



**First Session — Thirty-Fourth Legislature**  
of the  
**Legislative Assembly of Manitoba**

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**STANDING COMMITTEE**  
on  
**STATUTORY REGULATIONS**  
and  
**ORDERS**

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37 Elizabeth II

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*Chairman*  
*Mr. H. Pankratz*  
*Constituency of La Verendrye*



**VOL. XXXVII No. 2 - 8 p.m., WEDNESDAY, DECEMBER 14, 1988.**

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fourth Legislature**

**Members, Constituencies and Political Affiliation**

NAME	CONSTITUENCY	PARTY
<b>ALCOCK, Reg</b>	Osborne	LIBERAL
<b>ANGUS, John</b>	St. Norbert	LIBERAL
<b>ASHTON, Steve</b>	Thompson	NDP
<b>BURRELL, Parker</b>	Swan River	PC
<b>CARR, James</b>	Fort Rouge	LIBERAL
<b>CARSTAIRS, Sharon</b>	River Heights	LIBERAL
<b>CHARLES, Gwen</b>	Seikirk	LIBERAL
<b>CHEEMA, Gulzar</b>	Kildonan	LIBERAL
<b>CHORNOPYSKI, William</b>	Burrows	LIBERAL
<b>CONNERY, Edward Hon.</b>	Portage la Prairie	PC
<b>COWAN, Jay</b>	Churchill	NDP
<b>CUMMINGS, Glen, Hon.</b>	Ste. Rose du Lac	PC
<b>DERKACH, Leonard, Hon.</b>	Roblin-Russell	PC
<b>DOER, Gary</b>	Concordia	NDP
<b>DOWNEY, James Hon.</b>	Arthur	PC
<b>DRIEDGER, Albert, Hon.</b>	Emerson	PC
<b>DRIEDGER, Herold, L.</b>	Niakwa	LIBERAL
<b>DUCHARME, Gerald, Hon.</b>	Riel	PC
<b>EDWARDS, Paul</b>	St. James	LIBERAL
<b>ENNS, Harry</b>	Lakeside	PC
<b>ERNST, Jim, Hon.</b>	Charleswood	PC
<b>EVANS, Laurie</b>	Fort Garry	LIBERAL
<b>EVANS, Leonard</b>	Brandon East	NDP
<b>FILMON, Gary, Hon.</b>	Tuxedo	PC
<b>FINDLAY, Glen Hon.</b>	Virden	PC
<b>GAUDRY, Neil</b>	St. Boniface	LIBERAL
<b>GILLESHAMMER, Harold</b>	Minnedosa	PC
<b>GRAY, Avis</b>	Elice	LIBERAL
<b>HAMMOND, Gerrie</b>	Kirkfield Park	PC
<b>HARAPIAK, Harry</b>	The Pas	NDP
<b>HARPER, Elijah</b>	Rupertsland	NDP
<b>HELWER, Edward R.</b>	Gimli	PC
<b>HEMPHILL, Maureen</b>	Logan	NDP
<b>KOZAK, Richard, J.</b>	Transcona	LIBERAL
<b>LAMOUREUX, Kevin, M.</b>	Inkster	LIBERAL
<b>MALOWAY, Jim</b>	Elmwood	NDP
<b>MANDRAKE, Ed</b>	Assiniboia	LIBERAL
<b>MANNES, Clayton, Hon.</b>	Morris	PC
<b>McCRAE, James Hon.</b>	Brandon West	PC
<b>MINENKO, Mark</b>	Seven Oaks	LIBERAL
<b>MITCHELSON, Bonnie, Hon.</b>	River East	PC
<b>NEUFELD, Harold, Hon.</b>	Rossmere	PC
<b>OLESON, Charlotte Hon.</b>	Gladstone	PC
<b>ORCHARD, Donald Hon.</b>	Pembina	PC
<b>PANKRATZ, Helmut</b>	La Verendrye	PC
<b>PATTERSON, Allan</b>	Radisson	LIBERAL
<b>PENNER, Jack, Hon.</b>	Rhineland	PC
<b>PLOHMAN, John</b>	Dauphin	NDP
<b>PRAZNIK, Darren</b>	Lac du Bonnet	PC
<b>ROCAN, Denis, Hon.</b>	Turtle Mountain	PC
<b>ROCH, Gilles</b>	Springfield	LIBERAL
<b>ROSE, Bob</b>	St. Vital	LIBERAL
<b>STORIE, Jerry</b>	Flin Flon	NDP
<b>TAYLOR, Harold</b>	Wolseley	LIBERAL
<b>URUSKI, Bill</b>	Interlake	NDP
<b>WASYLYCIA-LEIS, Judy</b>	St. Johns	NDP
<b>YEO, Iva</b>	Sturgeon Creek	LIBERAL

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**THE STANDING COMMITTEE ON**  
**STATUTORY REGULATIONS AND ORDERS**  
**Wednesday, December 14, 1988.**

**TIME — 8 p.m.**

**LOCATION — Winnipeg, Manitoba**

**CHAIRMAN — Mr. Helmut Pankratz (La Verendrye)**

**ATTENDANCE - 11 — QUORUM - 6**

*Members of the Committee present:*

Hon. Mr. McCrae; Hon. Mrs. Oleson

Mr. Burrell, Mrs. Charles, Messrs. Doer,  
Edwards, Manness, Pankratz, Plohman, Rose,  
Taylor

**APPEARING:** Hon. Messrs. Driedger (Emerson),  
Downey  
Messrs. Cowan, Driedger (Niakwa), Storie,  
Mrs. Yeo  
Ms. Shirley Strutt (Legislative Counsel)

**MATTERS UNDER DISCUSSION:**

Bills No. 14, 15, 21, 34, 42, 45, 48, 49, 50  
and 53.

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**Mr. Chairman:** I would like to call the Committee on Statutory Regulations and Orders to order. Bills No. 14, 15, 21, 34, 42, 45, 48, 49, 50 and 53 will be considered, not necessarily in that order.

I would like to ask the committee whether they would be prepared to allow the chairman to juggle the Bills because we have some representations that should be made but the people are possibly in the other room at the present time. So with the consensus of the committee, I wish that I would have the right to juggle that if that would be possible. Mr. Driedger.

\* (2005)

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Chairman, by agreement with the critic from the Liberal Party, Bill No. 21 is going to be a Bill that will be considered at ten o'clock tomorrow morning.

**An Honourable Member:** Eleven.

**Mr. Albert Driedger:** I was told that there was a change, Mr. Chairman, a change in time, that it would be ten o'clock.

**Hon. James Downey (Minister of Northern Affairs):** Mr. Chairman, I wonder, as well, if I could have consideration from the committee to deal with Bill No.

53 a little bit earlier, rather than leaving it to the last, to accommodate a couple of individuals who are here not wanting to make presentations, staff of the corporation.

**Mr. Chairman:** Would the committee agree to that? (Agreed)

With the agreement of the committee, I would suggest that we start with Bill No. 53.

\* (2010)

**BILL NO. 53—THE MANITOBA  
OIL AND GAS CORPORATION  
CONTINUANCE ACT**

**Mr. Chairman:** Is it the will of the committee that we take the Bill page by page? (Agreed)

Bill No. 53, Page 1—pass; Page 2—pass; Preamble—pass; Title—pass.

Bill be reported.

Is it then the will of the committee that we go to Bill No. 14? (Agreed)

**BILL NO. 14—THE REGULATIONS ACT**

**Mr. Chairman:** Is it the will of the committee again to go page by page? (Agreed)

Pages 1 through 11, inclusive, were each read and passed; Preamble—pass; Title—pass.

Bill be reported.

**BILL NO. 15—THE COOPERATIVE  
PROMOTION TRUST ACT**

**Mr. Chairman:** Bill No. 15, The Cooperative Promotion Trust Act, we will now not go page by page. I am being advised that we will go clause by clause. We have amendments.

**An Honourable Member:** Mr. Chairman, may I suggest we go clause by clause.

**Mr. Chairman:** According to Beauchesne's 766.(1), "The clauses of a bill in a committee must be considered in their proper order; that is, beginning with Clause 1 then taking up Clause 2 and so on, to the end of the bill."

Bill No. 15, Clauses 1 to 14—

\* (2015)

**Mr. Gary Doer (Leader of the Second Opposition):** Who is in charge and what are we doing? Can we

please get some order? These are the important pieces of legislation and there just seems to be chaos in the committee.

**Mr. Chairman:** With a little bit of consideration from the members of the board, we would be able to make progress. So with a little cooperation with you as well, I think we should be able to proceed.

Bill No. 15, Clause 1—pass.

Clause 2—Mr. McCrae.

**Hon. James McCrae (Attorney-General):** Mr. Chairman, I have an amendment to Clause 2. I move

THAT subsection 2(3) of Bill 15 be amended by adding "at least" ahead of "one".

(French version)

Il est proposé que le paragraphe 2(3) du projet de loi 15 soit modifié par l'insertion de "au moins" après "dont".

The words "at least" are added to make it clear that more than one employee of the department through which The Cooperatives Act is administered may be appointed to the board. It is simply a continuation of what existed before under The Wheat Board Money Trust Act respecting the appointment of board members. The board does not have any administrative support staff. It is therefore necessary to add to the board, members who can provide that type of support to the board.

\* (2020)

**Mr. Chairman:** Any discussion? Mr. Taylor.

**Mr. Harold Taylor (Wolseley):** Would the mover of the motion then read the amended clause in its entirety please?

**Mr. McCrae:** The amended clause then, Mr. Chairman, would read as follows:

"The Board shall consist of not less than three and not more than seven members, at least one of whom shall be an employee of the department through which the Cooperatives Act is administered, appointed by the Lieutenant-Governor-in-Council."

That would be on the French text as well, Mr. Chairman.

**Mr. Paul Edwards (St. James):** That actually seems to me to quite drastically change this section. That is the first, obviously, I think any of us have seen of the addition. What that does is allow the department to place any number of people on the board, and perhaps the Minister can correct me if I am wrong. True, I do not think that is the intention of the department and he has stated that the intention was different. The fact is, that dramatically changes potentially the make-up of this board such that the department could form any number of the board, including the majority.

Given the objects of the board and the rest of this Act and the great importance of this Act, what consultations were done prior to bringing in that amendment?

**Mr. McCrae:** I understand that this amendment comes about because—this basically is a re-enactment Bill. We are not trying to change the sense of the Bill or the meaning of the Bill. In other words, we are bringing forward what was there before so that it is not a radical change. If you remember that the board does not have funds other than the funds that it uses to make grants with, it is extremely important that there be the flexibility to allow someone other than just the Deputy Minister to be on the board.

**Mr. Edwards:** The Minister has indicated that the board does not have funds. Does Section 4 not specifically state that the board holds all rights, title and interest in the Cooperative Promotion Trust Account and indeed does have substantial rights over funds? As well, if the Attorney-General's initial statements—let me ask him to clarify. In addition to the earlier question, can the Attorney-General clarify that he says this is a re-enactment? Is he not changing the way this board is made up by this amendment?

**Mr. McCrae:** The intent was to broaden the authority of the board to go beyond strictly agricultural cooperative enterprise, and that is part of the consideration here as well.

\* (2025)

**Mr. Edwards:** The Attorney-General just answered the question about the funds that it does deal with. I think made a statement earlier that it does not handle funds. It does handle funds?

**Mr. McCrae:** Under The Wheat Board Money Trust Act, there was \$128,800 made available. That is the fund. The board operates from the interest on that fund. What we are trying to do with this amendment is to allow the Deputy Minister or someone from the department other than just the Deputy Minister to be on that board because the board does not have administrative support.

**Mr. Edwards:** I realize that. However, this section does allow for potentially department officials and department appointees to be the majority of the board. Is that a change? If so, has there been consultation with the interested parties to get the acceptance of that new power?

**Mr. McCrae:** Mr. Chairman, the Honourable Member seems to make more of this than there really is. The original section, Section 8, says, "A deputy of the minister charged with the administration of the Department of Cooperative Development shall be one of the members of the board, and the other member shall be appointed by the Lieutenant-Governor-in-Council, each for such term or terms as the Lieutenant-Governor-in-Council may determine." I am not quite sure what the Honourable Member is getting at.

**Mr. Edwards:** Obviously, the Minister's first statement that this is simply a re-enactment is not correct in that he has just read the previous section, and the section we see before us is quite different. Now I agree the section that he read allowed apparently—and I have just listened to him for the first time—for a total appointment by the Lieutenant-Governor-in-Council. This does extend that and provide for certain board members from, I believe it says, shall consist of not less than three and more than seven members, and does provide for at least one from the department. It also provides for any number, including the total number by the Government.

Is it the intention of the department—let me ask this—to put other than department members on the board?

**Mr. McCrae:** The intent is not that all members of the board should be civil servants. That is not the intent. That the intent also is not to preclude having more than one civil servant on the board because this board operates without administrative support. That is the intent.

**Mr. Edwards:** Is it the intent to have department officials be the majority of the board, that is before, at least four out of the seven of the board, and, if not, then it would seem important that perhaps that be put in this, that the majority should not be from the department?

**Mr. McCrae:** I do not think the Honourable Member has to be concerned about that. Certainly the previous Government did not make a majority of the members Government people. The present administration is not about to make the majority of the members of the board employees of the Government.

If the Honourable Member's Party would do that, well, I take it from the Honourable Member's comments that that would not be something he would be doing, so I do not see the problem.

**Mr. Edwards:** Well, with respect, that is certainly not any intention that I spoke of. What I was talking about is there is clearly here that the department officials could be the majority of this board. If, in fact, the Minister is correct, and we can hold him to his word, and I remind him that this legislation will go beyond his Government, and rather than have other Governments have to deal with it in a way that he intends it to be dealt with now, perhaps he would put in, or he would consider changing his amendment to put in the fact that more than one department official, but not the majority of the board because clearly that is not his intent.

**Mr. McCrae:** Perhaps we could put an amendment in as well that we would not allow people who live outside the province to be on the board. Perhaps we could put in there that we will not allow foreigners to be on the board. Perhaps we should not allow dogs and cats to be on the board either, Mr. Chairman. I mean, surely the Honourable Member is going beyond the realm of reason.

We have agreed that he would not make a majority of members on the board civil servants. I have agreed I would not do that. The previous Government did not do that. So I really wonder what the Honourable Member is trying to achieve.

**Mr. Edwards:** It is absolutely essential that the Minister understand, in my view, that he has isolated, that at least one person shall be able to be put on there as a department official. To that extent he has isolated department officials as different. So when he talks of cats and dogs, I think he demeans department officials.

Mr. Chairman, honestly, I wish he would come to grips with the question which is, this provides for department officials to be the majority of this board. He does not want that. Clearly, it is important to him that that is not the case. Why is that not part of his amendment—and I remind him that this Act will indeed survive his Government?

\* (2030)

**Mr. McCrae:** I do not want the majority of the members of this board to be people who have no, even remote, interest in the cooperative system in this province either. Do I have to put that in the legislation? I think the Honourable Member is stretching this a little too far.

**Mr. Taylor:** On this point, before it is passed, an amendment could clarify this. It is all very fine for the Minister to talk about what were the actions of the past Government? What are the intentions of his Government? And to speculate on what might be the intentions of a future Government. The point is the drafting, as is, is incorrect and does allow for a loophole.

The legal counsel is attempting to find forms right now, but I would suggest a minor amendment to cover off the loophole would end the thing and we could all go on to the next clause and thereafter and it would be at the end of the fifth line of this clause that a Cooperative Act is administered but who are to always be a minority of the board. That would leave, in the sense, whoever happens to be Government the ability to appoint more than one person from the Government service to the board in that this is a floating size of board. There is a significant factor in there. It would never permit, however, the bureaucracy to have a majority.

I would suggest if the Minister is sincerely interested in expediting this, he might consider a friendly amendment.

**Mr. Chairman:** Do you want to respond to his question or not?

**Mr. McCrae:** I was interrupted for a moment. Is the Honourable Member suggesting that this amendment be changed or that another amendment be brought forward? May I hear that again?

**Mr. Taylor:** Yes, what I am trying to do is to facilitate the passage of this clause, to the Minister, Mr. Chairperson. There is a floating membership size

potentially in here. There can also, therefore, be a floating number of members of the staff. The concern is that there is a loophole that could allow for a majority.

My suggestion, and I offer it as a friendly suggestion, is at the end of the fifth line or if he feels somewhere else it could be his add-in—"but who are to always be a minority of the board."—that would clearly specify that if you have a three-member board or a seven-member board, that in any case, you could have one or more but never a majority, only a minority. That would solve the problem and we could expedite this matter.

**Mr. Bob Rose (St. Vital):** While the Minister says that this Party and that Party and the other Party would never have a majority on there from the department, so there must be something wrong or unusual for that. Future Governments would not be able to see that was their right thing; so a simple clarification for restriction that this not be the case would be very simple and I do not see why we would go to too much bother debating it. Let us get on with making that amendment.

**Mr. McCrae:** Mr. Chairman, in the interests of the proper drafting, I really think that what we have before us is something that is reasonable. It is something that has been lived with for many years in the past, since 1919. I really do not think what the Honourable Member is suggesting is necessary. If he has got a clean draft that is ready to go, I think Honourable Members will look at it, but certainly the intent that the Honourable Members are talking about is not required, has not been since 1919. I do not see any reason to change it now.

**Hon. James Downey (Minister of Northern Affairs):** I think that the committee have heard the case on both sides. I think the Minister has put the case forward that he is being very fair in this. I would ask that we put the question.

**Mr. Taylor:** On a point of order, I hope we can set a positive, friendly and expeditious tone for this evening's deliberations. In lieu of the fact I did not have a written form to write the amendment on, I have moved an amendment which is supportive of what the Minister is trying to do here in an oral form until such time as legal counsel, who is at this point writing that amendment, can bring it to the table. I would ask the cooperation of the committee and if they can wait approximately one minute until we can put that on the table, if we could just leave this aside for a moment and move on to (3) and (4).

**Mr. Downey:** Mr. Chairman, I am prepared to wait to hear the amendment and we can vote on it. If it is only going to be a minute, then we may as well wait.

**Mr. Chairman:** Is it the will of the committee to wait? (Agreed)

**Mr. John Plohman (Dauphin):** Could you not, in the interests of time, go on with the rest of the Bill?

**Mr. Chairman:** If that is the will of the committee, we will go on.

**Mr. Plohman:** I think we should.

**Mr. Chairman:** Okay. Clause 3—pass.  
Clause 4—Mr. McCrae.

**Mr. McCrae:** I have an amendment, Mr. Chairman.

**Mr. Chairman:** Okay.

**Mr. McCrae:** I would move

THAT subsection 4(5) of Bill 15 be amended by adding "Subject to subsection (6)," ahead of "The board may".

(French version)

Il est proposé que le paragraphe 4(5) du projet de loi 15 soit modifié par la suppression de "Le" et son remplacement par "Sous réserve du paragraphe (6), le".

**Mr. Doer:** Not the "Subject to," but I want to ask a question on the 4(6) proposal. I know we are going in order but you do not have the "Subject to" until you pass the actual clause, I would imagine, because you cannot have a "Subject to" until you have the actual—

**Mr. Plohman:** 4(6).

**Mr. Doer:** Or 4(6). I would ask a question on the proposed 4(6) as well if we are going to deal with them together. As I understand it, that was in the Bill before and it was removed. Why would it be reintroduced? I do not have a lot of history on this and I am just seeking information.

**Mr. McCrae:** Mr. Chairman, would it be convenient for the committee if I were to move my amendment to Clause 4(6) at the same time and we could discuss both at the same time?

**Mr. Chairman:** Agreed.

**Mr. McCrae:** Mr. Chairman, I move

THAT section 4 of Bill 15 be amended by adding the following:

**Minimum realizable value**

4(6) The board shall not sell or vary the securities held by the board so as to cause the realizable value of the remaining securities held by the board to be less than \$129,000.

(French version)

Il est proposé le paragraphe 4(6) du projet de loi 15 soit modifié par l'adjonction de ce qui suit:

4(6) Le Conseil ne peut réaliser ni diversifier les valeurs qu'il détient de façon à ce que la valeur de réalisation des autres valeurs qu'il détient soit inférieure à 129 000 .

**Mr. Chairman:** Clause 4(6)—Mr. McCrae.

**Mr. McCrae:** To ensure continuity of the original amount which was assigned to the board for their

administration, an additional provision should be added. The amendment makes it clear that only the income from the original investments may be used for the board's purposes and not the principal amount. That guarantee was set out in The Wheat Board Money Trust Act and should continue under the new legislation.

This was the original intent of the legislation and we are correcting a drafting error here.

\* (2040)

**Mr. Chairman:** Any questions from the members of the committee?

Clause 4(5), as amended—pass; Clause 4(6), as amended—pass.

We will now go back to Clause 2(3).

**Mr. Taylor:** Mr. Chairman, I move

THAT clause 2(3) of Bill 15 be amended by adding after "Lieutenant-Governor-in-Council.", the following, "but in no event shall employees of the department form a majority of members appointed to the board".

This, by the way, is in respect of both English and French text.

**Mr. Chairman:** Amendment to the amendment—pass; amendment—pass; Clause 2(3), as amended—pass.

Clause 6—Mr. McCraef

**Mr. McCrae:** I move

THAT section 6 of Bill 15 be amended by striking out "shall" and substituting "may".

(French version)

Il est proposé que l'article 6 du projet de loi 15 soit modifié par la suppression de "Sont" et son remplacement par "Peuvent être."

Mr. Chairman, this will allow the board more flexibility with regard to its administrative activities. This allows the Government to assist, in a financial way, in the administration of the board so that it does not have to dip into the fund which it wants to use to promote cooperatives in Manitoba.

**Mr. Chairman:** Amendment—pass; Clause 6, as amended—pass.

All amendments have been passed in English and in French. (Agreed)

Clauses 7 to 16, inclusive, were each read and passed; Preamble—pass; Title—pass; Bill, as amended—pass.

Bill be reported.

#### **BILL NO. 42—AN ACT TO AMEND AN ACT TO INCORPORATE THE ROYAL WINNIPEG RIFLES FOUNDATION**

**Mr. Chairman:** Bill No. 42. I will ask Shirley Strutt from Legislative Counsel to report to the committee.

**Ms. Shirley Strutt (Legislative Counsel):** Mr. Chairperson, as required by Rule No. 108 of the Rules of the House, I now report that I have examined Bill No. 42, An Act to Amend an Act to Incorporate the Royal Winnipeg Rifles Foundation, and have not noted any exceptional power sought or any other provision of the Bill requiring special consideration.

**Mr. Chairman:** Shall the Bill pass? Mr. Taylor.

**Mr. Harold Taylor (Wolseley):** Mr. Chairperson, I move

THAT this committee recommend to the House that in accordance with Rule 105(3) the appropriate fee be refunded to the Royal Winnipeg Rifles Foundation.

**Mr. Chairman:** Preamble—pass; Title—pass.

Bill be reported.

#### **BILL NO. 45—THE LEGISLATIVE ASSEMBLY AND EXECUTIVE COUNCIL CONFLICT OF INTEREST AMENDMENT ACT**

**Hon. Clayton Manness (Minister of Finance):** Mr. Chairman, I am wondering, rather than call 45, if we could call one of the other bills, 48, at this time.

**Mr. Gary Doer (Leader of the Second Opposition):**

Mr. Chairman, I would ask that we hold Bill 45, and I have not discussed it with everyone, but as I understand it, Mr. Desjardins, a former Member of this Chamber, has asked to appear before the committee. As I understand it, Mr. Desjardins is in the hospital tonight. I had not contacted him before. I did not know he was going to place his name before us. I would like to determine whether he is going to be available to make a public presentation.

I think, with his long years in this Legislature, we should hold the Bill over and determine his health. He may want to have some say in this Bill and I think I would recommend that to the committee, that we hold it over and deal with it at another date subject to the health of the previous Member of this Legislature.

**Mr. Manness:** Certainly, the Government is prepared to hold this Bill over. We certainly hope Mr. Desjardins' health improves. But we will want to call it tomorrow morning at that sitting. We will call it tomorrow morning. Let us see then the state of affairs at that point in time.

**Mr. Doer:** I will do everything I can to endeavour to find out the status.

**Mr. Chairman:** Is that the will of the committee? (Agreed)

#### **BILL NO. 34—THE MUNICIPAL AMENDMENT ACT**

**Mr. Chairman:** Bill No. 34, we have a written submission before us, made to us by Lena Friesen. Is she present at the time? Is she prepared to speak to this submission?

**Mr. Harold Taylor (Wolseley):** Mr. Chairperson, you mentioned "a written submission before us." - (Interjection)- Oh, okay, thank you.

\* (2050)

**Hon. Clayton Manness (Minister of Finance):** My apology, Mr. Chairman. I certainly can help. There was a presenter before, representing the Northern Association of Community Councils, who had come here preparing to make a presentation on Bill No. 50. A couple of us did read the presentation and it does not fit Bill 50. We thought at one time it would fit Bill 34. It does not. We think it best fits Bill 51, which is not before us tonight; therefore, I would like to officially notify the Clerk that this presenter will be back tomorrow or whenever it is we consider Bill 51 in committee.

**Mr. Chairman:** Okay, that is fine. Then on Bill 34, I understand we have nobody making any submission at this time. So we will go with 34, clause by clause.

Bill No. 34, Clause 1—pass; Clause 2—pass; Clause 3—pass.

Clause 4—Mr. Doer.

**Mr. Gary Doer (Leader of the Second Opposition):** The Member for Dauphin (Mr. Plohman) has an amendment, Mr. Chairman.

**Mr. John Plohman (Dauphin):** Yes, I said I have an amendment for Clause 3, please. Obviously, we have to holler from this end to make ourselves heard. It is quite a long distance. I am sorry you did not pick it up, Mr. Chairman.

**Mr. Chairman:** I would recognize your hand if you would choose to signal.

**Mr. Plohman:** I move, seconded by the Member for Selkirk (Mrs. Charles),

THAT the proposed new clause 380(1)(p), as set out in section 3 of Bill 34, be struck out and the following substituted:

(p) to make grants to a university established under The Universities Establishment Act or to the University of Manitoba.

(French version)

Il est proposé que le nouvel alinéa 380(1)(p), figurant à l'article 3 du projet de loi 34, soit supprimé et remplacé par ce qui suit:

p) verser des subventions à une université constituée en vertu de la Loi sur la fondation des universités ou à l'Université du Manitoba.

I make this amendment with respect to both the English and French texts.

**Mr. Chairman:** Shall the amendment pass?

**Hon. Glen Cummings (Minister of Municipal Affairs):** I wonder if the Member for Dauphin (Mr. Plohman) would expand a bit on the reason for making these changes.

**Mr. Plohman:** Yes, I thought maybe, Mr. Chairman, that the Minister might want to expand on why he made his proposal.

The fact is I understand that the Minister put forward the amendment to The Municipal Act, Section (p), to deal with specifically a difficulty that the Brandon University perceived with regard to receiving grants or, in the City of Brandon, to the University of Brandon. If, in fact, that is the case—and that is our understanding after due research into this issue—the amendment that I am putting forward enables that to take place without affecting the issue of grants generally which would be a fundamental change to The Municipal Act as the Minister had proposed.

So I feel, since the Minister has raised this, that he should perhaps provide an explanation as to whether he intended to make sweeping changes to the grant section of The Municipal Act which would allow any municipality to make grants; for example, industrial incentive grants to private companies in various communities, having various communities therefore compete against each other to attract industry. That opens a can of worms that really I do not think that is one that we are ready to deal with at this time, that it would involve a great deal of consultation and input from municipal corporations across this province, I would think.

I am surprised that the Minister has drafted, if in fact we are correct insofar as his motives for the amendment that he has drafted or had drafted so sloppily, an amendment that would indeed be a classic case of overkill for something that was very, very specific. So that is why I raised it with the Minister. Since he has asked for an explanation, I ask him for his explanation.

**Mr. Cummings:** Mr. Chairman, the manner in which it is drafted is in keeping with some of the intent of the Weir Report, which was to indicate greater latitude to municipalities in this area. It seems to me that it provides some responsibility to municipal corporations that I am confident they can handle in a responsible manner and would not abuse a privilege that they could be given. This is similar to the legislative abilities of the City of Winnipeg.

**Mr. Doer:** Mr. Chairman, our caucus has done some research with specific municipal governments and our other Member will comment on that. I would imagine that if we are going to deal with parts of the Weir Report we would want to deal with the whole Weir Report.

I notice the Minister put on record today that in 1989 we could expect the legislation for the 1990 tax year. I would suggest that would be the best time to deal with all of the parts of property assessment which is in grants, and which is a very complicated area, we recognize that, and that perhaps the suggestion of the Member for Dauphin (Mr. Plohman) is a good one in light of the original intent of the Bill. The amendment, I think, makes good sense at this point and we can deal with the whole package as the Minister proceeds with this Bill.

**Mr. Cummings:** I am prepared to accept the amendment to provide for the City of Brandon to do

what it wishes, but I think that there is a principle involved here that other jurisdictions outside of the City of Winnipeg, in fact, can function in a capable and responsible manner. I think if the Leader of the NDP is sincere in what he says, in light of the recommendations of the Weir Report, that very likely we can make changes that will be quite wide in nature at that time.

**Mr. Jerry Storie (Flin Flon):** Mr. Chairperson, I appreciate the Minister's final remarks there. I think that the original intention of the amendment is quite clear. They reflect the desire of some municipalities, particularly the City of Brandon, to provide some support to the university. I think the amendment that was proposed by my colleague, the Member for Dauphin (Mr. Plohman), does specifically that.

Just for the Minister's information, I contacted in northern Manitoba the Norman Regional Development Corporation, I contacted an LGD, a town and a city in my constituency, all of whom were opposed to what they perceived to be the somewhat sweeping powers of Section (p) of the amendment that was proposed in Bill 34 as Clause 3(p).

The Minister has indicated in his statement that he is prepared to accept this kind of limitation at this point, given the likelihood of more broad-ranging amendments as a result of the implementation, finally, of the Weir Report and I think that is good news. I would hope, however, that the Minister will endeavour to solicit the views of municipalities outside the City of Winnipeg and outside the City of Brandon with respect to any additional amendments. I know the Minister is aware—I certainly hope he is aware—of the fact that many municipalities have somewhat restricted ability to provide the kinds of supports to private, to industrial opportunities in rural Manitoba, in northern Manitoba.

The amendment, as it was proposed, I think was too broad-ranging for the time being until there is appropriate consultation, until those municipalities, LGDs, towns, villages are assured that the province can provide the appropriate resources to allow them to compete with wealthier municipalities, those municipalities and towns with superior tax bases, superior ability to compete in that market.

So I think the amendment that is proposed by my colleague and, I understand, seconded by the Member for Selkirk (Mrs. Charles) is appropriate. They are somewhat limiting, but they allow obviously for a further review of The Municipal Act when and if we proceed with the entire assessment reform provisions and the outline provided by the Weir Report.

\* (2100)

**Mrs. Gwen Charles (Selkirk):** I would just like to add to the statements that have been made. The Minister mentioned that this gives the municipalities no more powers than the City of Winnipeg holds. That may be true, but I think we also have to point out that Winnipeg absolutely has no competition in the province, being the biggest centre, the centre holding the largest amount of money and power because of that. When

we speak of giving the same power to municipalities, we have to understand that municipalities can range in great variance in size and therefore in power, so before we initiate a section that has not been called for, we have to go back to all the municipalities and have them ratify it, I believe, in their forums, that being the UMM and the MAUM forums, and if they bring it to us then I think we have to consider it.

I support the amendment because I think it deals with exactly what is needed and required at the moment, and hopefully the municipalities will have an opportunity to discuss amongst themselves whether they wish Section (p) as first put forward to be the section that they wish to have in the next Bill and the amendments to the Act.

**Hon. James McCrae (Attorney-General):** I wish merely to correct one perhaps oversight on the part of the Honourable Member for Flin Flon (Mr. Storie) who suggests that the amendment brought forward by the Honourable Member for Dauphin (Mr. Plohman) is merely to accommodate a desire on the part of people in the City of Brandon to support the university. Some will take some pride in the fact that for the last 10 years or so and beyond, the City of Brandon is one of two or perhaps three communities in all of Canada that supports a university.

The fact is the Bill is not to accommodate a desire to support a university but to enable the council of the City of Brandon to continue to support or to make that decision. We are not imposing that on the city, we are simply enabling, and I think it was just a small oversight on the Honourable Member's part. I just wanted that to be correct. Ultimately, the council of the City of Brandon will make a decision about a by-law, whether to adopt a new by-law to support Brandon University or not, and that decision rightfully belongs at Brandon City Council.

**Hon. James Downey (Minister of Northern Affairs):** There seems to be something that maybe I am not fully aware of or cannot quite get clear in my mind as to what we are dealing with here. As I read the proposed amendment by the Minister of Municipal Affairs (Mr. Cummings), it states, "to make grants for any purpose that, in the opinion of the council, may be in the interests or to the advantage of the municipality or its inhabitants."

I believe they are people elected by taxpayers. They are quite capable of carrying out the administrative affairs of their municipalities, and are we putting under question by this amendment that we are now saying that they can only do so when it comes to university support? It would appear to me as if the Liberal Party and the New Democratic Party do not have any faith in municipal councils and the administration of their funds. I think that is highly a questionable position to be put in.

-(Interjection)- No, I am trying to get clarification. As I understand what the Bill initially reads is that we are giving them some latitude to make grants for the purpose that, in the opinion of the council, may be to the advantage of the municipality and its inhabitants.

Now the amendment reads that that restricts it to only universities.

-(Interjection)- I did not hear them say that, Mr. Chairman, so the Minister, I think was proposed to have quite a bit of confidence to help enhance municipalities in a little greater way in which the—and I do not think it has anything to do with the matter of the size or anything—I think there is a major principle involved here that they do have the ability to guide their affairs.

I heard the Minister's indication that he is prepared to consider this amendment, but I would like a little more clarification from the movers and the seconders. If they do not have confidence in the municipal corporations, let me put on the record that I clearly do have confidence in their ability to govern their affairs, Mr. Chairman.

**Mr. Plohman:** I would suggest that the Member for Arthur (Mr. Downey) makes sure he sends that out to all the municipalities so they know that, because certainly it might make a difference for him.

I do not think anyone around this table is expressing any lack of confidence. What we are expressing here is a response to a concern or an issue that exists, and that is with regard to the City of Brandon and the University of Brandon. That is the explanation that the Minister gave us when we discussed this with him. That is the explanation I understand that the Member for Brandon West (Mr. McCrae) expressed to the Member for Brandon East (Mr. Leonard Evans) in discussions on this issue.

There was never a request that was made that was at least enunciated to us or explained to us from municipalities out there, that they wanted to have this type of sweeping amendment, the sweeping change to The Municipal Act.

There is a Section 380 which provides for various classifications of grants that can be made by municipal corporations. This essentially removes the whole purpose of that section. It is a fundamental change and therefore should be made only after clear consultation with the municipalities as to the impact it would have and input from those municipalities. That is all that we are saying.

It may, in the final analysis, be something that they want and it may be something that we would want to support, maybe something that the Liberals would want to support at some point, and they can speak for that.

I am not prepared to support it at this time. I do not think it is a good direction. We talk about free trade amongst the provinces and we do not like to see provinces competing against each other with millions and millions of dollars to attract businesses that may want to settle themselves in one province or another. In the same way, we do not want Morden competing against Winkler or Altona, or Grandview against Gilbert Plains or Roblin, or whatever the case may be. So, on that basis, it may be destructive over the long term. That is the argument on that side and there may be some input that we need to have first before we would consider that.

I think that really what happened here is that the Minister brought in a very broad and sweeping change to deal with this very specific issue and I do not think it was appropriate.

**Mrs. Charles:** I always dislike it when we get into the political act and especially at this stage of the game when we are trying to do what is best for the province.

The understanding of myself, and I believe of my Party, is that the Department of Municipal Affairs is there as a supervision of the municipalities in the province. Unlike the City of Winnipeg, which has power because of its size, we have in rural and northern Manitoba, outside the Perimeter Highway, a series of municipalities, some of which have large populations, some of which have large resource centres, and some which have very minimal size, and if the Member for Arthur (Mr. Downey) would be quiet for a moment and listen to me, perhaps he would hear something.

**Some Honourable Members:** Oh, oh!

**Mrs. Charles:** Well, learning takes an open mind and perhaps with a shut mouth he would have an open mind.

I am trying to explain that there are different sizes of municipalities outside the Perimeter and perhaps the Member for Arthur, who has many towns in his constituency, would understand this. If we allow this to go through without the municipalities having some direct input through their associations, then they have the opportunity to outbid each other, then we are putting towns such as Steinbach, Portage la Prairie, Selkirk, the larger municipalities against smaller towns such as Miami, MacGregor, all these little towns, and by size you have more money. We will get very basic here. When you have more people, you collect more tax revenue, you tend to have more money, you can outbid other people.

All we are saying that this is not necessarily a wrong amendment to make. We are saying it is not what the Bill was set out to do. The Bill was set out to do, by explanation of the Minister, to allow the City of Brandon should it desire to make grants to the University of Brandon.

The New Democratic Party and the Liberal Party are saying that if that is what we intend to do, let us do it. If we intend to open up the bidding of grants by the bidding of municipalities for grants for whatever purpose they may wish to have, then that should go to the municipalities, they should have a say in whether they want to do that or not, and we, as a Government, should make sure that we are doing it for their own good and not for the wrong reason.

We are not necessarily against saying the municipalities have this right and if the Minister of Northern Affairs (Mr. Downey) wants to say that, then he is not understanding or listening to what is being said here. We are not making any decision upon the ability of any municipality to make grants. We are saying that what we want to do is be able to allow Brandon to do what it wants to do with the university by a matter

of grants, and should other municipalities desire making grants, then let us go to the municipalities and ask them what they want.

\* (2110)

**Mr. Bob Rose (St. Vital):** My colleague from Selkirk has put it very aptly and very clearly, but if I were on the council at Brandon, I would welcome the amendment and not the original because it would certainly be much easier for me to say no when people came looking for grants.- (Interjection)- No, I am not saying that two rights make a wrong or anything.

**Mr. Chairman:** Order, please. Mr. Rose, were you finished?

**Mr. Rose:** I think he is too, by the way.

**Mr. Chairman:** The Minister wants to make some comments on it before I ask the final question.

**Mr. Cummings:** Only a brief comment, Mr. Chairman, that the amendment was not undertaken lightly. I can tell you that the MAUM executive did not oppose the amendment.

**Mr. Chairman:** I will ask the question on the amendment.

Amendment—pass; Clause 3, as amended—pass; French and English versions—pass; Clause 4—pass; Preamble—pass; Title—pass; Bill, as amended—pass.

Bill be reported.

### BILL NO. 50—THE BRANDON CHARTER AMENDMENT ACT

**Mr. Chairman:** Bill No. 50, Clause 1—pass; Clause 2—pass; Clause 3—pass; Preamble—pass; Title—pass.

Bill be reported.

**Mr. Harold Taylor (Wolseley):** That was passed in both languages, was it?

**Mr. Chairman:** I would wish that the committee would realize that all Bills that we will be passing today will be passed in English and in French.

**An Honourable Member:** Yes, we know that.

**Mr. Chairman:** Is that the consensus of the committee? (Agreed)

**Mr. Taylor:** Thank you.

### BILL NO. 48—THE EXPROPRIATION AMENDMENT ACT

**Mr. Chairman:** Bill No. 48, Clause 1—pass; Clause 2—pass; Clause 3—pass; Clause 4—pass; Clause 5—pass; Preamble—Pass; Title—Pass.

Bill be reported.

### BILL NO. 49—THE PUBLIC WORKS AMENDMENT ACT

**Mr. Chairman:** Bill No. 49, Clause 1—pass; Clause 2—pass.

Clause 3—Mr. Plohman.

**Mr. John Plohman (Dauphin):** Yes, I had a question from the Minister during the debate on second reading with regard to the principles involved in placing dollar amounts for offences, for fines in the Act. Rather than, as he is doing it, later in the Act—in Section 24, I believe, which provides for empowerment for making of regulations to deal with specific penalties—that then can be changed from time to time much easier than when they are in a piece of legislation. I asked the Minister why he included the figure of \$200 now instead of \$100.00; why he was putting a specific amount in rather than a general enabling clause that would provide for penalties.

**Hon. Albert Driedger (Minister of Highways and Transportation):** The Member raised the question earlier on and I indicated I would have the information. All penalties and fines basically come under Section 24 by regulation. The reason why we have a specific plan outlined here is because it is on a daily basis. The others are under Section 24, which is a general type of fine. This is specifically related to this issue here and is on a daily basis.

**Mr. Plohman:** Well, I do not think that that is necessarily a good explanation as to why it could not be included in a penalty section, and I would suggest to the Minister that he consider that in future amendments. I do not know that we want to try and figure out what the proper wording should be at this time for this Act. I am not that hung up on it.

But my point is that he will just have to, or some other Minister will have to, simply bring this in again to have it amended again at perhaps some future time, in the very near future, because these things tend to get outdated rather quickly and it is very cumbersome to bring it before the Legislature to simply amend the fine.

**Mr. Albert Driedger:** Mr. Chairman, I heed the Member's recommendation there. By and large, like I have indicated before under Section 24, most of them are by regulation. This one is not. We will take it under advisement. Obviously, the Member is correct that there has to be a revision in here in the future. This has to be brought back. We will look at possibly getting that included under the regulation.

**Mr. Harold Taylor (Wolseley):** The very point I was going to raise. I was taken aback to see it not in regulation format but in the Act itself. Can the Minister address the point of how he would see it put under regulation; and here we are in committee stage of this statute?

**Mr. Albert Driedger:** My understanding of this is this was the best advice we had when the legislation was

drafted, that this is the approach that we should use on that.

**Mr. Taylor:** Maybe we could get some advice on how this, at this stage, could be put into a regulatory context so you could have an amendment by Order-in-Council, because none of these fines should be left, as far as I am concerned, having had to deal with old, old legislation in another realm. It is just not the way that you want to have the administration dealing with what becomes all too outdated a scale of fines.

**Mr. Bob Rose (St. Vital):** I agree with what I have heard up to now that some of these fines or penalties are really outdated, up to 35 years, and by not putting them in the regulations you are just asking for a continuance of that sort of thing.

I do not think the Bill needs to be amended at this point, but I would suggest that the Minister and his staff set about doing that within the next year when an adjustment might be needed at that time.

As well, I would like to question Subsection 7(2) and the reason for that clause. It is great to increase the fine from \$100 to \$200, but to his recollection and his staff, has that sort of a penalty ever come into effect in history, past history, in that particular section? I guess I am referring to the right thing, and that is to do it at the height of buildings around this building.

**Mr. Albert Driedger:** Mr. Chairman, I am told that we do not think it should necessarily be a problem given the zoning of the city at the present time, but the provision is there that if somebody would do it, I think the zoning would still control that. Am I correct?

**Mr. Rose:** I might say that that is getting to my point, and that is that the city zoning would not allow such a building to be built here. If it were built here, it would be because of the authority of the city. Therefore, I think you would find it very difficult to find somebody that already had a building permit to do that. You might be able to make some measures against the city, but I think that that section is inoperative and not appropriate. I think again that if it is in that manner, it can be deleted at some further amendments to this whole Public Works Amendment Act, maybe next year.

**Mr. Albert Driedger:** Mr. Chairman, I do not have necessarily any arguments with some of the suggestions. This is the way legal counsel advised that the Bill should be drafted.

I am open to suggestions on this. I have no big difficulty. This is how it was drafted for us -(Interjection)-

**Mr. Chairman:** Order, please. Order.

**Mr. Albert Driedger:** I am just suggesting like this - (Interjection)- I am not a lawyer. I basically take the advice of the people when we draft this kind of legislation, indicating that this is the approach we should take, that in this particular case we removed all the other ones and put them into regulation. This is the best advice we have at this stage of the game that we should have it included in here this way.

In order to have it put under regulation, I think I would have to take it back and get approval from Cabinet in terms of that all fines possibly should be coming under regulation instead of having them done under an Act, whatever Act it might be, and I think we are moving in that direction because invariably you always have these changes coming forward in terms of changes in the fine structure. So, you know, I take the advice and we are moving in that direction. We have done that with most of it. In this particular case, it was advised that this is the approach that we should use in this case.

**Mr. Taylor:** Mr. Chairperson, having experienced the problem of fines dating themselves very, very badly, I would make, or give a piece of advice to the Minister, that notwithstanding we have got this one here now and it would be very awkward to try and change it tonight into a regulatory status, which I think is really the preferred route to go.

I would ask him to get the advice again on the whole issue of fines in any legislation under his department, and it may be advice that should be thought of by other Ministers as well as putting all the levying of fines under regulation so that it can be amended a heck of a lot easier by Order-in-Council.

I would be quite prepared to put this through tonight, but I would hope we will not see any more of these and that they will go under regulation because it is a heck of a lot more convenient and expeditious way to operate.

**Mr. Albert Driedger:** I will accept that.

**Mr. Chairman:** Clauses 3 through 10, inclusive, were each read and passed; Preamble—pass; Title—pass.

Bill be reported.

Is it still the will of the committee that Bill 21 and Bill 45 be deferred until tomorrow morning at 10 a.m.? (Agreed)

Committee rise.

**COMMITTEE ROSE AT:** 9:20 p.m.