what the provinces to the west of us have done, and what some of the other provinces have done in increasing taxes this year. The only

province that didn't have any substantial tax increases is the Province of Ontario, and there are two very good reasons for that.

The first reason was because they have an election coming up within a month or two probably, certainly by early fall if not prior to that point in time, and it's not very common that a government riding relatively high in the polls, wanting to go to the electorate, is going to have any kind of major tax increases to cool the warmth that the public seems to have for the Peterson government at this time.

Other factors that have benefited them, as it's well known, the vast majority of the increased wealth that's been generated in this country and increased prosperity has been centred in the Province of Ontario, so they have had a tremendous growth in revenue flowing into the Ontario coffers because of that increased economic activity. I don't take anything from them at all for having that increased activity. I'm pleased to see that they are having it. I wish that it was spread a little more evenly across the country but, in saying that, I recognize to some extent the way the capital system works. Where most of the capital is located, there it shall continue to be invested.

We, in the other parts of the country, need to have an additional - or will grow not simply from injections of capital from outside, but we have to grow from reinvestment of the funds that we have within our economic regions. That is where our true growth is going to come and take place. It's not going to come from some injection. We can't rely on people from Ontario throwing in huge sums of money to invest in Manitoba, because the vast logic of their decisions will be centred close to their home bases. That's just a fact of life, both of economic life. It's also a fact of choice of a person not wanting to spend a great deal of time on an aircraft, perhaps. That's one of the areas where governments come in to try and encourage some investment, offering a few incentives to come in to invest in our province.

One of the things that scares me more than anything else with economic development in the whole country right now is the idea of provinces bidding to try to buy industries in their localities. I think that's a very, very dangerous thing, because the smaller provinces just cannot afford to compete and to bribe major corporations to come and locate within their jurisdictions. That will only breed and extend regional disparity, rather than reduce regional disparity if we continue to allow, and the Federal Government continues to allow, and the provinces continue to compete with one another as they are right now, trying to bribe companies into the country.

Perhaps the worst statement and the one I've had the most trouble with was from the Member for Morris a couple of minutes ago talking about the tax increase in Manitoba as being ripped out of the economy, as if

this money was being sent somewhere else, was being sent overseas. The money that the Province of Manitoba raises, the vast majority of it, all except 8 percent or so that goes - not even 8 percent. Probably only about 4 percent or 5 percent flows out of the country in interest payments and principal repayments, probably not more than 4 percent or 5 percent because the bulk of our borrowings are within our own country.

When he talks about \$400 million being ripped out of the provincial economy, he's totally false. Nobody reinvests money within the jurisdiction, within the province, more than a province does - nobody. Corporations don't; individuals don't. When the province collects additional taxes, it is virtually all recycled within the economy. That's one of the basic elements of not modern economics, certainly not socialist economics but just basic economics is that, when governments invest money within a jurisdiction, it is not taking money outside of the economy. They're just putting money back into the economy.

In some instances, it is a redistribution of income. It is a taxing, and this Budget does it more freely than any previous Budget has, from the higher income groups, from those who can afford the taxation, to be able to provide services to all of the members of society.

So, Madam Speaker, when we see the provinces to the west of us, to the east of us, all raising taxes, when we see the Province of Saskatchewan raising taxes without the Legislature even being in Session, putting a major tax increase on to their people, I don't blame them for doing it. They need to raise taxes. There's not another government in this country that doesn't need to raise taxes.

Every government who is running an operating deficit - and even I think we should be getting back to the point of contributing towards the payment off of a lot of the debt that we have accumulated over a low economic period to stimulate the economy. That has to be paid back at some point in time; it can't forever be carried. So we should be raising taxes and adjusting our expenditures in such a way so that we will start to put ourselves in a fiscal position, so that when another recession does come - and it will come - we're not in a period right now where we're in an economic decline. We're in a period of economic growth and we have been in the last couple of years, even though the members opposite continually refuse to acknowledge that.

Madam Speaker, is it time? Already, Madam Speaker?

**MADAM SPEAKER:** I am interrupting the honourable member. As the hour being 6:00 p.m., when this matter is again before the House, the honourable member will have 16 minutes remaining.

The House is now adjourned and stands adjourned till 1:30 p.m. tomorrow. (Thursday)