

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, September 21, 1989.

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

TABLING OF REPORTS

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, it is my pleasure to table the Third Quarterly Report of the Manitoba Liquor Control Commission.

Mr. Speaker: In accordance with Section 42 of The Ombudsman Act, I am pleased to table the Nineteenth Annual Report of the Ombudsman for the calendar year January 1, 1988, to December 31, 1988.

INTRODUCTION OF BILLS

BILL NO. 39—THE HUMAN TISSUE AMENDMENT ACT

Hon. Clayton Manness (Minister of Finance) introduced, on behalf of the Honourable Minister of Justice (Mr. McCrae), Bill No. 39, The Human Tissue Amendment Act; Loi modifiant la Loi sur les tissus humains.

BILL NO. 40—THE LAND SURVEYORS AMENDMENT ACT

Hon. Clayton Manness (Minister of Finance) introduced, on behalf of the Honourable Minister of Justice (Mr. McCrae), Bill No. 40, The Land Surveyors Amendment Act; Loi modifiant la Loi sur les arpenteurs-géomètres.

ORAL QUESTION PERIOD

Skills Unlimited Funding

Mrs. Sharon Carstairs (Leader of the Official Opposition): Mr. Speaker, my question is to the Family Services Minister (Mrs. Oleson). We have been informed that the Programs Branch of the Department of Family Services recommended that funding levels be maintained, or indeed increased, to Skills Unlimited and other agencies dealing with the mentally handicapped. Will the Minister of Family Services tell us today who made the decision to make these cuts?

Hon. Charlotte Oleson (Minister of Family Services): Mr. Speaker, the Skills Unlimited have been informed that they are not to cut service to people in the interim while we are reviewing the funding so that we can come up with a proper funding formula for that agency and others like it. We had undertaken the review and it did not go along as speedily as we would have liked. Budgets, of course, are set long before this.

They had indicated to my department in discussions that they would like to change the focus of their agency to reflect the admirable theory that people would like to be in the work force. In changing the focus of course of their agency, there would need to be changes in funding.

Mrs. Carstairs: Mr. Speaker, well, obviously it was this Minister herself who agreed to the funding cut.

Skills Unlimited informed the Minister four weeks before the employees' last day of work that these and handicapped employees would be let go. Why did she refuse to act until this matter was raised in this House yesterday?

Mrs. Oleson: The important thing to realize for the Leader of the Opposition (Mrs. Carstairs) is that those jobs are going to be maintained. There was no intent to cut service.

Mrs. Carstairs: Mr. Speaker, but they would have been cut permanently if it had not been raised in this Chamber.

Family Services Minister Premier's Support

Mrs. Sharon Carstairs (Leader of the Opposition): I have a supplementary question to the First Minister (Mr. Filmon), Mr. Speaker.

The Premier is contributing to the chaos in this department because of his refusal to remove the Minister of Family Services (Mrs. Oleson). Will the First Minister justify to this House this afternoon why he still has confidence in this Minister who mismanages each and every section of her department?

Hon. Gary Filmon (Premier): The chaos is in the mind of the Leader of the Opposition (Mrs. Carstairs). We can see by the different approaches that the Leader of the Opposition takes issue every time there is a problem in the House. This year, this month, it is on one side of an issue, the next month it is on the other side of an issue, one time she is criticizing appointments and other times she is lauding appointments. It goes on and on and on. She is on every side of every issue.

Mr. Speaker, the fact of the matter is that this Minister and this Government have increased funding for Family Services by over 9 percent, double the average increase of departments across the board in Government, double given to Community Services. The fact of the matter is that commitments have been made at the Treasury Board table, at the Cabinet Table, on the recommendation of the Minister. The increased funding for that department has been provided because of the leadership and the urging of the Minister of Family Services (Mrs. Oleson), and that Minister will continue

to work on behalf of the groups that are served by Family Services.

Mrs. Carstairs: Then, Mr. Speaker, the groups within the province being served by this Minister have my deepest sympathies.

Federal Equalization Payments Cutbacks

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, I have a new question to the First Minister (Mr. Filmon).

The Premier of British Columbia is quoted today as having made the statement that our province is supportive of the view and our Premier is supportive of the view that provinces should give back to the federal Government monies that they are presently receiving from equalization payments and transfer payments in a most incredible way.

Mr. Speaker, our Premier (Mr. Filmon) has often been critical of our need for such payments which are based of course on our have-not status. Can he tell the House this afternoon how much he is prepared to give back to the federal Government in terms of transfer payments and equalization payments, and is this part of why we take from the mentally handicapped to give to the feds?

Hon. Gary Filmon (Premier): Let us be very, very clear as to what I have said about that Leader of the Opposition's (Mrs. Carstairs) statements, and that is that I object to her calling Manitoba a have-not province. That is an insult to the people of this province. That is an absolute insult. She did not say that we were recipients of equalization or transfer payments when she made that statement. She went off to Toronto speaking to the Canadian Club and said, I come from a have-not province. I do not come from a have-not province. I come from a strong province.

* (1340)

I come from a province that has the people, the resources, the energy and the desire to be a very strong and powerful force in this country, and under our leadership, indeed, they will be. They never would be under hers if she had the opportunity.

Payments

Mrs. Sharon Carstairs (Leader of the Opposition): One can only assume from that answer that the Premier (Mr. Filmon) of this province is prepared to give up equalization payments from the federal Government.

Mr. Speaker, I was going to ask the question, how did Mr. Vander Zalm come to that remarkable conclusion, but now the question is, how did the Premier come to that remarkable conclusion?

Hon. Gary Filmon (Premier): Mr. Speaker, I have no idea what the Leader of the Opposition (Mrs. Carstairs) is talking about. I have no idea what Mr. Vander Zalm said. Let me tell you that before she was involved in

Government, I was here in this Legislature fighting for increased equalization payments, fighting for increasing transfer payments so that we could provide the highest levels of services in health care and post-secondary education and all of the areas of responsibility that people depend upon us for.

My position has never changed, nor will it ever change, regardless of what the Leader of the Opposition says, Mr. Speaker.

Federal Equalization Payments Documentation Request

Mrs. Sharon Carstairs (Leader of the Opposition): I have a final supplementary to the Premier of the province. In that Mr. Vander Zalm is stating very clearly that Premier Gary Filmon agrees with his statements with regard to equalization payments, will the First Minister table a letter in the House today that we assume that he wrote to the Premier of British Columbia disassociating himself with the remarks made by the Premier of British Columbia?

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please.

Hon. Gary Filmon (Premier): Mr. Speaker, I will repeat for the edification of the Leader of the Opposition (Mrs. Carstairs) that I believe that Ottawa has an obligation to the people of this province to provide for equalization and transfer payments, to provide for the kind of standards and quality of service that our people deserve in health care, education, and all of those areas that people depend upon Governments for.

I will continue to fight and fight as hard as I can with every breath I take to ensure that the people of this province get that support from Ottawa that they deserve, and everything she says is absolute nonsense. If Mr. Vander Zalm said anything like she attributes to him, then he was wrong.

Mentally Handicapped Funding Reinstatement

Ms. Judy Wasylycia-Leis (St. Johns): Mr. Speaker, the Premier (Mr. Filmon) says we are not from a have-not province, but it is clear we have a have-not Government. We have chaos.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please. The Honourable Member for St. Johns has the floor.

Ms. Wasylycia-Leis: This is a serious question. We have chaos in our valuable child care system. We now have chaos in the valuable services for mentally handicapped people in this province. Yesterday we made public the fact that the Minister of Family Services (Mrs. Oleson) has callously cut at least three valuable services to the mentally handicapped. Today we have had no clarification of the state of those three programs.

I want to ask the Minister of Family Services (Mrs. Oleson) if, after reflecting on this overnight, she has had second sober thoughts, and what are her plans in terms of reinstating funds to Skills Unlimited, to the Employment Preparation Centre and to ARM Industries in Brandon?

Hon. Charlotte Oleson (Minister of Family Services): I believe I answered that question in an answer to the Leader of the Opposition (Mrs. Carstairs). I have indicated to that organization and the other organization that they are not to cut services to people. Those people will be reinstated and they will have their jobs.

Employment Preparation Centre Funding Reinstatement

Mr. Speaker: The Honourable Member for St. Johns, with her supplementary question.

Ms. Judy Wasylcia-Leis (St. Johns): Mr. Speaker, it is a little hard for an organization to reinstate the positions if they do not have the money.

My question is to the Minister of Family Services (Mrs. Oleson). If she cannot give us a straight answer on the 12 victims for Skills Unlimited, can she tell us today how she is responding to the serious impact her cutback is having on the Employment Preparation Centre leaving 15 clients at bay, leaving 15 clients without service and with no end in sight from this Government? How is she planning to deal with that situation? Is she reinstating the funds? Is she finding places for those 15 clients?

Hon. Charlotte Oleson (Minister of Family Services): The funds will be provided. They had been told that they were not to cut services to people. As I told the Leader of the Opposition (Mrs. Carstairs), we are undertaking a review of these programs to see what the appropriate funding and focus should be at them. In the interim, we are providing funds.

Mr. Speaker: The Honourable Member for St. Johns, with a supplementary question.

Ms. Wasylcia-Leis: My question to the Minister is straightforward. Will she reinstate, immediately, \$21,000 to Skills Unlimited of Winnipeg? Will she commit herself today to reinstate \$7,400 to ARMS Industries Inc. of Brandon? Will she reinstate \$18,000, immediately, to Employment Preparation Centres so that they can provide the valuable services to the mentally handicapped of this province?

Mrs. Oleson: Mr. Speaker, I wonder how many times I have to tell the Member that funds will be provided.

Family Services Staffing

Mr. Speaker: The Honourable Member for St. Johns, with her final supplementary question.

Ms. Judy Wasylcia-Leis (St. Johns): My final question is to the Minister of Family Services (Mrs. Oleson).

Can she explain to this House today why she has, in addition to cutting those valuable services, decided to cut staff in Family Services in northern Manitoba, specifically in Thompson, why eight positions are vacant, why valuable counselling services and other family and child benefits are being denied to northern residents of this province because this Minister has refused to fill eight positions, and is resulting in critical cutbacks in the North?

Hon. Charlotte Oleson (Minister of Family Services): Mr. Speaker, the preamble that the Member gives to a supplementary question is incredible. There have been no cutback to staff positions in Thompson. The positions will be filled when people are available to fill them.

Freedom of Information Act

Mr. John Angus (St. Norbert): My question is to the Minister responsible for The Freedom of Information Act and concerns the interference and the obstruction by the Minister of Finance (Mr. Manness) on legitimate requests through the Act.

Last Tuesday the Minister stated in the House that the objective of the groups were the reasons for denial of information stored in the MDS computers.

My question is, does the Act prohibit the releasing of information solely on the basis of what the applicant intends to do with that information?

Hon. Bonnie Mitchelson (Minister responsible for The Freedom of Information Act): I believe that the Minister of Finance (Mr. Manness) answered the question why there was refusal of information given under The Freedom of Information Act, earlier this week.

Mr. Angus: Mr. Speaker, The Freedom of Information Act does not prohibit the releasing of information simply because of what the applicant is going to use it for.

* (1350)

What action is this Minister going to take on the issue in regard to Section 60 of the Act that states, "Every person who without lawful justification a) willfully obstructs, . . . is guilty of an offence punishable by a summary conviction." What actions are you going to take?

Mrs. Mitchelson: There is a very definite course that can be followed if somebody applies for information under the Freedom of Information Act, and it is not accessed for any whatever reason. They can file papers with the Ombudsman, and he will determine whether in fact the information is information that can be withheld, and his decision will be the final decision.

Some Honourable Members: Hear, hear!

Freedom of Information Act Obstruction - Finance Minister

Mr. Speaker: The Honourable Member for St. Norbert, with his final supplementary question.

Mr. John Angus (St. Norbert): Mr. Speaker, I have a question to the Premier. We all applauded the introduction to the Freedom of Information Act, but under what justification does the Premier allow a Minister to go beyond his portfolio and obstruct other departments from fulfilling their legal obligation. The Minister of Finance (Mr. Manness) appears to have broken the spirit of the law. What is the First Minister going to do about it?

Hon. Gary Filmon (Premier): Mr. Speaker, despite the fact that the former New Democratic administration had sat on that Act and failed to proclaim it for more than a year—(interjection)—If the Member for Fort Rouge (Mr. Carr) has something to say, let him get on his feet instead of calling from his seat all the time like a little child. That is all he does. He has nothing positive to contribute here, and I would appreciate if you would tell him what to do.—(interjection)—Both of you.

Mr. Speaker: Order, please; order, please. The Honourable First Minister has the floor.

Mr. Filmon: Despite the fact that the former administration for more than a year, almost two years, did not proclaim the Freedom of Information Act, we proclaimed it within months of coming into Government, and we are very proud of that, Mr. Speaker.

Mr. Speaker, that Act has provisions in it—legal provisions—that dictate under what circumstances—when, and how, and where—that information will be provided. There are time lines and there are procedures. If any Minister of this Government does not follow the law and does not obey the law, the Member for St. Norbert has been told there is an appeal to the Ombudsman and the Ombudsman's decision will then be taken into account and followed. If he has any concern about it, he can go through the process. That is all there is to it and we will abide by the law. That is why we implemented it and that is why we proclaimed the Freedom of Information Act.

Deer Lodge Hospital Acute Care Beds

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, the Minister of Health (Mr. Orchard) continues to waste taxpayers' dollars. Over 200 beds in acute care facilities are occupied by chronic care patients. Mr. Speaker, the tragedy is that 90 beds have been available at Deer Lodge Hospital for almost three months.

Mr. Speaker, my question to the Minister is why is he wasting \$40,000 per day in Manitoba to have these patients in acute care beds when we need the beds for the surgical patients?

Hon. Donald Orchard (Minister for Health): Mr. Speaker, as my honourable friend well knows, for a number of years—probably seven or eight—that certain numbers of beds in all our hospital facilities are available for those patients who are longer-term stay, who have been panelled for personal care homes—to my knowledge, those numbers of beds are being occupied, not over capacity in any particular facility and according to what has been a long-standing use of those facilities.

Mr. Speaker: The Honourable Member for Kildonan, with a supplementary question.

Mr. Cheema: Mr. Speaker, why when this Minister promised last year on November 30, 1988, to give a report by mid-summer has there been a delay in the task force report on the extended care beds. This Minister knew that the Deer Lodge Hospital beds were coming and he was at the opening ceremony. Why is he wasting \$40,000 per day of our taxpayers' money when this Minister of Family Services (Mrs. Oleson) is not getting enough for the children of Manitoba.

Some Honourable Members: Oh, oh!

Mr. Orchard: Mr. Speaker, in the course of the Estimates debate, I hope to teach my Honourable friends something.

Some Honourable Members: Hear, hear!

Mr. Speaker: The Honourable Member for Kildonan (Mr. Cheema), with his final supplementary question.

Mr. Cheema: Yes, Mr. Speaker, when he is wasting \$40,000 . . . , the Minister scoffs at the question.

Mr. Speaker: Order, please.

Mr. Cheema: Mr. Speaker, can he tell us today, when should we expect that these beds will be properly used at Deer Lodge Hospital?

Mr. Orchard: Mr. Speaker, I believe my Honourable friend wishes an answer, and so do I. That is exactly the process that a task force of rather knowledgeable individuals are considering in terms of the requirements and the needs for extended care beds, or what had formerly been called extended care beds in the system of Manitoba. Those decisions will be made when I am satisfied that we are making the most appropriate use of very scarce taxpayer dollars, because if we make wrong decisions as have been made in the past, then all types of services do not have funding available to them when Governments in past have wasted money. Surely my Honourable friend would not encourage that.

Single Industry Communities Government Support

Mr. Jerry Storie (Flin Flon): Mr. Speaker, this Government has created a crisis in Family Services and now the Minister of Energy and Mines (Mr. Neufeld) in particular is presiding over a growing crisis and sense of despair in northern communities, particularly mining communities, about a lack of this Government's support for single industry communities.

Mr. Speaker, one community has already been devastated by the loss of 140 jobs and another community, the community of Lynn Lake, is threatened with the loss of 250 jobs. Can the Minister of Energy and Mines (Mr. Neufeld) indicate to the House today and to the people of Lynn Lake in particular whether, as a result of the review of the circumstances at

LynnGold, whether the Government has now decided that it actually will make a commitment to the people of Lynn Lake and the workers there, as they are entitled to expect?

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, we have said from the outset that we will not make a commitment unless it is for a long-term solution for the community of Lynn Lake. To date we have not been assured that the proposals that have come forward are a long-term solution. We have received from Strathcona Resources a preliminary report. We expect the final report to come in next week. I am meeting next week with the Chairman of LynnGold Resources and perhaps we can come to a decision, but I repeat, I will not recommend to Cabinet that we make a commitment unless it is for the long-term solution of the community.

Lynn Lake Mining Proposal

Mr. Speaker: The Honourable Member for Flin Flon, with a supplementary question.

Mr. Jerry Storie (Flin Flon): Mr. Speaker, the Minister's answer is indicative of the problem. The Minister has indicated that they have received a report.

My question is to the Minister. Has the Minister of Energy and Mines taken the time, shown enough interest to prepare a proposal from the provincial Government to indicate what needs to be done to save this community? Must the Minister rely on others, does he not have enough energy, enough creativity, enough imagination to prepare a proposal so that the community of Lynn Lake can survive and the workers and their families will be protected? Has the Minister put forward any concrete, specific proposal to save that community?

Mr. Speaker: Order, please. The Honourable Minister of Energy and Mines.

* (1400)

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, I do believe I have the creativity, I have the imagination, I have the energy. I do not have enough money, that is my problem.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. Order. Honourable Minister.

Mr. Neufeld: I will repeat. I do not think it is in the best interest of Manitoba taxpayers to enter into an agreement, to make a commitment, unless it is for the long-term solution of the community, and that is what we are waiting for. We have no proposal from Strathcona. What we have from Strathcona is a review of the proposal made by the company. We have made a verbal proposal to the company. We expect to meet with the company on Monday, and when the time comes to make that proposal public, we will do so.

Mr. Speaker: The Honourable Member for Flin Flon, with his final supplementary question.

Mr. Storie: Mr. Speaker, the Minister says he has made a verbal proposal and he asks where the money is going to come from. He took \$200 million out of northern Manitoba in mining taxes in 1988-89.

My question to the Minister is: will he instruct his official, Manitoba Mineral Resources or other officials in the department, to come up with the proposal to eliminate the crisis, the uncertainty that Northerners feel in mining communities in Lynn Lake and Flin Flon. Will he come up with proposals to solve the problems of the modernization at Flin Flon and the mining crisis in Lynn Lake? Will he put those proposals in writing? Would he show them to people in Manitoba so we know he is doing something.

Mr. Neufeld: Well, we will deal only with the problem at Lynn Lake for now, Mr. Speaker. Is it the proposal of the Member for Flin Flon that we finance a mining community indefinitely or is it the proposal of the Member for Flin Flon that we bridge a period of time when the mine can be economic again? It is up to the company to determine, it is up to a proposal to show that it is a bridging, it is not a long-term financing problem. If it is a bridging problem we will be prepared to talk. If it is a long-term financing problem, it is quite another matter.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. Order.

Free Trade Agreement Springhill Farms Limited

Mr. Laurie Evans (Fort Garry): Earlier this week, the federal Government announced that it would not be attempting to make an assessment of the impact of free trade at the end of the first anniversary of the implementation of this particular Act. Now here in Manitoba I do not think there is any difficulty in starting to identify the impact of this particular Act.

My question is to the Minister of Industry, Trade and Tourism (Mr. Ernst). Can he tell the House what initiatives are being taken to ensure the continued operation of this Springhill plant at Neepawa?

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): I am pleased to advise my honourable friend from the constituency of Fort Garry that a number of initiatives have taken place. We have had discussions with a number of potential buyers at that particular facility bearing in mind, Mr. Speaker, that that facility from Day One virtually has been in financial difficulty. It really never made money at all. It had financial problems right from the start and it has absolutely nothing to do with free trade as my honourable friend tries to allege.

Mr. Speaker, we are meeting regularly with various groups who are interested in attempted purchase joint venture or some other consideration that will see the Springhill plant continue.

Springhill Farms Limited Pork Countervail

Mr. Speaker: The Honourable Member for Fort Garry, with a supplementary question.

Mr. Laurie Evans (Fort Garry): My supplementary is to the Minister of Agriculture, and I would like the Minister of Agriculture to tell us whether or not the countervail on hogs and pork that has been imposed by the United States is a significant factor in the difficulties encountered at Neepawa.

Hon. Glen Findlay (Minister of Agriculture): Mr. Speaker, as the Minister of Industry, Trade and Tourism (Mr. Ernst) indicated that the Springhill plant has been in difficulty financially since Day One. It has been losing money, various amounts at different times, and free trade and the countervail by itself is not the cause of the difficulty at Neepawa, but it is a factor. It is a factor that has created some difficulty, but I would like to also tell the Member that countervail is being fought from this country very aggressively. If it was not for the Free Trade Agreement, we would not have a dispute settling mechanism where we can take it and settle the argument.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order. Order, please.

Free Trade Agreement Subsidy Definition

Mr. Laurie Evans (Fort Garry): It is very obvious that the greatest flaw in the Free Trade Agreement was the failure to agree on the definition of a subsidy before the agreement was signed. Can the Minister of Agriculture (Mr. Findlay) tell us what initiatives he is taking to ensure that the definition of a subsidy is one that is acceptable to the Government of Manitoba, and second, that that definition will be arrived at long before the five to seven years that is agreed to in the Free Trade Agreement, because by then it will be far too late?

Hon. Glen Findlay (Minister of Agriculture): I take great exception to a number of Opposition Members making fun of difficulties in the pork industry, making critical fun. I have made a very significant issue of this point at every federal-provincial meeting in the last three months, of which there have been three, and only one province has raised this issue, put it on the table and aggressively pursued resolution. It has not been a Liberal Government from Ontario, Quebec or New Brunswick, and 54 percent of that countervail is due strictly to provincial programs in the Province of Quebec where the Liberal Government resides.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please.

Water Protection Shoal Lake

Mr. Speaker: I have recognized the Honourable Member for The Pas.

Mr. Harry Harapiak (The Pas): My question is for the Minister of Environment (Mr. Cummings). As the Minister knows, the Liberal Ontario Government is currently planning to implement a drastic change in the development process in that province. According to the Ontario Premier, the approval process will take half the time that it presently takes. The provincial reviews will be done by the Municipal Affairs Department rather than the Department of the Environment, which has much more teeth.

In light of this and the fact that it has been determined that the cyanide found recently in the Shoal Lake site, as was related by the Winnipeg Water Protection Group, what efforts has the Minister done to protect Winnipeg's source of drinking water?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, the question about what have we been doing with regard to Shoal Lake, I can tell you it has consumed an enormous amount of time within my department. As a matter of fact, my officials just within the last 48 hours returned from meetings in Ontario regarding the future plans for the management of the Shoal Lake basin.

I am pleased to say that the one positive result we have had is the announcement that came out from Ontario regarding the inquiry process on the mine, but we are not satisfied with that announcement, Mr. Speaker. There are far more points that we wish the Ontario Government to agree to and that we are actively pursuing, such as a wider management and control on development within the basin. We are continuing to actively pursue those goals.

As I have said many times, as long as those negotiations are proceeding at a reasonable pace, with success being imminent on different points as we go along, it has not been my position to negotiate through a third person or in the public.

Mr. Speaker: The Honourable Member for The Pas, with a supplementary question.

Mr. Harapiak: Mr. Speaker, my question is to the Minister of Environment (Mr. Cummings). In view of the seriousness of this issue, is the Minister now willing to fund an independent third group to look into the operation of the safe drinking water for the City of Winnipeg?

* (1410)

Mr. Cummings: Mr. Speaker, the City of Winnipeg will be funding independent experts to provide presentations to the review process when we have established it finally. The Department of Environment, under my direction, representing this Government, will be putting their energies toward presentations on behalf

of this province and the taxpayers of this province who are using the water from that source. I believe that the taxpayers of this province have a right to expect that we will do the job, and not have to pay for it twice.

Mr. Speaker: The Honourable Member for The Pas, with his final supplementary question.

Mr. Harapiak: Mr. Speaker, since the Minister refused to intervene in the resumption of the Rafferty-Alameda proposal, and he has previously downplayed the concerns of the safety of the Shoal Lake water supply. Will the Minister now agree that he cannot continue to naively agree that Winnipeg's drinking water is safe? I hope it continues to be as safe as

Mr. Cummings: Mr. Speaker, the Member knows better than to assume that that preamble comes anywhere near the truth.

Mr. Speaker, the situation regarding the development in Shoal Lake we have been actively pursuing. We have never at any point rejected all of our options, including legal action, including making sure that we are able to answer all of the concerns under federal environmental legislation, and we will not leave any stone unturned in the protection of the safety of this water.

Federal Equalization Cutbacks

Hon. Gary Filmon (Premier): Mr. Speaker, just because the matter was raised earlier in Question Period, and I have some information that I think will respond to the Leader of the Opposition's (Mrs. Carstairs) comments more fully with regard to the article that allegedly quotes Premier Vander Zalm as identifying me as supporting his comments in favour of cutting of equalization transfer payments, I have been given a copy of the article from the Globe and Mail which quotes neither Premier Vander Zalm nor myself on the matter, but is added as a little editorial extra by the writer.

We have also had a telephone message from his senior staff that indicates that the comments attributed were not made by Premier Vander Zalm in his news conference, that later in a scrum when talking about the fact that the federal Government ought to get its financial house in order rather than impose new taxes on people, such as the GST, Premier Vander Zalm quoted me as agreeing with that view, which is certainly the case.

I have said that publicly, that the federal Government ought to get its financial house in order, rather than bring new taxes such as the 9 percent GST into place.

Mr. Speaker: Order, please; order, please.

Employment Preparation Centre Funding

Ms. Avis Gray (Ellice): The Premier (Mr. Filmon) has knowingly yelled from his seat this morning, no, when my Leader suggested the Minister of Family Services (Mrs. Oleson) made the decision to slash the funds for the Employment Preparation Centres.

My question to the Premier is, who made that decision then?

Hon. Gary Filmon (Premier): I can tell the Member for Ellice (Ms. Gray) that decision was not made at Treasury Board, and I can tell her that despite the fact that an ex-budget proposal had been prepared by the department on that particular issue, that decision was not made by the Premier, and was not made by the Treasury Board, and was not made by the Minister.

Mr. Speaker: Order please; order please. I have recognized the Honourable Member for Ellice.

Ms. Gray: Thank you, Mr. Speaker. With a supplementary question to the Premier, perhaps he could enlighten this House and tell us who in the Tory Government is making all the decisions.

Mr. Filmon: I will be happy to tell the Member for Ellice. The decision that was made with respect to that funding was made by the Government Ministers and by the Minister of Family Services (Mrs. Oleson) to ensure that the funding was provided and that none of those positions were cut. That was the decision that was made by this Government.

Mr. Speaker: Order, order. The Honourable Member for Ellice has time for a very short question.

Ms. Gray: Thank you, Mr. Speaker. Can the Minister indicate to us, now we think maybe the Ministers are making the decisions, but my question to the Premier is, does he support the decisions that are being made by his Government to cut funds on employment preparation centres before impacts have been studied and the consequences are known? Whoever make the decision, you obviously are supporting that. Are you going to confirm that in the

Mr. Speaker: Order, please. Order. The Honourable First Minister.

Mr. Filmon: I thank the Member for Ellice because our Government and our Minister of Family Services have made one decision, and that is to ensure that the funding—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please. The Honourable First Minister.

Order, please. I have recognized the Honourable First Minister. The Honourable Member has already put her question and I am sure the Honourable Member would like to hear an answer to that question. The Honourable First Minister.

Mr. Filmon: Very sadly, we really find out what are the priorities of the Liberal Party; laughing at these issues, making light of all of these issues. There is nothing to laugh about in terms of work for mentally handicapped, there is nothing to be amused about in terms of an issue to ensure that those who are employed in

sheltered workshops remain employed. The one decision on this issue that was made by this Government and this Minister was that the funding will be provided, and that decision will be carried through, Mr. Speaker.

Mr. Speaker: The time for oral questions has expired.

INTRODUCTION OF GUESTS

Mr. Speaker: Prior to Orders of the Day, I would like to draw Honourable Members' attention to the Speaker's gallery where we have with us this afternoon Harry Graham, a former Speaker of this Legislature, and a former Member for Virden.

On behalf of all Honourable Members, I welcome you here this afternoon, sir.

NON-POLITICAL STATEMENTS

Mrs. Sharon Carstairs (Leader of the Official Opposition): Mr. Speaker, could I have leave to make a non-political statement?

Mr. Speaker: Does the Honourable Leader have leave to make a non-political statement? (Agreed)

Mrs. Carstairs: It is with great sadness that I announce to the House that one of our former Members has in fact died.

Mark Smerchanski, who represented the constituency of Burrows in this House from 1962 to 1966 and then served as a Member of Parliament for the constituency of Provencher from 1968 to 1972, has died as a result of stroke.

Mark Smerchanski was born in Malton, Manitoba in 1914 of Ukrainian parentage, a heritage which he kept dear and true to his life throughout that 75 years that he had among us. Those who knew Mark, and I know that many on all sides of the House did indeed know Mark, know that it was his contribution to his community which marks him as a very special and former citizen of the Province of Manitoba.

He was, as many of you know, a geologist and a professional engineer and the president of several mining companies.

In addition, he worked tirelessly for a number of causes within his community here and throughout Canada.

Those who now live at the Holy Family Nursing Home know how hard both he and his wife Patricia worked in putting together the money to finance the construction of the original Holy Family Nursing Home and indeed have contributed throughout their lives to its growth.

He also has been active in terms of representing his heritage in such activities as the Osvita Foundation, the founding of Ukrainian bilingual programs, and he has also served his community in roles such as chairman of the St. Boniface General Hospital.

* (1420)

In addition, he worked as a committee member of Balmoral Hall School when his daughters attended that institution, and there are many young girls who have been trained in the science labs, labs which Mr. Smerchanski donated to the school, because he believed that they were receiving inadequate training as young scientists. Because he had three daughters, and he wanted young women to maximize their potential, he made sure that kind of facility was available to them.

I want to say to the House today that on behalf of the Liberal Party, and I believe to be joined by all Members of this Assembly, our deepest sympathies to his wife, Patricia; his daughters Joan, Rhonda and Patricia; their husbands, and his four grandchildren.

Hon. Gary Filmon (Premier): Mr. Speaker, I would certainly like to—

Mr. Speaker: Does the Honourable First Minister (Mr. Filmon) have leave to make a non-political statement? (Agreed)

Mr. Filmon: —add to the condolences expressed by the Leader of the Opposition (Mrs. Carstairs), and I appreciate her notifying me earlier today of Mark's passing.

Mark Smerchanski was not only a personal acquaintance but a friend. We shared a number of things in common, both a Ukrainian heritage and the fact that we were both professional engineers. I met him many times on social and business occasions over the years, and political occasions, I might say, although he was of a different political Party. He was always a very warm and friendly individual who I enjoyed meeting and spending time with.

As it happens, over the past decade or so, his brother John Shanski, Sr., has been a close neighbour of mine, so I have maintained a close contact with the family. I know personally both Rhonda and Trish, and his wife Patricia, so to all of them I certainly express on behalf of my colleagues in the Conservative Caucus here in the Legislature our sincere condolences.

We will, of course, be participating later this Session in the Motions of Condolence with respect to Mark, but certainly today I want his family to know that we deeply share his loss.

Mr. Bill Uruski (Interlake): Mr. Speaker, I, too, would like to have leave to make a non-political statement—

Mr. Speaker: Does the Honourable Member have leave? (Agreed)

Mr. Uruski: —and join with the Leader of the Liberal Party (Mrs. Carstairs) and the Premier (Mr. Filmon) in sharing this sad moment in public life when one former public servant, in the form of a Member of Parliament, whom although I did not know very well personally I have had the distinct occasion to meet on a number of occasions as a fellow Interlaker whose heritage is the same as Mark's.

I want to pay tribute to the untireless efforts that he made to the recognition of the pioneers of the Interlake,

both in the form of health care institutions and nursing homes, and all his work to create a better understanding amongst all citizens of this world. We share certainly a deep sense of loss on this side of the House for the loss of one Manitoban who really stood out on behalf of the Ukrainian settlers and the Ukrainian pioneers who settled the Interlake. We would like to share with all colleagues here and express our deepest sympathy and regret on his passing to his wife Pat and the family. Vichna i pamyat.

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation): I wonder if I might have leave to make a non-political statement.

Mr. Speaker: Does the Honourable Minister have leave? (Agreed)

Mrs. Mitchelson: Mr. Speaker, it was my pleasure today to be part of the 1989 Manitoba Government Employees Association All Charities Campaign Kick-off luncheon. I consider the All Charities Campaign important for a number of reasons. Mainly it gives us an opportunity to demonstrate that the Government, that is you and I, is a community institution that cares about the well-being of our neighbours. I am sure that has motivated the executive and committee members to give so much of their time and energy to plan the 1989 campaign and particularly on it to serve, for a second time, as campaign co-chair and to be a part of this important undertaking. To all the campaign managers I extend my best wishes as you launch your individual campaigns in your work places. Without your efforts there would be no campaign.

To all the donors I say, thank you for joining forces to make this the largest employee campaign in the province. Please give this campaign your serious consideration, and to all the canvassers, best wishes as you make your important contribution. I wish to thank all Manitoba Government employees who are going to make this campaign a success. The Members of this House, when the canvassers call on you, I encourage you seriously to consider what you have to share with the community.

I just want to say to all of my colleagues in the Legislature who participated in the afternoon's festivities with the tacky ties and the tricycle race, I know those of us who did participate in the tricycle race clearly enjoyed it. I know that by tomorrow morning we will be somewhat stiff and sore in places that we did not even imagine we could be. I do want to indicate that it was a team of Government Members that came first in the tricycle race, so it shows that health is alive and well.

To the Member across the way from Fort Rouge (Mr. Carr), I want to thank him for being such a willing participant in the afternoon's activities. To all my colleagues, I want to thank you for coming out and participating in a very successful afternoon.

Mr. James Carr (Fort Rouge): May I have leave to make a brief non-political statement?

Mr. Speaker: Does the Honourable Member have leave? (Agreed)

Mr. Carr: Mr. Speaker, about one hour ago I was handcuffed and arrested by two members of the Winnipeg Police Department after having run over a pedestrian at the tricycle race at the All Charities Campaign. If news of this should happen to get out, I would please ask all Members of the Legislature, colleagues and those who sit on the other side of the House to put it in its proper context.

May I also congratulate the Minister of Culture (Mrs. Mitchelson) for the leadership role she has taken in organizing this All Charities Campaign this year, to wish all members who are canvassing and those in Government who are about to give to be generous, and to assure them all that they have the support of our Party on this side of the House.

Mr. Speaker: Does the Honourable Member for Concordia have leave to make a non-political statement? (Agreed)

Mr. Gary Doer (Leader of the Second Opposition): I would also like to add our Party's best wishes for the campaign this year. As a former co-chair of the campaign, I regret that I could not make the events this afternoon. I understand that they went well, and I know that the Member for Portage la Prairie (Mr. Connery) did very well in the race. That does not surprise me, Mr. Speaker.

The campaign, I think, is unique in a number of ways. First of all, it has the co-operation of all sectors in the public service. Secondly, it allows for multiple choice of one's charities, not only the ones designated on the list, but it allows one to use payroll deduction to choose a number of different charities. Thirdly, it allows one to designate their own geographic area in the province.

Formerly, this used to just go to all the United Way of Winnipeg, but this system allows for lots of choices both in terms of your home community and in terms of the charities of one's choice. I know the Member for Portage la Prairie (Mr. Connery) may be interested to know that I was involved even in making sure the Portage United Way years ago received money when they were prohibited by the constrictions of the format before. It is a good format, and I know that our Party will join with all people, with the leadership of the Minister of Cultural Affairs (Mrs. Mitchelson) to make it a success this year. Thank you very much.

* (1430)

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I wonder if I may have leave of the House to revert back to tabling of reports and letters, indeed the letter that I have promised earlier on this.

Mr. Speaker: Is there leave to revert back to Ministerial Statements and Tabling of Reports? (Agreed)

TABLING OF REPORTS (Cont'd.)

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I table today for Members of the House a letter that I sent on August 14 to the Honourable Michael Wilson, Minister of Finance, Government of Canada.

ORDERS OF THE DAY

Hon. Clayton Manness (Acting Government House Leader): Mr. Speaker, I wonder if you might call the motion for Addresses for Papers; followed by the Order for Return before going into Supply.

ADDRESSES FOR PAPERS

Mr. Reg Alcock (Osborne): Mr. Speaker, I move, seconded by the Member for Fort Rouge, (Mr. Carr):

THAT an Address for Papers do issue praying for:

- (a) copies of all written correspondence between Manitoba's Department of Finance and the Federal Department of Finance regarding the national goods and services tax in general; and
- (b) copies of all written correspondence between Manitoba's Department of Finance and the Federal Department of Finance regarding the interaction between the federal goods and services tax and the provincial sales tax; and
- (c) copies of all written correspondence between the Manitoba Premier and the Prime Minister regarding the national goods and services tax; and
- (d) copies of all position papers prepared by the Manitoba Department of Finance and submitted to the Federal Department of Finance.

MOTION presented.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, as I respond to the motion, let me say the Government will accept the request to provide these papers. However, I would like to spend just a few moments covering certain aspects of the request because we may not be able to provide the information in the delineations of the classifications specifically as required, or requested, I should say, by the motion coming from the Member for Osborne (Mr. Alcock).

First of all part (a), we will provide the correspondence insofar as we have the flexibility to release the correspondence and I am attempting at this point to ascertain that, although certainly one of the major items is that which I have tabled today.

I might indicate to the Member that over the preceding year about 15 federal-provincial meetings were held during which Manitoba's concerns and suggestions regarding the concept of a national sales tax to replace the existing federal and provincial sales taxes were advanced and discussed.

One problem within this area, Mr. Speaker, is the address may also be requesting copies of correspondence from the federal Government. Let me say that permission, of course, would be required from the federal Government before such correspondence could be released.

With respect to part (b) we will accept this portion too, Mr. Speaker.

Part (c) is also acceptable. However, it should be pointed out that Manitoba and other provinces made their position on the tax clear in the Premiers' Conference communique in August, quite quickly following the release of a technical paper by the federal Government. But nevertheless, we will review all our files to try to comply with part (c).

Part (d), Mr. Speaker, it should be noted that the province has requested additional information and assurances from the federal Government that steps will be taken to address a number of issues important to the province regarding the potential introduction of the national goods and services tax.

Mr. Speaker, let me say, with respect to some of the other papers that we have within the department, particularly as to some of our position papers, inasmuch as they also include our viewpoint as to what the other provinces' positions are, we are going to have to extricate that somewhat, because of course it is not fair that there be a public presentation as to what our viewpoint is as to the other provinces' reaction to the tax. So we are going to have a little bit of a dilemma there in factoring out our viewpoint as to other provinces' reaction to the tax because, indeed, that is obviously their domain and not ours.

Mr. Speaker: Is it the pleasure of the House to adopt the motion, subject to the conditions stated by the Acting Government House Leader? (Agreed)

Mr. Leonard Evans (Brandon East): Mr. Speaker, I move, seconded by the Member for Elmwood (Mr. Maloway),

THAT an Address for Papers do issue praying for:

- (a) a copy of all Orders-in-Council not yet released as of September 18, 1989, but already in effect.

MOTION presented.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, we too accept this, although I must point out to the Member for Brandon East (Mr. Leonard Evans) we have been practising a long-standing tradition, particularly in the Department of Finance, whereby parameter orders with respect to certain loan borrowings and fundings have not always been released at the time they were passed. This is a practice that is long-standing in the Province of Manitoba and there are reasons for doing that, because if we were to give notice, for instance, that we had provided ourselves a parameter order to go into a certain market for borrowing funds, that would become public and that would be known on the financial streets, and ultimately could increase our cost of borrowing.

Mr. Speaker, this is one of the reasons why, from time to time, Orders-in-Council passed are held for a period of time. I accept the motion but I point out to the Member, what he is asking us to do in some respect is putting into jeopardy the minimization of our borrowing in public's debt-servicing costs. We will accept the order and maybe I can discuss with the Member later some of the fine points around his request, particularly in the Department of Finance.

* (1440)

Mr. Speaker: Is it the pleasure of the House to adopt the motion subject to the conditions stated by the Honourable Acting Government House Leader? The Honourable Member for Brandon East.

Mr. Evans: Mr. Speaker, I would like to respond very briefly. I can understand the Minister's explanation. I just want to get an assurance that we are only talking about the financial documents that the O/Cs relate to, financial matters that the Minister related. What we were concerned about, of course, is the question about the political staff whose O/Cs had been passed but had been held up. Certainly that does not affect the borrowing, so we assume that all other O/Cs will be forthcoming.

Mr. Speaker: Is it the pleasure of the House to adopt the motion, subject to the conditions stated by the Honourable Acting Government House Leader then? (Agreed)

ORDER FOR RETURN NO. 9

Mr. Reg Alcock (Osborne): Mr. Speaker, I move, seconded by the Member for Transcona (Mr. Kozak),

THAT an order of the House to issue for the return of the following information:

- (a) the impact of the national goods and services tax on the Manitoba economy generally; and
- (b) the impact of the national goods and services tax on small businesses operating in the Province of Manitoba; and
- (c) the impact of the national goods and services tax on the quality of lives of seniors in the Province of Manitoba and more specifically, with regard to such things as the additional cost per annum for such things as drugs, medical services, housing, etc.; and
- (d) the impact of the national goods and services tax on the agricultural sector of the Province of Manitoba; and
- (e) the impact of the provincial sales tax being charged on top of, or cascading the national goods and services tax.

MOTION presented.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, let me indicate to the House that we will accept the Order for Return. Let me indicate though that

Manitoba is working with other provinces in preparing joint analysis in response to the directive issued by Premiers at their conference in August.

Let me also say that the bulk of the work on economic effects of sales tax reform has been directed towards analyzing the national sales tax proposal. As you know, that was the proposal where there was going to be a unified system. So most of the work that the department had done up till basically well into May, even into June, was on the national sales tax.

Let me indicate again, Mr. Speaker—or for the first time—that I am prepared to have the federal-provincial division within the Department of Finance, the people who have the economic analysis responsibility, call a meeting. I will call a meeting but I am prepared to have them present for all Members of the Legislature at which time they are prepared to give an overview of the analysis that has been done, and will be prepared to receive and respond to questions put by Members of the Legislature. I would undertake to do this within the next three weeks. I would do it sooner but one of our major economists is not in Winnipeg at this point in time.

With respect to (b) the impact of the national goods and services tax on small business, this is an area of concern to the Manitoba Government. Manitoba has expressed concern regarding the edited complexity facing businesses, consumers, including small business and coping with the goods and services tax administered independently of the existing provincial sales tax. Again this is an area that, hopefully, will draw some questions if it is the wish of the Members within the House to have a meeting called, as I have indicated.

The (c) part of the request, Mr. Speaker, we will certainly endeavour to provide that information.

With respect to (d) the impact of the GST on the agriculture sector of the Province of Manitoba, we are also again concerned regarding the added complexity inherent in the goods and services tax and its potential impact on Manitoba's farm economy. Again we will be prepared to share our deeper thinking with Members of the House.

Mr. Speaker, as far as part (e) the impact of the provincial sales tax being charged on top of, or cascading the national goods and services tax, I will respond to that in a written form although I have done so publicly many times. I have said that impact is \$21 million should we cascade on top of an invisible federal tax. I have also, though, indicated to Members of this House on many occasions that we are doing everything in our power to ensure that we do not take additional—but also do not lose—revenue with respect to the goods and services tax as proposed by the federal Government, should it come forward.

Mr. Speaker: Is it the pleasure of the House to adopt the motion subject to the conditions stated by the Honourable Acting Government House Leader?

Mr. Reg Alcock (Osborne): May I just ask for clarification of one of the comments of the Minister of Finance (Mr. Manness)? In response to the part (a) of this, the Minister has offered a meeting with staff from federal-provincial relations. I think it is an excellent idea and I would appreciate such an opportunity. Is that in addition to providing the information requested here? Was it picked apart from the other provinces?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, in accepting the Order for Return, naturally we will endeavour to respond to all sections of it, outside of the meeting that we will hold for Members of the House.

Mr. Speaker: Is it the pleasure of the House to adopt the motion, subject to conditions stated by the Honourable Acting Government House Leader (Mr. Manness)? Agreed

Mr. Manness: Mr. Speaker, before we call the motion to go into Committee of Supply, it is my understanding that at five o'clock we will go into Private Members' Hour, at which time Private Bills will be called.

Mr. Speaker, that being the case, I move that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty. Furthermore, we will be moving into two committees, Agriculture, and Highways and Transportation.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Minnedosa (Mr. Gilleshammer) in the Chair for the Department of Highways and Transportation; and the Honourable Member for Burrows (Mr. Chornopyski) in the Chair for the Department of Agriculture.

* (1450)

CONCURRENT COMMITTEES OF SUPPLY SUPPLY—HIGHWAYS AND TRANSPORTATION

Mr. Chairman (Harold Gilleshammer): Good afternoon, ladies and gentlemen, and welcome back to the Committee of Supply. When the Committee of Supply last sat on June 22, 1989, this section of Supply was considering the Estimates of the Department of Highways. The committee had been discussing Item 3.(a) Planning and Design; 3.(a)(1) Salaries and Wages. We shall now pick up where we left off.

I would like to point out for the committee's benefit that the Minister of Northern Affairs (Mr. Downey) will be sitting in today for the Minister of Highways (Mr. Albert Driedger). Does the Minister have any opening comments?

Hon. James Downey (Minister of Northern Affairs): I do, Mr. Chairman.

Mr. Chairman: I have recognized the Minister. A point of order, the Member for Osborne.

Mr. Reg Alcock (Opposition House Leader): Are you telling us, Mr. Chairman, that the Minister of Highways (Mr. Albert Driedger) will not be present today?

Mr. Chairman: That is correct.

Mr. Alcock: Mr. Chairman, then I move that this committee rise.

Mr. Chairman: On the same point of order, the Honourable Minister.

Mr. Downey: On the point of order.

Mr. Chairman: The motion is out of order. You cannot make a motion when you have sought the floor on a point of order.

Mr. Steve Ashton (Second Opposition House Leader): On a point of order, Mr. Chairman.

Mr. Chairman: On a point of order, the Honourable Member for Thompson.

Mr. Ashton: We are in line-by-line discussion of the Estimates. It is not appropriate for the Minister to be making an opening statement. That is done at the beginning of Estimates. I would suggest we deal with the line by line properly and I would suggest to you, Sir, that the Minister who is recognized, and when he was recognized he was out of order because we are dealing with line-by-line Estimates.

Mr. Chairman: I would suggest that the Minister was not making an opening statement. I just asked for some opening comments.

An Honourable Member: Same thing.

Mr. Chairman: On a point of order, the Minister of Northern Affairs.

An Honourable Member: I challenge the Chair on that decision.

Mr. Downey: Mr. Chairman, on the point of order, we are speaking on a point of order I believe, and surely the two Opposition Parties have had enough time in here to clearly understand that a point of order has been raised and it can be discussed, not only by the two Opposition Parties, but the Minister or Member of the Government may speak to it as well.

On this point of order, Mr. Chairman, I was going to speak to the line which was up before the committee and I do not see that as being out of order. The line was called. I was going to make a comment dealing with it. It was my understanding, and I say this on this point of order, Mr. Chairman, -(inaudible)- form of agreement reached between House Leaders as to the carrying on of this committee, and if there was not, then I will yield the floor to my colleague, who is the Acting House Leader (Mr. Manness).

Hon. Clayton Manness (Minister of Finance): I thank you very much, Mr. Chairman, on the point of order.

Mr. Chairman, there was an endeavour to reach an agreement. Given the fact that the Minister of Highways (Mr. Albert Driedger) cannot be in attendance at this committee, there was an attempt to reach an agreement whereby an Acting Minister, who has been very well briefed in many of the activities of the Department of Highways for the sitting of this particular committee,

to be in position to answer specific questions with the support of course of departmental staff.

I have searched the Rules of our House, Mr. Chairman, and I can see no place where it says we cannot put into the Chair an Acting Minister in the absence of the Minister.

Mr. Chairman, on the point of order, I would suggest that we continue along with the business affairs of the Province of Manitoba.

Mr. Ashton: To the same point of order, Mr. Chairperson. I want to make it very clear that this was raised with the Opposition House Leader. I can indicate that I indicated on behalf of our caucus it was unacceptable to have an Acting Minister in place. The Estimates is a very serious process. We deal with each department once a year. It allows us to ask detailed questions. In the eight years I have been a Member of the Legislature I have never seen an Acting Minister put in place, and there are Members here who have been here longer. The clear practice of this House is that the Minister should be present for Estimates and it is unacceptable for the Opposition that despite our protests this Government is trying to proceed with this committee hearing. I think it is an insult to the people of Manitoba to have someone put in at the last minute. No offence to the Minister of Northern Affairs (Mr. Downey), but he is not the Minister of Highways and Transportation (Mr. Albert Driedger). We want the Minister of Highways and Transportation present before we ask questions on this department.

An Honourable Member: Well, I think we want to hear what the Acting Minister says.

An Honourable Member: No, we do not, we want to hear what the Minister—

Mr. Chairman: I recognize the Member for Osborne.

Mr. Alcock: Are you recognizing, Mr. Chairperson? I am not speaking on the point of order. The point of order has been ruled on. Do I have the floor now?

Mr. Chairman: The point of order has not been ruled on. Any other comments? The Chair will take the matter under advisement. The Member for Osborne.

Mr. Alcock: Are you taking it under advisement at this point?

Mr. Chairman: We will make a ruling on it at a later date. The Member for Osborne.

Mr. Alcock: I move, seconded by the Member for Selkirk (Mrs. Gwen Charles), that the committee rise.

Some Honourable Members: Oh, oh!

Mr. Chairman: Order, please. What is the will of the committee?

Some Honourable Members: Rise.

Some Honourable Members: No.

Some Honourable Members: Oh, oh!

Mr. Chairman: Order, please. As a formal vote on this matter has been requested, we shall now proceed to the Chamber of the Assembly where the formal counted vote will be conducted.

* (1450)

SUPPLY—AGRICULTURE

Mr. Chairman (William Chornopyski): This section of the Committee of Supply will be dealing with the Estimates of the Department of Agriculture.

Let us begin with a statement from the Honourable Minister, if he so wishes.

Hon. Glen Findlay (Minister of Agriculture): Mr. Chairman, we kind of expect we are in a continuity thing. We are carrying on just like we were here yesterday, but I will bring you up to date on some of the things that have happened with regard to crop insurance over the past two or three months. I am sure almost everybody is aware there is an area of the province that is going to be in a claimable position, a reasonably significant claimable position, again this year.

I guess if we were to project on a percentage basis, approximately a third of the province will be in a reasonably strong claimable position. The corporation sort of describes it as a line drawn from Altona to Glenboro, Birtle, and everything south and west of that line is anywhere from poor crop to severely poor, and north of the line is from average to areas of excellent crop.

The final figures are more or less in terms of the acres covered and the liability covered and the premiums paid, and I can also give you some idea of the possible indemnity that we will face in the various programs and the kind of money that has already gone out in terms of dealing with those indemnities.

Just in a general sense, I will give you some figures, and if you want some more I will give them later. In the All-Risk Program, in terms of contracts, 14,000 contracts as opposed to 12,700 the year before.

In terms of liability coverage in the All-Risk Program, it is \$671 million this year as opposed to \$375 million last year.

In terms of the Livestock Feed Security Program, we had 1,983 contracts in 1988, this year 6,599 contracts in place. The number of animal units covered in the Livestock Feed Security Program was 125,000 last year, 395,500 this year, so a substantial increase there.

In the total, if we take all the programs, All-Risk, Hail Spot Loss, Livestock Feed Security, and the Honey Program, the total liability covered in rural Manitoba is some \$719 million.

So there is a significant level of coverage in crop insurance this year, as opposed to less than \$400 million

last year. The amount of premium that will come in on those programs is some \$78 million. The amount of payout that we anticipate making, I will give it to you in three program groups, and then the total. Hail Spot Loss, the expectation is \$24 million will be paid out there. I think about an average payout is approximately \$8 million a year, in that general area, so higher hail claims this year. Additional hail program will probably pay out about \$10 million, and the All-Risk plus Livestock Feed Security, the indemnities that are expected to be paid out, we just can have an estimate at this point in time, but the estimate is \$70 million to \$90 million. Last year \$130 million was paid out. So we are below last year, but not a long ways below. You take those three categories and add them up, you are \$100 to \$120 million, \$130 million of indemnity paid out.

So that is where we are at in terms of expectation. The amount of money that has already been paid out in terms of indemnities, claims that have been filed and processed, is over \$30 million already gone out. Some of that is out in cheques and other parts of it are deferred by the farmer till after January 1.

That is a bit of an update on crop insurance. I am sure as you are well aware, the process of crop insurance review is continuing between the provinces and I think it is fair to say that the area where the worst crop problems are this year is also the area where there was an automatic increase in coverage level this year from 70 percent to 80 percent, because that mechanism was in place in the program and I guess there is a reasonable expectation out there that under the Livestock Feed Security Program, when the figures are finally in there will be a fair bit of a payout under that program. As I said, we have 6,600 farmers enrolled and 375,000 animal units, so there is a substantial level of participation, and for that I am very pleased at this time.

* (1500)

Mr. Laurie Evans (Fort Garry): I certainly appreciate the update that the Minister has given us on crop insurance. It seems like it has been quite a long time since we were in this Estimates procedure and there have been quite a few things happen over the summer. I am hoping that with your indulgence, Mr. Chairman, and that of the Minister, we might touch on a few other generalities before we get down to a lot of the specifics of crop insurance.

The first thing that I would like to ask the Minister is, there has been a lot of things happen which I assume—and I am fairly confident of this—have had a major impact on the bottom line of the Estimates that he provided early on. I am referring to such things as the under expenditure which was identified, something like 19 million, the fact that the crop insurance is going to cost considerably more than it did last year. I assume that he would also be prepared to make some comments on exactly what he has committed the province to in terms of the negotiations under crop insurance for the next year as opposed to the current one. It would appear to me with the change—I believe the change is that the province and

the federal government will now be splitting the cost approximately 25-25 with the farmer still covering the premiums of about 50 percent of the cost of crop insurance in the upcoming year, if one can believe what has been in the press. I assume that those negotiations probably are near, if not having been completed already.

Frankly, Mr. Chairperson, I am a little bit concerned with what I believe is quite a change in direction that the Minister has taken in the last while, because I think he was quite adamant originally that he did not feel it was appropriate for the Government to assume a major increase in cost under crop insurance, but in actual fact he has committed the Government, as I understand it, to a 25 percent of the total cost, as opposed to just the administrative costs that are currently borne by the province. I would hope that he could elaborate on that a little bit.

* (1510)

Mr. Chairperson, it is not my intent in the Estimates in Agriculture to prolong the discussion unduly, and certainly not to go into much of the same thing that was covered in the previous year, so I think there may be some advantages in not adhering so strictly to a line-by-line but perhaps cover these things in a more general fashion. Those comments on crop insurance I would hope will stimulate a response from the Minister.

Mr. Findlay: Yes, we could get into a back and forth discussion on what has happened in crop insurance and other areas.

Boy, there must have been an awful bit of fun somewhere. Everybody is pouring back in. I thought everybody walked out on me a while ago.

Anyway, in crop insurance we have been involved in a lot of discussion, there is no question. There has been a demand at the farm level, starting last year, for a much better program. Lack of sufficient dollar-per-acre coverage was one of the problems last year. We have made some major moves in terms of this year's—

Some Honourable Members: Oh, oh!

* (1520)

Mr. Findlay: I think we are into some problems here. We have some changes in the program this year to make it more attractive to those people who—

Mr. Chairman: Order, please. Can we have a little order?

Mr. Findlay: —wanted to get into crop insurance. I mentioned earlier the 70 to 80 percent increase, the dollar-per-ton increase which allowed producers to get a higher level of protection in terms of dollar-per-acre, from roughly \$60 in wheat to up to \$100 or above. That is in place and it has stimulated a much higher level of total dollar coverage in the farm community.

We got into the discussion about who would cost-share in the future, if we could improve the program. I think it is in the economic best interest of rural

Manitoba and farmers in particular if we can have a much better risk protection mechanism out there in the way of crop insurance, both in terms of type of coverage and dollar-per-acre coverage. If we can get that through some participation on our part, then I felt it was advantageous for the economy of the province for us to contribute something towards the premium portion of that program.

Mr. Chairman: Could we have some order, please?

Mr. Findlay: We were requested at one point to participate to the tune of 25 percent for this year's program. The discussion now is towards not starting that 25 percent participation until the next crop year, and that is the general proposal that is on the table, that all provinces have tentatively agreed to, subject to conditions of adequate improvement of the total program for risk protection through the crop insurance scheme. We have a tentative agreement. We have no objectors on that issue of cost-sharing at this time, but it is subject to the whole package being laid in front of us with sufficient levels of improvements that the farm community was satisfied so that they will buy into the program.

This year, we had a much improved buy into the program from less than 50 percent of the acres covered to roughly two-thirds of the total acres covered in the province, higher level of indemnity coverage. We believe if we do not continue to improve the program to the desire of the client, they will opt out next year in the areas where they had a good crop this year. We think it is in the best interests of the province if we can make some contribution to make this happen, and every province is of the same opinion at this point in time, but it is not signed and it is not final. That is the negotiation position that is in front of us.

Mr. Harold Gilleshammer (Minnedosa): Mr. Chairman, in the section of the Committee of Supply meeting in Room 255 to consider the Estimates of the Department of Highways, a motion was made that the committee rise. A formal vote has been requested on this matter. A voice vote was taken and the motion passed. Members then requested that a formal vote be taken on this matter.

Some Honourable Members: Hear, hear!

Mr. Chairman: Call in the Members.

The question before the Committee of Supply is that the committee rise. All those in favour of the motion will please rise.

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

Yeas, 27; Nays, 21.

Mr. Chairman: All those in favour of the motion, I declare that the motion carried.

Committee rise. Call in the Speaker.

* (1530)

IN SESSION COMMITTEE REPORT

Mr. William Chornopyski (Chairman of Committees): Mr. Speaker, the Committee of Supply has considered certain resolutions, directs me to report progress, and asks leave to sit again.

I move, seconded by the Honourable Member for Inkster (Mr. Lamoureux), that the report of the committee be received.

MOTION presented and carried.

Mr. Steve Ashton (Second Opposition House Leader): On a point of order, Mr. Speaker, the other section of the committee voted to adjourn. It is quite common practice in this House to have one section of the Committee of the Whole sitting, in this case the section of the Committee on Agriculture, and I would ask for a ruling. I think there would certainly be willingness on the part of the Opposition to have that committee sit, presumably the Government would be interested. In this particular case, at least the Minister is here and we can deal with this. It is unlike in the other section of the committee where we had no Minister to answer questions.

* (1540)

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please.

SPEAKER'S RULING

Mr. Speaker: On the point of order raised by the Honourable Member for Thompson (Mr. Ashton), I would like to advise the Honourable Member that both committees have come together and they have voted that the committee rise. Only one such motion can take place during a day.

Therefore, it has been moved by the Honourable Member for Burrows (Mr. Chornopyski), seconded by the Honourable Member for Inkster (Mr. Lamoureux), that the report of the committee be received. Agreed? Agreed and so ordered.

The Honourable Acting Government House Leader, what is your intent? Order, please; order, please.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I am wondering if I might revert back to Orders of the Day, at which time we will call certain Bills that Members of the Legislature may be prepared to debate.

Mr. Speaker: Is there leave to revert back to the Orders of the Day? Is there leave? (Agreed)

ORDERS OF THE DAY (Cont'd)
DEBATE ON SECOND READINGS
BILL NO. 27—THE FISCAL
STABILIZATION FUND ACT

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I wonder if you might call Bill No. 27, standing in the name of the Honourable Member for Osborne (Mr. Alcock).

Mr. Speaker: On the proposed motion of the Honourable Minister of Finance (Mr. Manness), Bill No. 27, The Fiscal Stabilization Fund Act, Loi sur le Fonds de stabilisation des recettes, standing in the name of the Honourable Member for Osborne (Mr. Alcock). Stand? the Honourable Member for Selkirk.

Mrs. Gwen Charles (Selkirk): May I have permission to speak on this Bill and leave it in the name of the Honourable Member for Osborne (Mr. Alcock)?

Mr. Speaker: Is there leave to allow the Bill to stand in the name of the Honourable Member for Osborne? (Agreed)

Mrs. Charles: Mr. Speaker, I am so pleased to be able to speak on this Bill, having come from a former—and not likely to return—NDP riding where we have seen slush funds used so well, and I see this again as another slush fund in order to keep a Party hopefully on their behalf, but not on the people's behalf, in Government.

I have seen the abuse of privilege of using money by the Government in order to prop up popularity and it is the largest sin we have.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. Honourable Members wishing to carry on a private conversation can do so outside the Chamber. Order. The Honourable Member for Selkirk has the floor.

Mrs. Charles: As I was saying, I am pleased to be able to speak on this because of the past history I have experienced with slush funds. I think the lack of respect being shown by the Government today continues on in that certain Ministers, and particularly the Minister of Health (Mr. Orchard), sees no value in listening to the goings on of this House, would rather heckle and peckle and make—

Mr. Speaker: Order, please. The Honourable Minister of Health (Mr. Orchard), on a point of order.

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I believe it is incumbent on honourable Members when they make remarks to have their facts straight. Twenty-one out of 22 Members of Government were sitting here ready to debate Estimates until the Official Opposition got sucked in by the NDP. They end up delaying the whole House and wasting the time and taxpayers' money.

Mr. Speaker: Order, please. The Honourable Minister does not have a point of order. Disputes over the facts

is not a point of order. The Honourable Member for Selkirk.

Mrs. Charles: Thank you, Mr. Speaker. It is very difficult to understand at times why this Government was elected, and it is particularly difficult to understand today, when one of their front bench Ministers will not be quiet enough to listen to a speech given by an Honourable Opposition Member.

Some Honourable Members: Oh, oh!

Mrs. Charles: Mr. Speaker, could we call for order please? I cannot speak with this.

Mr. Speaker: Order, please. I am having some difficulty in hearing the Honourable Member for Selkirk. Honourable Members wishing to carry on private conversations, as I have said, can do so outside the Chamber. The Honourable Member for Selkirk.

* (1550)

Mrs. Charles: Thank you, Mr. Speaker.

There are many ways to abuse the system—

Mr. Speaker, again the Minister of Health (Mr. Orchard) interrupts. Could I have him called to order, please?

An Honourable Member: Poor babies, poor babies.

Mr. Speaker: Order, please. We refer to all Honourable Members as Honourable Members. The Honourable Member for Ellice, on a point of order.

Ms. Avis Gray (Ellice): On a point of order, Mr. Speaker, I would ask that the Opposition, particularly the Minister of Education (sic), not refer to women in this House as "poor babies."

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please. I have already told the Members that we refer to all Honourable Members as Honourable Members. The Honourable Member for Selkirk has the floor.

Mrs. Charles: Mr. Speaker, I really do wish to speak on this Bill. We have this Government setting aside money that can be used for very many necessary projects. I can think of so many within my own community, and I do not think that our needs are any more special than anyone else's in this House.

We have no community mental health worker in the Town of Selkirk. We have no ability to help those who are under stress, and certainly in these past two days we understand the seriousness of those people who cannot cope with their goings-on in their everyday life. And it does not only occur under the stress of media. We have people not coping in all walks of life. It is a shame when a community has to go without a community health worker, and this Government is responsible for all those in Selkirk not being able to get help that they need, in spite of our being the centre for psychiatric treatment in the Province of Manitoba, one of two of the centres.

(Mr. William Chornopyski, Deputy Speaker, in the Chair)

Yet they are quite willing to put aside money to have, just in case they need it. When will they need that money, Mr. Deputy Speaker? I suspect that it will become loose as soon as we see their polls, the ones they take, indicating some fluctuation, should that ever occur, in popularity. I say that, because I have seen the history in my riding of that type of occurrence.

The NDP in the past has used popular granting systems in order to keep in Government. It was not popular in the end and they were defeated for that reason. I suspect this Government will in the long run be held accountable for the way they hold this money and spend it.

They want to tell us that this is a financial arrangement, that this will be good for the province. Well, it has not been recommended by the Auditor of the province. Of course the Auditor is well used by the Government when they agree with him, but not when they disagree with him. They decide to go their own way.

How could this money be further spent? This Government has turned down an agreement made by the previous Government in the Town of Selkirk to commit itself to funding a downtown redevelopment project. Why was that turned down? Not because it was not agreed to before they came in and that they had some obligation to put forward agreements that had been made and then signed under the Government ahead of them. No, they just decided that they did not want to fund the downtown redevelopment project in the Town of Selkirk because they did not win the seat. They had been expecting to but the people were smarter than they thought.

They broke an agreement of the former Government and I think the people of Selkirk are suffering because of that. Now there are people in the Town of Selkirk may not totally agree with the downtown redevelopment as some propose it. But we all agree that Selkirk needs help to enable them to stand in competition with the City of Winnipeg. There are not many towns within the same perimeter as the Town of Selkirk has and we are in competition with the city. Governments are not helping them in any way.

We have long distance telephone charges that industries and businesses in the City of Winnipeg do not have. We have extra shipping charges in order to compete with the City of Winnipeg.- (interjection)- Not from the City of Winnipeg out to Selkirk, you do not. The Minister of Education says, so does Winnipeg have extra shipping charges.- (interjection)- No, I know you are not from the City of Winnipeg, but I am assuming you are sitting here and talking of yourself.

But we are within a half-an-hour's drive of the city and that makes a difference. The difference is that the market, the draw of the City of Winnipeg is within reach of the residents of the Town of Selkirk, and that makes it very unique.

The City of Winnipeg has been faulted by most rural Members here of having too much power in the Province of Manitoba, being the one sole city, the only province in the country that has only one city representing almost

60 percent of the population, and that makes us a very unique province.

I find that if we want to disperse the influence of the City of Winnipeg we should be helping the communities on the outreach system; and yes, you can leap over the Town of Selkirk and go to Dauphin and Flin Flon and The Pas, and I certainly support that. But what about those areas on the fringe of Winnipeg that have to compete in market, and on the top of that they have to compete on telephone exchange, on freight rates, they do not even have party lines—they do have party lines, excuse me, they do have party lines around the Town of Selkirk and cannot even have equal service of those people who may be half-an-hour away or, indeed, half-a-minute away, as many magical lines are drawn in networking and throughout our community.

This Government did not see fit to take any of its money to put towards eliminating party lines in the Town of Selkirk, or in any other commuter area. That was not worth thinking about. They are quite willing to have people that are under stress, have limited help capabilities of being at home.- (interjection)-

Mr. Deputy Speaker, the Minister of Health again prattles on. Could you call him to order, please? I would appreciate doing my speech.

Mr. Deputy Speaker: Could we please allow the speaker to say what she has to say, so we could all hear her out?

The Honourable Member for Thompson.

Mr. Steve Ashton (Thompson): Mr. Deputy Speaker, in addition to Members perhaps paying attention, I wonder if it might be possible for the Government Members to ensure that the Minister responsible for this Bill is able to directly hear the comments of the Member. I think it is standard practice for the Minister responsible to be present for debate. I think in this particular case, since the Minister responsible is also the person responsible for calling this Bill first on the Order.

I think it would be appropriate. We have already had one situation where we could not get a Minister in place. Could we at least in this case, when we are debating Bills, have the Minister of Finance here to directly listen to the Member for Selkirk?

Mr. Deputy Speaker: I thank the Member for that advice, but the Member does not have a point of order.

The Honourable Minister for Northern Affairs.

Hon. James Downey (Minister of Northern Affairs): Mr. Deputy Speaker, on a point of order, I would just like to bring to your attention the fact that it is unparliamentary for any Member to make any comments as to either the presence or absence of any Member in this Assembly, and I would think that the Member for Thompson (Mr. Ashton) should be fully aware of that. I would appreciate if he would be prepared to withdraw any comments that reflect as to whether or not any Member is in the chair.

Let us remember as well, it was the plan of the Government to carry out the Estimates of both

Agriculture, and Highways and Transportation, and/or Health as was offered to the opposition Members of this House. It is the two opposition Parties that have made the decision that they want to frustrate the business of the people of Manitoba and act in an irresponsible manner, Mr. Deputy Speaker. The Minister of Finance (Mr. Manness) will be here to hear the comments of the—

Mr. Deputy Speaker: Order, please. Order.

Mr. Downey: —Member opposite, but I can tell you he is doing business that relates directly to the interests of the province, something that the Opposition Members do not have on their minds.

Mr. Deputy Speaker: The Honourable Member does not have a point of order. Dispute of the facts is not a point of order. The Honourable Member for Selkirk (Mrs. Charles) has the floor.

Mrs. Charles: Mr. Deputy Speaker, we have many places, as I was saying, where this money could be well spent. We were speaking today of health care systems and municipal hospitals are in desperate need in the City of Winnipeg to be rebuilt so that those who have suffered, what to us will be unknowingable (sic) mental and physical sufferings, can at least have some relief through satisfactory environment. This Government does not have sympathy for them, as it does not have sympathy for those under mental stress in areas such as Selkirk.

We have a great need in the Town of Selkirk for housing. We have some 200 to 300 people on long waiting lists for low-income housing. We have an abuse shelter that is more than full and these women who are coming from stress situations have nowhere to go, no housing, none whatsoever; but this Government has no sympathy nor respect for their needs.

This Government has no respect at all. It takes money that was luckily handed to them and puts it away in a little sock so they will be able to use it for their own benefit, and I think that is a really sad comment.— (interjection)— Yes, as the Minister of Northern Affairs (Mr. Downey) asked me if I really believe this, I do. I really do. I know the Minister of Northern Affairs may not understand that people can believe in better things, but it is the truth that money salted away is not money well-spent. Money that has been given to you through transfer payments, because we are not equal as Canadians across this country, should be spent on making us equal. It should not be spent to make the Government propped up and look good. That is a sorry Government and a sad state of affairs.

This Government has no respect, no management, no sympathy. It is resting only on the situation of the times where high mining taxes and revenue from those taxes have been put in their coffers. Yet, do they reinvest it in retraining our youth? No, we do not see that. We see the Selkirk Training Plant being readjusted not so that we can retrain those who for a lifestyle sake have not been trained well. We do not see the mentally handicapped being trained, we see budgets being cut

there. We do not see Alcoholic Foundation programs being increased. We do not see anybody in need being increased.— (interjection)—

* (1600)

The Minister of Environment (Mr. Cummings) thinks that we are only after serving our public. Well, I will tell you with the state of the Workers Compensation Board, I need that extra money to service those clients that come in and cannot get funds out of the Government that they deserve. If he could look after his department, I would not need \$26,000 a year to serve people who do not know anywhere else to go. I have had 21 people at one time wanting Workers Compensation benefits and your department is so messed up they cannot deliver.

Mr. Deputy Speaker: Order, please; order please. The Honourable Member for Selkirk (Mrs. Charles) has the floor again.

Mrs. Charles: This Government seems to think the only way that they can solve problems is throwing money at it. They seem to think that instead of cleaning up a department, we should just put money into it. I would like to see a department that could find a file. The Workers Compensation, day after day after day, cannot find the file. They cannot explain where things go to off their desks, and they think money will cure that. That needs management and leadership. If he thinks that is expensive, then he does not know why he is there, and he should not be getting his wage.

This Government, and particularly the Department of Health with a Minister that does not seem to be able to control it, is losing the people money. We started out when this Government came into power with psychiatric services in the Town of Selkirk. Through this Government's management, as they would like to call it, crisis management, they have depleted all our services and not given the people of Selkirk even a worker. They have not, time after time, faced today's problems. They are not ready to understand what they are here to serve and who they are here to serve. Their money is to be put away and hidden. Sometimes it costs money to save money, and sometimes we have to be responsible for how we spend things and not how we save things, and there is a large difference. This fiscal stabilization is not worthy of the people of this province. It is showing the total disrespect of this Government to the people, and until they understand why they were elected, they do not deserve to be Government.

Mr. Deputy Speaker: Order, please. The Honourable Minister of Energy and Mines.

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Deputy Speaker, it is a pleasure for me to provide entertainment for the Member for St. Vital (Mr. Rose). I am pleased, as well, to speak on behalf of Bill No. 27, and in favour of Bill No. 27. Before we start on Bill No. 27, let us talk somewhat about some of the comments made by the Member for Selkirk (Mrs. Charles).

The Member for Selkirk has complained—

Mr. Deputy Speaker: Order, please. The Honourable Member for Transcona (Mr. Kozak) on a point of order.

Mr. Richard Kozak (Transcona): The Government Members, Mr. Deputy Speaker, persist in being so raucous in disregard with the comments of their own Minister which they find unworth listening to that I am finding it difficult to hear his comments.

Mr. Deputy Speaker: I thank the Honourable Member for that advice, but the Honourable Member does not have a point of order. The Honourable Minister of Energy and Mines (Mr. Neufeld) has the floor.

Mr. Neufeld: Mr. Deputy Speaker, I suppose this is going to be ongoing all afternoon, so I will attempt to keep my remarks brief. The Member for Selkirk (Mrs. Charles) went on and on about the spending that was not being done in Selkirk.

The Member felt that because the Government did not elect a Member in that constituency, the Downtown Planning Program was withdrawn, the planning program that had been signed, presumably by a former Government, by the Premier of the province of the day who was a Member for that constituency. She makes no comment that perhaps it was because he was a Member for that constituency that the plan indeed was approved by the former Government. So it seems to me that if you live by the sword, you die by the sword. The Member also thought that Selkirk was getting the blunt end of the stick with respect to long distance charges, with respect to shipping charges of businesses who do business in that area. Strangely silent she was, however, on the lower business taxes of Selkirk or the lower property taxes of Selkirk, or the lower other charges in Selkirk. She only emphasizes those areas that come to her mind on what might be more expensive.

Long distance charges are for those who phone long distances. Winnipeg is a large centre and the lines have to be drawn somewhere where long distance charges will prevail, and the line has been drawn. It is up to the Manitoba Telephone System, I should think, to extend those lines and it is up to them to lobby the Manitoba Telephone System if they wish those lines extended.

It seems to me also, Mr. Deputy Speaker, that again and again the Opposition of both Parties of the Opposition talk about more spending, it is always more spending. There is never a thought of who is paying the bill, who is going to pay the taxes. The Member mentioned that, and I will quote directly, money salted away is not money well spent. Well, we have a substantial deficit so we are not really salting away much money, are we? We are putting away some money for future spending, wise spending and planned spending and not simply throwing money in areas where Members of the Opposition would like that money thrown.

Let us discuss the Bill itself. So few speakers who have spoken on this Bill to this point have addressed

the Bill itself. The Bill is to set up a fund to allow Government to spend monies that are earned today in the future. Long-term budgeting is not such a bad idea. You must do it, Mr. Deputy Speaker, even the Member for St. Vital (Mr. Rose) probably does it within his own family. You have to recognize that you have bills coming up; you have your property taxes which you cannot pay out of one month's pay cheque; you have your income tax which you probably cannot pay out of one month's pay cheque; you have a new car to buy which you cannot pay out of one year's savings, so you have to save your money for the spending you know you are going to have to spend in the future. That is what the stabilization fund is all about.

Much has been said, Mr. Deputy Speaker, about the fund not having any accountability. You can dip into it at will as the Member for Selkirk has indicated. You can dip into it for election promises. I do not think she used those words but those are certainly her intent. She said that having spent the money you would not have to account for it. Well, Mr. Deputy Speaker, the fund is hardly that. The Fiscal Stabilization Fund is a fund which we have put money aside for the future. When the money is used it has to be brought into the budget as an expenditure and that certainly is accountable, so there is no question of it being monies not accounted for.

Once the money is in the stabilization fund, the \$200 million, it must be taken back into a budget as income and then spent through the budgetary process, and that is not a slush fund as the Jobs Fund was. The Jobs Fund was a slush fund.

* (1610)

We have heard a lot said about budget cuts. Mr. Deputy Speaker, there is a big difference between budget cuts and service cuts. Certainly we would like to cut our budget. Certainly we would like to cut our expenditures. We have to. We cannot carry on indefinitely in deficit financing, we cannot. The individual Members cannot in their own houses, in their own households, they cannot in their own businesses. The piper must be paid. If I had my way, we would put a limit on the interest that Government might pay in any one year as a percentage of the total budget. I would like to put that percentage at around 9 percent or 8 percent instead of the some 18 percent we have today. What could we do with that extra 10 percent of our budget? Ten percent of our budget is in the area of \$450 million. What could we do with it if we had that money?

It is in areas like that I think we should direct our attention instead of saying, you cut the budget so you must have cut services. For the life of me, Mr. Deputy Speaker, I cannot see how a budget cut can be equated with a program cut. The two are not the same thing. They may be related, but let him talk to us about program cuts, let him talk to us about service cuts, but do not say, you cut the budget so you must have cut the program. There is a heck of a difference. The difference is good management.

We will manage our programs for less money than the former Government managed it. We must, or else

the province is in dire straits. The country may be in dire straits already, but the province, we are going to (interjection)- Well, the Member for Thompson (Mr. Ashton) says with five years of Mulroney, he would agree with that. The federal Government's interest is approaching 30 percent, or one-third of their annual budget is interest. My goodness, that is far, far too much, and yes, the federal Government is in dire straits. But we do not want to allow our province to get into that position. What we want to do is bring it back to a realistic position, bring it back from the deficit position that the former Government brought us into, and it is for that reason, Mr. Deputy Speaker, that we must start looking into the future and budgeting for future expenditures and recognizing that there is a tomorrow, and recognizing that there will be expenditures tomorrow which we may not be able to manage with the income for that particular year.

The Opposition, both sides have indicated, have told us that we are not spending properly because we have had \$200 million from the mining companies up North. We have had additional payments from the federal Government. Well, it is just those kinds of money that should be set aside, Mr. Deputy Speaker, because they are not ongoing. The mining income, the mining royalty taxes will be reduced. Nickel prices are already down by one-third of what they were and they are going to go down some more. When nickel prices come down, profits come down, and our revenue comes down. We should not spend the money simply because we get additional monies in that one year. We must think of the future. We must think of next year and the year after and our children and our grandchildren. For that reason we must bring our deficit down to the position where we do not spend monies for interest payments in excess of 8 percent or 9 percent.

Mr. Deputy Speaker, we have talked in the past about multiyear budgeting and it seems to me that the Fiscal Stabilization Fund is a first step toward multiyear budgeting. It is a reasoned step to take us to that position. It is not yet in law. We cannot do it, but this is the reason for this particular Bill, and it was my hope that we will get this Bill passed, and we will be in a position to manage the affairs of the province into the future, into the next century, for our children, for our grandchildren.

(Mr. Speaker in the Chair)

I might say I do not think there is anything sacred about 365 days, and that is the term of our budget today. There is nothing sacred about that. We should attempt to look further ahead than 365 days. There has been many attacks upon the Government from both opposition Parties that we do not plan far enough ahead. Well, this is an attempt to plan further ahead. I cannot see how the Opposition can take exception to the Bill.

We have been told that we do not spend enough money in the North. It is true also that when the mining monies were not coming in, when the mining taxes were not as high as they are today, monies were still spent in the North. More money was spent in the North. The Manitoba Mineral Resources is spending a lot of money to develop and explore for new ore deposits.

We do not want to throw the money at a problem and then have no money left. We have to spend it wisely and I do think that we do.

We have been told about the potential abuse of the fund. I cannot understand how there may be an abuse. We must bring the monies into the budget of the year in which we wish to spend it. We can only do that at budget time. The budget is reviewed by the opposition Parties and the budget is voted on by opposition Parties and is examined in great detail by opposition Parties.

If there is a way to abuse the system, perhaps we still have not found it. The Member for Churchill (Mr. Cowan) wonders if we are still looking. We are not looking for abuses but we are looking to make certain that when the day comes, a long time in the future where other Parties are in power, that there are no abuses. That will not come as soon as you think. I think the Member for St. Vital (Mr. Rose) is going to have to buy a lot of that greasy stuff for his hair before that time comes.

An Honourable Member: Is that Brylcreem?

Mr. Neufeld: No, it is not Brylcreem, it is that stuff that keeps your hair looking like Maurice Richard's.

I think that we must, in Government, recognize that the future will not always be as bright as it is today. There will not be the monies from Ottawa; there will not be the mining monies, so we must prepare for that day. When there is a lot of money around, when there is a lot of money coming in, the Opposition thinks that we should spend it all because they can only see the money coming in.

I have likened in the past, in my other life, the turning of money to a bicycle wheel. When the wheel is turning fast you cannot see how many spokes are missing. It is only when the bicycle wheel slows down that you recognize you can see that there are very few spokes on the wheel and that is the same with—

An Honourable Member: It is easy for us to see all the spokes you are missing, that is for sure.

Mr. Neufeld: You have improved a lot since the last time I talked to you privately, sir.

An Honourable Member: Oh, way to go, Harold.

Mr. Neufeld: The lights are on but nobody is home, right? You have a four-storey elevator in a six-story building, buddy.

I was told, Mr. Speaker, that the Member for Thompson (Mr. Ashton) asked what we were debating. I was told that I was part of the entertainment for this afternoon.

An Honourable Member: Comic relief.

Mr. Neufeld: We must remember also that there are only two ways in which Government or business or individuals can provide for the future, and that is either make more than they spend or spend less than they

make, and there is a heck of a difference. The Opposition is in a spending mode. We are supposed to throw money at every problem we see or every problem they see and that is not good management. Good management is to try to identify the solutions to the problems and then spend with respect to those solutions, not throw money until the problem is hidden with dollars and then hope that it goes away. The problem will not go away simply because we throw money at it.

Mr. Manness: Good management in Manitoba is a PC Government.

Mr. Neufeld: Good management—I wish I had said that.

An Honourable Member: Say it anyway, say it again.

Mr. Neufeld: The Finance Minister (Mr. Manness) says good Government is a Tory Government.

* (1620)

I think we must educate ourselves and I think Governments of all Parties are guilty of . . . No modern Government is prepared to live within its means, it seems. We are the first Government, I think, that has attempted to in recent years and we will attempt again. But that does not mean, simply because we have extra monies, we should throw it at a problem. We will spend wisely. The Member for Inkster (Mr. Lamoureux) again refers to this as a slush fund. He obviously was not here when we discussed what a slush fund was. A slush fund is one for which there is no accountability. I will repeat that, and it bears repeating. There is no accountability for a slush fund. Does the Jobs Fund come to mind? There is no accountability.

The Stabilization Fund is a fund set in law.—(interjection)— There is nothing wrong with surplus budgets. We are debating whether or not we should put into law the setting up of a stabilization fund.—(interjection)— No, it is not a slush fund. It is accountable and a slush fund is not accountable. This fund is totally and fully accountable and I guess, that is the end of the—

An Honourable Member: What would he understand about budgets?

Mr. Neufeld: The answer to both Opposition Parties is tax. How much more can we tax? Who are we going to tax? They support tax. You do not support more tax.—(interjection)— Let it be said, let it be written, that the Liberals do not support an increase in tax. They strangely voted against a decrease.

We are one of the highest taxed provinces now in the country. As individuals, I believe we are probably the highest; corporately we are probably the second highest. How much more can we tax? How do we encourage corporations to come in and invest in Manitoba if we are going to tax too much? How do we do that? I am at a loss. Perhaps the Opposition can enlighten us?—(interjection)— Perhaps we should

turn the Member for St. Vital's (Mr. Rose) mike on so everyone can hear him.

Mr. Speaker, let me say again that the Stabilization Fund is a management tool to arrange our affairs well into the future. The hope is that we can bring our deficit down, and the last time I mentioned bringing our deficit down to the point where interest payments shall not exceed 8 percent or 9 percent of our total budget, I got a nod of agreement from the Member for St. Norbert (Mr. Angus). I am glad to hear that, so it is a direction we are taking. With that in mind, I am certain that the Member for St. Norbert and his Party will vote with the Government to establish this Stabilization Fund. Because it is through this fund and through the long-term management that this province will get to the position it needs to be in, and that is a lower deficit and that way encourage more investment, encourage investors, and not Government, to provide jobs for our citizens. It will be the day that we will all feel proud that we have been a party to this kind of legislation.

Mr. Speaker, with that I will sit down and allow the Opposition Members to speak on this Bill, because I know that the Member for St. Norbert (Mr. Angus) is definitely now in complete agreement with Bill 27 and hopefully he will get his caucus to vote with the Government on this Bill.

Mr. John Angus (St. Norbert): Mr. Speaker, I indeed appreciate the opportunity to be able to discuss with some intelligence this Bill, because I think that we have an issue on the floor where we can clearly identify philosophical differences in how to proceed in relation to governing. Quite frankly, I believe that this whole process should be for sharing the views that you have as to how things are operating, how things are going, and how the Government, in this particular case, is doing things. So I appreciate the opportunity to add some comments.

I have broken it down into three specific sections, Mr. Speaker. I am afraid I cannot support the Bill. I cannot support the Bill in its present form. While I recognize that there is some disappointment on the Government's side to the position that I am taking and I hope I will be able to persuade them that this Bill needs some major amendments and/or some specific changes in order to make it workable.

The Honourable Minister of Mines and Energy (Mr. Neufeld) has referred to his former life in which it is well known he was a chartered accountant, and perhaps still is. I think he was a partner in a major accounting firm.

Mr. Speaker, surely then as an accountant, if he was to give investment advice to an individual in a business or in a household as he did to this House, he would suggest that reducing the mortgage payments as much as possible is perhaps the finest and best that you can make. It shows the biggest return and, indeed, in his remarks he has suggested that by reducing the total debt load of the province which is, by anybody's standard, an enviable goal how you achieve that reduction in debt load is the matter of crux.

I think if I had been in the position of arguing to and in Cabinet I would have suggested, proposed,

encouraged that the deficit be reduced, that you pay down and balance the budget and the Minister of Finance (Mr. Manness) had the opportunity to do something that has been many, many, many years—since Douglas Campbell of the Liberal Party, back in the early '50s—to balance a budget in the Province of Manitoba. You did not take that. It would not have taken all of that \$200 million.

So I believe, Mr. Speaker, that the Minister for Hydro (Mr. Neufeld) could have had an opportunity to use his management skills and his good accounting advice to ensure that we did not throw additional money away on high interest payments and on those high mortgage payments by hoarding the money into whatever type of a trust fund you want to have, or whatever you want to call it.

The facts are that you took a lump of money that you could have used to reduce the debt load, to pay down the debt load, and you stored it away. So you are paying money on top of money. You are in fact out in the marketplace borrowing money—whether it is from Manitobans or from offshore money—and you are paying interest rates, while at the same time you are, I suspect, gathering a lesser amount of interest by hoarding this money in some form of a trust fund.

It simply does not make sense to me, Mr. Speaker, so for that fundamental reason I find it difficult to support this Bill. Let me go on in terms of what the Member has also suggested is difficulty in the provision of services, and what he referred to as spend, spend, spend and throw money at the problems.

Certainly among all of the Members we all recognize—and I particularly am conscious of the amount of tax dollars that individuals have to pay and I am also conscious of the fact that they do not want more taxes, that the only solution is not—and perhaps not even the best solution—to throw money at a problem. That is not what I am striving for, Mr. Speaker, but I have a great deal of difficulty justifying to my constituents, justifying to the people who have elected me that we do not have the money for very needed social programs where they are identified by the Ministries, by the Department.

When we get reports across our desk that—from the Government, Government initiated reports—suggest that the bars in a jail at Headingley can be cut with a serrated butter knife. On one hand, the Government says we do not have any money to fix it up, it is a long-range project, and on the other hand they have established a trust fund. That does not make sense to me, Mr. Speaker. It is Government's responsibility to address the problems that they can within the money that they have raised and to tax people so that they can hoard money is not, in my mind, a responsible position to take.

* (1630)

So we see that however they have decided to do it, there were illusions today that an invisible man with the axe was running around slashing various programs, and then after the effect of those programs being cut was recognized, the money was being reinstated. It is

too bad that you have to respond in that fashion. It is much better not to have made the mistake in the first place, but to hoard money while these programs are being cut and while people are being displaced and stress levels in all of these agencies and organizations are being driven up does not make sense to me, not fiscally, or not responsibly. I believe, Mr. Speaker, it is not even penny-wise. It is certainly pound-foolish, and I just do not support the hoarding of money with one hand while the other hand is suggesting that we have not enough money to do the things that we want to do, to even fulfill your agenda the way you want to fulfill it.

Mr. Speaker, the one thing that concerns me that the former accountant suggested was the provision that in order to do multiyear budgeting, you have to have a trust fund or a proviso, a lump of money. That is fundamentally wrong. It is fundamentally wrong. You do not have to have a whole amount of money stashed up in the bank in any, whatever you want to call it, anywhere, in order to be able to do multiyear planning, multiyear projections and multiyear budgeting. So how he as a professional and how he as a Cabinet Minister can stand and suggest that is a requirement is mind-boggling.

So I believe, Mr. Speaker, that you plan for the spending based on the money you anticipate getting. Nothing prevents multiyear budgeting whether you have the money or do not have the money. There has been a lot suggested about the controls that are or are not and the budgeting process on an annual basis.

I doubt very much whether the Government will be able to put this lump of money away and not touch it until next year at budget time. That simply does not make sense to me and I do not see those types of controls. If those controls were in this proposed Act, if they specifically said this is going into a sinking fund, not to be touched until next year's approval through the legislative process, again I might be prepared to look at it a little differently.

Finally, Mr. Speaker, to link the hoarding of this money to, and suggest that if I am against this Bill, I am against the proposed tax cuts to Manitoba taxpayers, is absolutely ludicrous, because nothing could be further from the truth. I am for fiscal responsibility, a position of fiscal responsibility that will encourage tax reductions to Manitobans, tax reductions to the businesses of the province, but I am not in favour of doing it by hoarding the money and I just do not. I fundamentally, philosophically do not believe that is the way the Government should be acting with this lump sum of money.

So I am going to vote against the Government on this Bill, and if the Government feels compelled to suggest that is a matter of confidence in their ability to manage, then so be it, and if they decide to go to the polls and say to the general public, we have hoarded \$200 million because we have cut back on health, because we have cut back on social services, because we have not enough money, well, Mr. Speaker, I am prepared to fight that argument on the streets because that is what we are here for. We are here to represent the way we would manage the province. I do not think

that is a very good way to manage it, so it is with regret that I cannot support the position that is being taken by the Cabinet and by the Government.

Thank you, Mr. Speaker.

Hon. Harry Enns (Minister of Natural Resources): Mr. Speaker, it is a privilege for me to be able to contribute to the debate on second reading on Bill No. 27.

It is a Bill that probably in my judgement is one of the most important Bills that this Assembly will face during this Session. It is a Bill that encompasses probably the most important thing that all Governments in this country should be dealing with and that is fiscal responsibility.

Mr. Speaker, fiscal responsibility is what this Bill is all about. Our Rules call for Honourable Members in dealing with Bills at Second Reading to confine or contain their comments to the principle of the Bill. Perusing the Bill one might say, well, it is a little difficult to find the principle of essentially a financial Bill, a Bill that deals with numbers, a Bill that deals with the mechanics of how amounts of money will be dealt with. Where does a principle leap out from a Bill like that?

Well, Mr. Speaker, it does not surprise me that Honourable Members opposite do not recognize it unfortunately without having to lean on the kind of partisan opinionated comments that we are accustomed to in our vocation; but surely the facts speak for themselves because they are facts that do not lend themselves to easy distortion.

Surely, Mr. Speaker, nobody can argue in this Chamber, least of all the Members of the past Government, the five-six successive years of out-of-control spending of \$400 million and \$500 million deficits that are there to be seen, we can all check the figures. I was in the House, other Members were in the House when those debits were being racked up. I am not commenting about what they were doing with the money, how justifiable expenditures of those monies were, leave that for other debates. Those debates took place in this Chamber.

This Minister of Finance (Mr. Manness) is the recipient of the result of that kind of lack of responsibility. He is today writing out a cheque of over \$1 million every day. Every day we sit in this House he has to write out a cheque of over a million dollars to pay for the interest that that group of legislators borrowed over and above the revenues of the years that they were responsible for, Mr. Speaker.

Surely it does not take too much imagination to think of how better those millions of dollars in excess of \$350 million a year, not to retire our debt but to service it. I can hear the echoes in this Chamber of any one of the Honourable Members opposite who would apply those monies to resolving the problems of today whether they are day care, whether they are in agriculture, whether they are in health care, in education. Let us just ponder that for a moment.

Mr. Speaker, what is presented to you in Bill No. 27 is a fiscally responsible measure that ensures we get off that train we are on and that we are prudently

managing for the present as well as for the future. Let us talk about the present for a moment. The Honourable Member for Selkirk (Mrs. Charles) who just spoke earlier on in the afternoon indicates that it is wrong to have that money set aside and not being applied to the pressing problems of today.

* (1640)

Mr. Speaker, arguments for expenditures of money, how pressing they are can be made and are made with a considerable degree of justification every day and will always be made. It was precisely that kind of spending that now leads us to the position where we are spending so much money unproductively, over a million dollars a day.

I am sure the Honourable Members can understand that has to stop. Surely Honourable Members, if even politically they cannot bring themselves about to concur with the action taken by my colleague, the Minister of Finance (Mr. Manness), at least in their private moments concede that this is a far more fiscally responsible, prudent course of action that is being considered by my Minister of Finance and the Bill that is before you.

The responsibility for the present contained in this Bill is that money, no matter how eloquent or how demanding, or how shrill the cry for spend it now, spend it now, spend it now, is that it not be spent. That is responsibility. Quite frankly, Mr. Speaker, I am encouraged to be part of a minority Government who has the courage to exhibit that kind of fiscal responsibility. I say responsibility for the present as well as for the future.

Mr. Speaker, is it not responsible to have these funds available to us, just as the Bill says, to provide a stabilizing opportunity for us to prevent the kind of inordinate taxation demands and measures imposed on, just a short while ago, by the previous administration?

Just a few years ago, Manitobans were subjected to the biggest tax grab in their 100-plus-year history by the very Government, by the very Members Opposite, Members who now constitute the third Party who are shouting to us spend, spend, spend.

Mr. Speaker, this Bill is about responsibility and I am delighted to have the opportunity to support this Bill, to commend the Minister of Finance (Mr. Manness) and my Government for the foresight in demonstrating this kind of responsibility, particularly under our circumstances, that of a minority Government.

Mr. Speaker, I cannot speak of responsibility without commenting on the responsibility shown by Honourable Members Opposite in these first few days since we have returned to conduct the business of this House.

Mr. Speaker, I think all of us enjoyed the summer break. It made a lot of sense and I commend the Honourable Members of the Opposition for agreeing to that break. In Manitoba, the shortness of our summer season, that quite frankly was a responsible action on the part of Members Opposite.

Mr. Speaker, what we are witnessing here in these first few days? Non-existing emergency debates. I

cannot recall when the Free Press editorial has last come out to comment on an action taken in this House, that we set aside all other business of the House, all other matters of concern, to do what we call in our Rules, carry out an emergency debate. What do our editorial writers say about it the next day? Even jaded as they are from time to time about what goes on in this House, they saw through the facade of pure political opportunism to try to latch on to a subject matter that has no jurisdiction in this House, is not of any emergency nature timewise, and in the final analysis is not something that this House is capable of dealing with, but it was believed by Honourable Members worthwhile to waste a day of the most important responsibility that all of us have, particularly Members of the Opposition, there is nothing more important that Honourable Members have than to examine how individual Ministers, departments of Government spend their money. That is the initial reason for our parliamentary system.

That is what started when the Magna Charta was signed, if Honourable Members want to know, to question at that time the royal prerogative, to question today Executive Council's manner and method of spending money and of raising taxes to collect those monies.

Honourable Members have shown precious little concern for that most important responsibility of their task, a task, Mr. Speaker, that by the way the people of Manitoba are paying us a fairly handsome salary plus expenses to be in this Chamber to debate and to discuss and to ensure that dollars voted for the various arms, the various divisions of Government, are in fact properly spent, and to examine with us, to constructively criticize Governments where they ought to be spent in a better fashion or how they ought to be prioritized.

Mr. Speaker, we are now into our third or fourth day of this resumed Session. One would think that we have been here for three or four months. There is no particular inclination on the Members opposite to take ministries and departments to task. They seek the fast headline. If they think there is a current issue that is within our jurisdiction or will not generate a headline that constitutes the daily activities, there is no concern about their responsibility in carrying out their elected duties in examining our expenditures. Here we are this afternoon, quite happy as a Government, and by the way, look at us. We are here as Government. Look at our Members, look at our seats. I will not break any rules by commenting about what I see when I look opposite, Mr. Speaker, but for those thoughtful Members opposite, they want to look very hard at their first three days of performance before they entertain any illusions of ever occupying this side of the House.

Mr. Downey: Mr. Speaker, I understand that the Bill will stand in the Member's name for Fort—

Mr. Speaker: The Member for Osborne (Mr. Alcock).

Mr. Downey: Osborne, I am sorry, Mr. Speaker. That Bill will stand there. Mr. Speaker, I wonder if you would call Bill No. 8, as it appears on the Order Paper.

* (1650)

BILL NO. 8—THE ENDANGERED SPECIES ACT

Mr. Speaker: On the proposed motion of the Honourable Minister of Natural Resources (Mr. Enns), Bill No. 8, The Endangered Species Act; Loi sur les espèces en voie de disparition, standing in the name of the Honourable Member for The Pas (Mr. Harapiak), who has 31 minutes remaining.

Mr. Harry Harapiak (The Pas): Mr. Speaker, I am pleased to once again have an opportunity to continue my comments dealing with Bill No. 8, The Endangered Species Act, an Act that was brought forward by the previous Government. The purpose of the legislation is that certain species of wildlife and of both flora and fauna which were threatened with extinction would be preserved. It was not protected under the existing legislation which was The Wildlife Act. That is why it was found it was necessary to bring forward The Endangered Species Act.

There was a recognition when we were bringing forward this Act by the Government that there would be a lot of involvement by the public to go out and get input because there was a lot of support from groups throughout the province for legislation of this sort.

It is becoming more and more evident that people are becoming aware of what our environment means to us and how the species that we are talking about here, the flora, the fauna and the wildlife are affected. The animals and the birds are a part of that environment and we should all be concerned about preserving them. That is the why the legislation was being brought forward.

One of the groups that was taken into consultation when we were bringing forward the legislation was the Ecological Reserves Advisory Committee. They were consulted with quite at length, and they came out and they supported the legislation very strongly. Therefore, I hope that the Minister of Natural Resources (Mr. Enns) will once again go forward and do the consultation, not only with additional ecological groups, but also environmental groups. I mentioned yesterday that the Native organizations are ones that they should particularly make an effort to go out and speak to them.

As I mentioned earlier, the general public is becoming more and more aware of how the environment is affected, and how each one of us can play a role in helping preserve the environment. I should not say "preserve the environment," because it is in a state now that it will not survive if we continue to abuse it the way it has been abused up to this point. The former Minister of the Environment, as usual, has a lot to say from his seat and I guess if he would look back and see what we did do as a Government that we did pass the Environment Act—what we did bring forward as a Government when we were in a position to make improvements to the environment. The former Minister of the Environment should know as well that the Environment Act was passed, but the regulations were still needed to be brought forward because of the fact that we brought that Environment Act after consulting for a lengthy period of time with the public. The

Environment Act was brought in, in the last days of our Government. The regulations were to be brought forward, and he knows full well.

I am pleased to say that the current Minister of the Environment is much more concerned about the environment than the previous one was. I think that we have to give the Premier credit for recognizing that this Member from Portage la Prairie (Mr. Connery) was a detriment to that department. Therefore, it was good for the environment of Manitoba that the Member for Portage la Prairie was moved, and put someone in there with some common sense and not someone that would have to feel that he has to have—

Some Honourable Members: Oh, oh!

Mr. Harapiak: Mr. Speaker, I would like to get back. The Member for Portage la Prairie has a way of doing what most Members of this House do, he has distracted me from my comments that I was making on the Bill and I apologize.

Mr. Speaker, we as a political Party recognize the concerns that are out there in society about the environment. That is why we went forward and had a NDP task force dealing with the environment. We had on the committee many people who are outside of the political circles. We went out and asked people who are genuinely concerned for making improvements to the environment. We went out and asked these people if they would become part of a task force, and I am pleased to say that we had many very capable people who are concerned about difference aspects of the environment and agreed to become part of the environment task force. We went and had hearings throughout the province and travelled to places like Brandon where we had presentations made, especially from the Sierra Club, and professor Joe Dolecki, who was particularly concerned about Rafferty-Alameda. He certainly gave us an education on what some of the shortcomings were on the Rafferty-Alameda Dam and some of the concerns that we should have as Manitobans.

I know that the previous Minister of Natural Resources was a strong supporter of the Rafferty-Alameda Dam being built and he is still convinced to this day that it is going to be better for Manitobans. As a matter of fact, he has offered me the opportunity to come and see some of the information he has which will convert me. I look forward to taking time from both my busy schedule and his busy schedule to come and educate myself, inform myself to some of the information that he has which may bring to light some new information that I have not had to this time.

According to the presentations that we received at Brandon, there is reason to be concerned. There are people in from Saskatchewan who have come forward and made presentations and the debate is on. Will the Rafferty-Alameda be really of any benefit to the people upstream from the Rafferty-Alameda Dam itself? I know that there are areas where there is wildlife at this time that is going to be drained in order to provide sufficient water for storage in the Rafferty-Alameda Dam. So

there are people there who are concerned about the flooding that will be taking place in some of the very fine farmlands that exist in that valley, but I guess the decision is made now.

* (1700)

I think that the federal Minister has made a deal with Saskatchewan in order that they give him the licence to go ahead and continue to build the Rafferty-Alameda, the Saskatchewan Government is coming forward with their part of the deal in supporting the Free Trade Agreement at that time. I think it was very critical that they would get the provinces on side and that was part of the trade off.

Unfortunately, I think that we as Manitobans will be eventually paying for this because according to the information that we have received there is going to be definite effect on the water quality and quantity that we have here in Manitoba. We have taken the word of people who are outside of our jurisdiction who have done some preliminary studies on what will be happening in the Province of Manitoba. When the federal Government came out with their own analysis of the report, it said that there was not sufficient study being done in Manitoba to see how our water would be affected.

I, at that time, attended a meeting where the Minister of the Environment (Mr. Cummings) here called for a full environmental assessment to be carried out. Unfortunately when Saskatchewan and the federal Government made their deal and decided to proceed with the Rafferty-Alameda Dam, they had given that licence then, our present Government did not raise a whimper.

I think that they were probably told quite strongly that they had better be accepting this and never mind what they said at those hearings when the federal Government was doing their preliminary hearings in regard to Rafferty-Alameda. Never mind what you said at that time, you had better accept this because the deal is made between Saskatchewan and the federal Government so we are going ahead with it.

I think that the Minister of the Environment (Mr. Cummings) at that stage should have come through with a strong stand that he took in the hearings in southern Manitoba when those preliminary hearings were being held. He called for a complete environmental review at that time, and yet he did not come forward and support those words when the licence was given. So unfortunately the dam is going ahead.

Mr. Speaker: Order, please. When this matter is again before the House, the Honourable Member will have 20 minutes remaining.

The hour being 5 p.m., time for Private Members' Business.

PRIVATE MEMBERS' BUSINESS
DEBATE ON SECOND READINGS
PUBLIC BILLS
BILL NO. 2—THE LANDLORD AND
TENANT AMENDMENT ACT

Mr. Speaker: Debate on Second Reading of Public Bills, on the proposed motion of the Honourable Member for Inkster (Mr. Lamoureux), Bill No. 2, The Landlord and Tenant Amendment Act; Loi modifiant la Loi sur le louage d'immeubles, standing in the name of the Honourable Minister of Urban Affairs (Mr. Ducharme), the Honourable Minister of Urban Affairs.

Hon. Gerald Ducharme (Minister of Urban Affairs): Mr. Speaker, it is a pleasure to speak on this proposed Bill of the Member for Inkster (Mr. Lamoureux) who is my critic on the other side. I would like to maybe offer some good constructive criticism on why at this time, I -(interjection)- Well, first time the Member for Osborne (Mr. Alcock) has said "first time." I have yet to see him do anything else but nag around this table. Also, I would like to maybe offer some good constructive criticism on this Bill.

First of all, the Landlord and Tenant Review Committee in its report recommended that condition reports be mandatory, that is that a landlord could not collect his security deposit without completing a condition report. It is important to note that this is only one of 139 recommendations. The committee in release of the report, and I must note stressed in the final paragraph of his preface to the report, that recommendations in the report should be considered as a package. This was done after very much consideration with the people at the review. This proposal does not give recognition to the fact that both landlords and tenants have indicated a desire to have comprehensive legislation dealing with all landlord and tenant matters, not this piecemeal approach.

If we would consider this type of a Bill, we would recognize that probably the Liberals, I guess, since they are new in this House, would now present 138 Bills to follow. Our Government, after very careful consideration through a year of further consultation, have decided to bring forward a Bill and we will bring this forward later on in the Session.

The Government and I as Minister indicated during the last election its commitment to the introduction of a comprehensive legislation and indeed the matter has been referenced in the Speech from the Throne this spring. It is therefore unfortunate at this time to be dealing with this matter where the Member could probably, if he desires to at committee or whenever, bring forward his amendments if he does not feel that we have covered this report.

Let me deal with the specific issues raised in the Bill, first, the provision requiring landlords to complete a condition report prior to the collection of a security deposit. This proposal in its present form, I must say, is unworkable. Let us look at what happens when a tenant goes in to rent a suite. First, this may take place

several weeks, indeed several months, before moving in date. The landlord and the tenant may agree and a deal is struck. At that point in time, Mr. Speaker, the security deposit is paid. The tenant's agreement is signed. That is the process. There is no opportunity to do a condition report.

At this point in time a contractual arrangement has been made. If the landlord cannot collect the security deposit, what guarantee will he have that the tenant will not eat you up and take the suite? Indeed, what guarantee does a tenant have that the landlord will not re-rent the premises to another tenant. The security deposit serves purposes other than those simply related to the condition of the premises at the termination of the tenancy.

This Bill will have the effect of undermining the orderly arrangements between landlord and tenant. Therefore a condition report cannot be completed while the rental unit is occupied by another tenant. The fact that this is not practical is further evidenced by the fact that the Bill provides where the condition report cannot be done prior to occupancy that the report must be done within seven days of the tenant taking occupancy. Property-management companies may find it impossible to meet these requirements and just as difficult to collect the security deposit after the tenant moves in. This Bill may create problems in the rental market.

Mr. Speaker, for the completion of a condition report to be meaningful it has to be done on a basis of trust between the landlord and the tenant. For example, a landlord may go to the suite to do the condition report and either find or allege that the tenant has damaged certain items in the premises. This matter will have no easy solution. He can now not turn back the clock and see what the state of the suite was prior to the tenant moving in. This provision then does not serve, Mr. Speaker, to resolve or minimize disputes between landlords and tenants, but rather gives rise to dispute and provides no easy solution.

Mr. Speaker, the Bill suggested by the Honourable Member also provides where the report is not completed or where the tenant disagrees with the condition report, for the tenant to file a complaint with the Rentalsman and to pay over the security deposit to the Rentalsman. All this takes place, Mr. Speaker, at the beginning of the tenancy. The tenant has hardly moved in and a dispute has been created and referred to the Government agency. This is not the best footing to get off on a landlord and tenant relationship. Further on, the Bill requires the Rentalsman to inspect the premises and complete the condition report and advise the parties of the results.

Mr. Speaker, what are we expecting of the Rentalsman at this time? Certainly he will not be able to look back and determine if the chip on the stove or the fridge was caused by the former tenant or the present tenant. The fact that the report was not done at the move-in time makes this recourse less meaningful to the tenant.

If there is one message we get from the Review Committee's report, it is that legislation respecting landlord and tenant matters must meet two fundamental

requirements. These can be summed up as follows: first of all, the timely and efficient resolution of disputes; secondly, fairness in dealing with all Parties.

* (1710)

This Bill does not make for timely and efficient resolution of disputes. There are about, I would say, 20,000 to 25,000 tenants who move every year in the City of Winnipeg alone. If one-quarter of these moves generates a dispute this legislation could generate 5,000 disputes a year requiring officers to make site visits, collect security deposits and hand down determinations. This will require many additional resources.

Mr. Speaker, the intervention of the Rentalsman after the tenant moves in does not speak well for any sense of fairness, since some degree will always be involved in the completion of a condition report. Often the Rentalsman will not have enough objective criteria to make a fair decision. This could serve as an injustice to both the tenants and the landlord.

Mr. Speaker, just a comment on the brief comments in regard to the summary of the Bill suggested by the Member in the other way. This Bill would have an effect of probably increasing the number of disputes between landlords and tenants, and also place impractical requirements on tenants and landlords, given the volume of moves in a year. It would be an injustice to make it mandatory. Tenants would want to complete a condition report prior to taking possession of the unit and after the previous tenant has moved out. This would create practical problems for tenants and landlords.

Condition reports do not always present an accurate description of the unit. A tenant may agree and sign a report, not checking the premises. The injustice then would be done to the tenant. Increased demand on the resources of the department would be a very drastic change at the present time.

Mr. Speaker, I would like to maybe mention some of the comments that were brought forward by the Member for Inkster (Mr. Lamoureux). The Member for Inkster said he would have preferred to have spoken on a Bill that would have addressed—and I comment on his remarks of June 22—the wide scope of amendments that were recommended through the Review Committee.

Several times in the last Session I stressed that we were working on that particular Review Committee and I was again meeting the people—(interjection)—Well, we have a mention from St. Vital that says the NDP had already had the review. I think it is the responsibility of any Government to consider reviews and meet with the people again, and that is what this Minister has done through his department and the legislation was not drawn up so far. The Premier (Mr. Filmon) had indicated clearly the Government's intention—and he had indicated very thoroughly the Government's intention to introduce this particular legislation.

I know the Member from across the way will probably appreciate the type of legislation that will be coming forward. There has been a lot of work gone into the

legislation, it is probably going to be in the vicinity of 100 pages of legislation to bring into this particular Chamber. I know that he will be introducing his own amendments to it and I look forward to that.

He also says in his remarks of June 22—he also, in my opinion, would provide more harmony between both the landlord and the tenant and then he goes on, when you introduce a particular Bill I will be prompting or giving some initiative to the Government benches to take some action, as I will show later, that we will promote that action. We will be bringing in that Bill and I can mention to the Member we have mentioned that several times.

He mentions later on in his remarks of June 22 it has been put on a back burner. The Government has been giving serious consideration, if you consider that our Government was only in Government for a short while, this is 18-year legislation and now he considers it being put on the back burner when we are acting upon it in our first year of office. It is ludicrous—(interjection)—

Mr. Speaker: Order, order. Order, please.

Mr. Ducharme: Mr. Speaker, it is ludicrous to say that you bring in legislation after reviewing a review that is affecting 200,000 people, and bring it in and just bring it in in piecemeal fashion like the Member has tried to attempt to do in another way.

We are going to be bringing in complete legislation. We will be dealing with all the groups when we follow legislation in this committee. Again we are drafting appointments to deal with these people, the different landlords, the different tenant groups, everyone who was concerned, a round table to show them when we bring it into this House that we were serious in bringing in this legislation.

Mr. Speaker, he also mentions in his remarks that what is needed is a detailed condition report that will address this particular problem, one that is mandatory both for the tenant and the landlord.

Mr. Speaker, you will never get an accurate detailed report. Our department shows that a tenant simply says on each item, good. I believe this jeopardizes the right to complain later if they miss something.

Mr. Speaker, I notice that my time is almost out, and I must mention that I have other things to remark in regard to the Member's Bill. I must say again, I cannot support this. I believe in this report that we have it does not cover what we want to cover in our comprehensive detailed legislation.

I met with the groups. The groups, I have met with a few of them already. None of them, not even the tenant groups, said that the Member across the way consulted with them when he said he is bringing in this legislation. There is no way, he did not consult with them. I will guarantee the Member, and I must remark I have always made the Member quite familiar when I was bringing in legislation, to my critics, the legislation I brought in. I went through my legislation with him. I wish he would come forward to me. I am going to make

sure that I bring him in and brief him when I bring in my legislation, and I will share that with him.

When I place the Bill on the floor I will make sure that my staff brief both him and the critics along with every other tenant and landlord group at the same time. I am quite willing to do that. I feel that if he feels we have not given our arguments across to him and he still wants to bring in these type of recommendations, bring it in, but bring it in as part of the total legislation. Bring it in when we bring in that to the House.

The Member for St. Vital (Mr. Rose) keeps insisting that we should have ignored the 200,000 tenants that are in the City of Winnipeg and just do whatever the previous Government decided. Well, I do not think that is what we are put in Government to do. We are put into Government to go through and talk to these people again, to review the legislation to bring in.

Mr. Speaker, my remarks show at the bottom that I should remark about what Mr. James Carr had to say also on the same day of June 22, but however there is a little note from my staff that said he did not add much, so I guess I will not remark on those.

But I must say, though, that the comments - (interjection)-

An Honourable Member: It is the Member for Fort Rouge.

Mr. Ducharme: The Member for Fort Rouge (Mr. Carr), I am sorry. I must say that the Member for Inkster (Mr. Lamoureux), I look forward to his participation when we get to the review. I know that he will have some very good amendments to put forward and I will be looking for them. Thanks again.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I am wondering if the Minister of Housing (Mr. Ducharme) would allow leave to ask one question.

Mr. Speaker: The Honourable Minister's time has expired. Order, please. Is there leave? (Agreed)

An Honourable Member: Do not blow it, Kevin.

Mr. Lamoureux: I will try my darnedest not to.

The Minister of Housing (Mr. Ducharme) was present when I had given my speech on June 22 and the initial reasoning and the rationale behind bringing in that particular legislation goes back to the former administration and their lack of desire to bring forward the legislation that was needed to The Landlord and Tenant Act along with The Rent Regulations Act. Later on that summer, shortly after the election, the Premier (Mr. Filmon) of this province suggested that it was not a high priority, that in fact it would be put on the back burner.

At that point in time we issued out a press release suggesting to the Minister of Housing, that we would be co-operative in ensuring that we do get these type of things.

Mr. Speaker, given this, the intent of this particular Bill was to bring . . .

Mr. Speaker: Order, please; order, please.

Mr. Lamoureux: The question is coming.

Mr. Speaker: Order, please. We have given the Honourable Member for Inkster leave to ask the Minister a question. We have numerous Members wishing to speak on the same Bill. Will the Honourable Member kindly put his question now, please.

Mr. Lamoureux: Will the Minister of Housing (Mr. Ducharme) inform the Opposition, the Official Opposition, when he is anticipating on bringing in the legislation that we have provided ample co-operation in terms of seeing it being brought forth the sooner the better?

* (1720)

Mr. Ducharme: Mr. Speaker, the legislation is ready to come on to the floor. It will come on very quickly, it will come on very, very soon, and -(interjection)- the Member for Inkster (Mr. Lamoureux) says that I said that last fall.

I told him last fall that I will be bringing it in at the next Session. That is exactly my words, what I would be bringing in. Mr. Speaker, you know, the Member across the way seems to be even confused in what the rent guidelines are in this particular province.

He has gone out and he has knocked that there has been no advertising. I know he had a press release a little while back saying there was no advertising being done to notify the tenants. I sent him a letter just recently, outlining all the advertising being done, the 82,000 letters that go out, notices that go out to all the tenants, the constant advertising, the \$70,000 or \$80,000 that we spend each year on the advertising.

Mr. Speaker, we also have public speaking engagement workshops. As a matter of fact, we have now—

Mr. Speaker: Order, please. The Honourable Member for Inkster (Mr. Lamoureux), on a point of order.

Mr. Lamoureux: On a point of order, I understand the Minister is having a tough time to answer the question and if he wants to look at and read the press release, he will find that it is—

Mr. Speaker: Order, please. What is a point of order?

Mr. Lamoureux: -(inaudible)- that is a point of order.

Mr. Speaker: The Honourable Member knows that he does not have a point of order. The Honourable Minister of Housing, to finish his answer.

Mr. Ducharme: Mr. Speaker, just in closing on my answer, in regard to the last comment about not issuing press releases and this type of thing, I must mention to him, not only do we distribute 82,000 brochures, but they are in seven languages. You do it.

Mr. Speaker: Order, please. Order. The Honourable Member for Inkster (Mr. Lamoureux), on a point of order.

Mr. Lamoureux: Mr. Speaker, on a point of order. The Minister of Housing (Mr. Ducharme) yelled across the floor "you dolt" and I take offence to that and I ask that he withdraw that remark right now.

Mr. Speaker: Order, please. Order. The Honourable Member for Inkster, on the same point of order.

Mr. Lamoureux: On the same point of order, Mr. Speaker, the Minister of Housing (Mr. Ducharme) yelled from his seat "you dolt," and implying it, all Members of this Chamber are honourable and I ask him to withdraw it.

Mr. Speaker: Order, please. I believe the remark I heard was, you do not know anything.

Mr. Ducharme: No.

Mr. Speaker: That is not the remark?

Mr. Ducharme: That is what I said earlier, yes.

Mr. Speaker: That is what I understood. Thank you very much. The Honourable Member does not have a point of order.

Mr. Bob Rose (St. Vital): I am pleased to get up to address the Landlord and Tenant Amendment Act (2) introduced by my colleague for Inkster (Mr. Lamoureux).

First of all, Mr. Speaker, I would like to comment that I have always tried to have respect for my elected officials in my area, but I am having problems complying with that in regard to my present MLA, in the woeful display he just put on here.

(Mr. William Chornopyski, Deputy Speaker, in the Chair)

He mentions as though making a reference of a 100 pages is a result of 18 years of neglect on a piece of legislation. I am sure that Honourable Minister would like to recall that this Government for that 18 years has been either in Opposition or, indeed, for one short period, in Government. They did enough yelling and screaming when they were in Opposition to change these types of Bills but now they have got to study, study, study, study them and I think the people are fed up with study and what they want is a little bit of action. The Minister, the Members opposite keep—the Government keeps saying they are ready to work, they are ready to do business but the only problem is they are not capable of doing that business as we have just seen demonstrated here, Mr. Deputy Speaker.

Now, I want to comment a little bit before I get into the Bill about the remark, the unfair remark made that my colleague just goes around the Legislature nagging and never gets anything done. I want to tell you that myself and my colleagues are very extremely proud of this young man. He came in as a rookie MLA, he has been our Deputy House Leader, he has done an admirable job as our Whip. I would be very proud to, not only call him my colleague, but if he were associated with me in any other way, as my family, I would be

extremely proud to point out at any point that I was associated with this gentleman.

I think it is very unfair to call it nagging. If he wanted to say prodding it might have been more apropos, Mr. Deputy Speaker, because, indeed, by the very essence of this very innovative Bill, he is prodding the Government into action, actions that we had not seen.

We saw in 1985 a recognition that there were many, many flaws in this Bill, in the legislation. There finally was a report came forward in 1987 with 139 recommendations.

The NDP sat on their hands. They are supposed to be -(interjection)- yes, well, you had a year. They sat on their hands and showed that they were not protective of the tenants or, indeed, the landlords, because there are flaws on both sides, Mr. Deputy Speaker. It is unfair to the landlords and to the tenants.

The NDP said they did not have much time. Well, I quote what they said last year. They said the Pawley Government planned to introduce this legislation last spring to replace—the old Acts had not been defeated, if it had not been defeated on the budget. Boy, I have sure heard that song a lot in the past on many, many things. We just were about to do it, but Mr. Walding, unfortunately, did not agree with us and pulled the plug, I guess.

Mr. Deputy Speaker, on that point, I just would like to say that the Minister of Housing (Mr. Ducharme) would do well to address and listen to the prodding of the Member for Inkster (Mr. Lamoureux), my colleague from Inkster. It would do him well because in my observations from this House, in the very short time that my colleague has been here, he has demonstrated to me over and over again, and in three or four times today, that he has a far better grasp of the rules and procedures of this House, than that Minister has. Indeed, the diatribe we just heard, the critique of this Bill that was introduced by my colleague, certainly clearly indicates that he not only has a better grasp of the rules and procedures, but he also has a much better grasp of the situation regarding this legislation.

It has already been pointed out earlier that this particular Bill is needed for no other reason but that the reports show that there are 4,000 complaints annually, or 25 percent of all the enquiries to this department in regards to damage deposits. Some solution must be brought about immediately to handle these complaints and the neglect of over a year now of the Tory Government to address the very serious problem—and I point out, it is not only a problem for tenants; it is also a problem for the landlords.

Therefore, once again, I would like to commend my colleague for his action on this Bill. I think it will make for a more harmonious relationship between landlords and tenants in Manitoba and cut down the extreme work of the bureaucracy, and maybe we can cut it down and save some money in that regard and certainly bring about better relations.

There are other aspects, and I was going to say that I look forward with pleasure to this hundred pages of

legislation, but I must say after the last speech I heard that I now look forward with dread about it. If that is the sort of reaction we are going to get to it, that a great misunderstanding of the need in the legislation, which has been demonstrated before on other matters by that Minister.

I want to, if I have time, Mr. Deputy Speaker, bring a specific example which I have spent a great deal of time on and shows the great fallacy of this whole legislation in regard to rent control.

There was an apartment in my constituency, in St. Vital, not too far from the border of the Minister's, incidentally, and I think he is aware of the situation. This involved an apartment block that was built 17 years ago, 185 suites in it, and it houses mostly people who are over 55 years old and on fixed income.

There was very little other than structural repairs to that building for 17 years. Earlier this year, the building was purchased by a new owner at a much, much higher price than the original price, and that is natural because of inflation, and a rise in property values. Right off the bat, the new owners decided that they were going to do some bringing up-to-date of the apartment, and they issued notices of up to 32 percent rent increases. The people were just flabbergasted. Some of them phoned me, and I have a stack—those are letters from people in that apartment block. Some of the people were crying on the phone—on fixed incomes—they just could not take this sort of an increase.

I might point out in fairness that some of the increases were zero percent, and the reason for that is another that I consider flaw and error in the legislation, is that landlords are allowed to equalize rents. In other words, if there are two equal in size apartments and other amenities in the same building, and for instance one would be \$300 and the other one \$400, the landlord may equalize those rents. I think that is a flaw.

* (1730)

I think it has to be corrected because it made some real drastic increases for some tenants. They may be deserving of that because they may have it because of particular instances; in this case where the landlord had applied some five or six years ago for an increase above the guidelines, and some people appealed that and got their rent rolled back to the right figure. Well, as others who were not quite so sophisticated did not appeal and did not get the rollback. So the penalty comes to the people here of those who appealed.

There may be because people lease the property during a period of high vacancies, or it may be that in this particular case the people got fed up waiting for repairs, and they repaired their own property. I think that is another part of that Bill that should be looked, the legislation.

Anyway, the outshot of this particular thing was that the Rentalsman reviewed it and reduced the 15 or 16 percent rent increase to one that averaged out to about 7 percent, which to most people seemed somewhat reasonable, because there had been painting, some decorating, some upgrading of fire equipment and what have you.

That was subsequently appealed by the landlord. Then a real unusual thing happened and that was that in the appeal the appeal chairman had to say that the Rentalsman had given all those tenants on two or three occasions at meetings wrong information, and indeed in his words the action of the Rentalsman was illegal. For that reason, the people came to the meeting and did not have any advice beforehand that all the information they had been given was false and illegal, and they were ill prepared to come to appeal and plead their case with the information.

Unfortunately, no regress could come about because of the circumstances that Rentalsman had either quit or was released, one or the other. As a consequence, the appeal was upheld, increases up to 32 percent, an overall increase in that block of the 185 apartments of 11 percent.

I ask you, would that look like protection for tenants? How would they feel if all of sudden their rents went up, Members in the Government or the Minister, if his rent was increased on a fixed income of 32 percent and if overall the people in that block had to face increases of 11 percent and higher? I urge the Government to correct these flaws and not in a manner that we have heard from the Minister earlier but correct them in a manner that is workable, create harmony between the landlords and the tenants, and do that just as soon as possible.

I might say that in this particular case that of all the hundreds of tenants I talked to in that building and other ones, there is not one of them that realized that it is incumbent upon the landlord to keep day-to-day upkeep of the building, and that that is included in the 3 percent and that, indeed, if things were not done by the landlord, they had the right to appeal even the guidelines. I think that if nothing else, tenants in this province should be made well aware that the 3 percent, which was the case this year, is not an automatic that it can be appealed.

Mr. Deputy Speaker, I would just finally like to point out again how proud I am that my colleague has taken the initiative away from the Government on this action, and certainly his action fully overshadows the NDP. It points out again that the Liberal Party both federally and provincially has been the watchdog for fair tenant-landlord legislation, and this demonstrates once more that we will continue in that role. Thank you very much, Mr. Deputy Speaker.

Mr. Steve Ashton (Thompson): Mr. Deputy Speaker, I must say that in the year and a half that I have had some opportunity to listen to the speeches made by the Member for St. Vital (Mr. Rose), I do have a sense of déjà vu because it reminds me of many of the same sort of speeches I heard from Conservative Members opposite when they were in Opposition. I really find sometimes that the Member for St. Vital is rather confused. He spends more time attacking the NDP than he does the Conservatives. Perhaps he might feel better if he was over on that side of the House, I do not know. Unfortunately, most of his attacks -(interjection)- Well, we are seeing here again, Mr. Deputy Speaker, that the only aim that this Member has is to defeat the NDP.

Something we are sending a clear message to Manitobans about is really that when it comes to Members for St. Vital or his colleague Member for Riel (Mr. Ducharme), they really are two peas in a pod, particularly when we get down to some of the key issues.

Let not that Member put inaccurate information on the record, particularly in the area of landlord and tenant legislation. If he will care to check with anyone in the department, he will find that legislation had been drafted in regard to the report that he himself made reference to. It was announced in the throne speech; it was clearly a part of the Government's agenda. I do not think anyone in their right mind would blame the previous NDP Government for not having predicted what happened with Jim Walding. I think anybody could have predicted that. I think what has happened since—I do not think anybody could have predicted that except Jim Walding the day that he made that decision. That is history, but let not the Member rewrite history, Mr. Deputy Speaker.

If he will check with anyone in the department, he will find there was a comprehensive Act that was drafted. In fact it had been dealt with by the NDP Caucus and that really should be his criticism. The Act was sitting there, it was going to be passed, and this Government has been here now in office for a year and a half and they have done nothing with it. The other criticism he should have made, instead of the side attacks on the New Democratic Party, was why the Conservative Government has not introduced the recommended changes when both landlord and tenant groups came to a consensus on virtually all the recommendations. I mean, that is the sad thing.

What we are dealing with here are proposals, major proposals that could be in place now, that would improve the situation for the vast majority of tenants and for the vast majority of landlords. Yet this Government has done nothing.

Well, it is not unusual. The Government has also taken the same approach in other areas. I would cite, for example, in regard to Workers Compensation where the King Task Force Report, which was put out more than two years ago, has not been put into action in legislation despite the fact that both management and labour agree with virtually all of the recommendations.

I really wonder what the agenda of the current Government is when it cannot introduce landlord and tenant legislation when both sides have come to a consensus, when they cannot introduce changes to Workers Compensation when both sides have come to a consensus. That is the real issue, I would suggest to the Member for St. Vital (Mr. Rose). The real issue is bringing about the comprehensive changes that are required to the Act. That, incidentally, is not something that is included in this Bill. This Bill deals with one particular area. I believe it is an interesting suggestion, I believe it is a good proposal, it is part of what was discussed as part of the review of the legislation.

But let us put it in context. I think that is the sad part with the Government. I think they are going to have to make up their mind in the next number of months as to whether they really stand by their talk

of "trying to make minority Government work." That is the kind of thing that we have heard from the First Minister. I do not know, Mr. Deputy Speaker, I have been observing the First Minister and other Conservative Members in this Session and they seem to be willing to do anything but do that.

I would cite earlier today the fact that they were unable and unwilling to have the Minister of Highways (Mr. Albert Driedger) present when it was pointed out that was unacceptable to Members of the Opposition. There was very little attempt to do anything to resolve that, and we ended up in the situation where we ended up having the vote in the House, having to adjourn the committee. I find that unfortunate, and once again I question whether the Government is interested in making the minority Government situation work, or whether they are, I would suggest, perhaps becoming inactive and, I would suggest even further, becoming arrogant in dealing with a number of key areas. I wish I could ask the Minister right now, directly, why the Minister responsible for this particular area has not brought in that legislation. I would like to ask that Minister because it has been agreed to—I thought I was going to get an answer, Mr. Deputy Speaker. I believe the Member has just spoken with his feet. Usually he speaks with his feet in his mouth, but today he spoke with his feet by his actions here. By the way, I would like to raise what I said earlier and that is I really consider it unacceptable on the part of this Government that they do not have Ministers present when the Bills which they are responsible for are being debated. I believe that is highly improper, highly improper.

* (1740)

I remember on the rare occasion that happened, when we were in Government, the fuss that those Members opposite put up on a regular basis. In fact we have seen today three Ministers, one in the case of Estimates and two in the case of Bills being discussed, who were not present during the time of which their items were being discussed.

I consider that to be unacceptable on the part of the Government. They should realize that one of their major responsibilities has to be in this House to be accountable for their actions and to listen to the debate that takes place. I know the Minister of Agriculture (Mr. Findlay) is saying something from his feet. At least he was here today in Estimates. That is something that I think was appreciated by the critics and by the Members of the Opposition.

Today we did have the opportunity to ask questions in regard to agriculture, but in other key areas we were not able to ask questions in the area of highways and transportation. When we are debating Bills, the main purpose of the debate—really when I look at it in terms of our functioning as legislators, is to provide suggestions, information, advice to the Members of this House generally but more specifically to the Minister responsible.

I would like to see the Minister sit through this debate because I think he has a lot of people to answer to.

In his own constituency there are many tenants, I am sure if they were aware of what is going on would ask the Minister why does it take a year and a half, a year and a half to bring in the legislation when I would suggest—and I do not wish to speak for the other opposition Party—that there probably be broad consensus from all three Parties on most of their proposals. Certainly there would be consensus amongst the opposition Parties.

I wonder what the real agenda is. I would suggest that part of it may be that the Conservative Party—now let us remember that this is the Conservative Party when they were last in Government took out rent controls—suggest even further that when they were last in Government lost the election in 1981, in a large part, in a number of key areas in the city because of the fact that they had eliminated rent controls. I would suggest that it took them long enough to accept rent controls. I would suggest that they have some difficulty in bringing in this Act because, despite the fact there is a consensus between landlords and tenants, I suspect that there may be some landlords who oppose some of the sections, some of the landlords who I would consider less than responsible. I am not saying it is the majority, I would say it is the minority of landlords, a small minority—we all know they exist—sometimes they are called slum landlords. In some cases they are not slum landlords, but the way they treat the tenants is not proper.

I can point to cases in my own constituency and can document cases where that has taken place. I wonder if the Conservative Party, which has been known in Manitoba over the last number years as being the spokespersons for that particular element, that small minority of landlords who do not want changes in this area, if they are now not hearing the message from them not to bring in changes to the Act. I really wonder if that is not the real agenda in the same way that I wonder, in fact I am sure, that what is happening in the area of Workers Compensation is that now that there is a Conservative Government in place some of the big business interests that are opposed to changes in Workers Compensation are now saying, oh, ignore the fact there was consensus on the report. Do not bring in the changes. If you bring in changes, bring in changes that benefit management.

I wonder that and I say I really believe that is a case because I see that the only changes that we have seen are in the area of the experienced rating in terms of Workers Compensation which was brought forward by which side, Mr. Deputy Speaker? Not by labour, it is opposed 100 percent by labour. It was brought in at the request of the big business community. I do not say the business community generally because I really believe there are many fair individuals in the business sector who do not support what this Government is doing. I wonder if that is not the agenda in this case.

There is one way for the Minister to prove me wrong and prove Members of the Opposition wrong and that is to bring in the comprehensive changes that were recommended. I can probably go into my own files and pull out the Bill that was drafted—we discussed it in the caucus. We were committed in 1988 to passing the

Bill so it is not as if nothing had been done and that is why I wanted to raise this for the Member for St. Vital (Mr. Rose). I think instead of criticizing the NDP he should be going after the Conservative doubly for saying, why, a year and a half later, when the Bill has already been drafted, has it not been introduced.

Mr. Deputy Speaker, the Member for St. Vital should realize as well that it is far more difficult for us as opposition Members to pass legislation than it is for the Government, because in our particular case when we introduce legislation it is discussed in Private Members' Hour. When I look at the Order Paper I look at the number of Bills that we are dealing with and the fact that we deal with those Bills twice a week for a total of two hours. It is virtually impossible to get the legislation, in some cases, even introduced.

I would note, for example, I have a Bill, Bill No. 17, The Employment Standards Act. I feel it is a pretty important Bill in terms of plant closure, protection for workers. I introduced that in the last Session, but there was virtually no opportunity to even debate, let alone see it passed for second and third readings.

When we are dealing with the Government and their agenda we are dealing with a much different situation. There are days in which we normally deal with Estimates, but there are other days in which we deal with Bills, and the Government has the power to call Bills as it sees fit and to keep calling Bills and to have the debate proceed. They have other powers to ensure that Bills are not only put on the Order Paper but are passed.

That is why I would suggest in this particular case that while I would certainly say that this Bill is worthy of consideration, I would suggest there are many other areas as well, that what we really need is not to be debating this Bill but a comprehensive package of reforms and changes to The Landlord and Tenant Act, a comprehensive package brought in by the Minister of Housing (Mr. Ducharme).

I will suggest to the Minister of Housing that if he chooses to ignore the entreaties of the Opposition at this point, in time he may have a lot of explaining to do to his constituents, because as I said many of his constituents are tenants, and I think they should be asking the very real question, why has this Minister who supposedly represents them in the Legislature as a Member of the Legislature, why is he now as Minister not bringing in those changes?

What I plan on doing, Mr. Deputy Speaker, in this particular case is documenting. I can go through my files and document case after case where people were ill-treated, where they did not receive what I would consider justice, but in many of those cases I can tell you there was very little they could do. That is over an eight-year period. I am sure other Members of this Legislature can document cases where tenants have been in that situation. There will be cases on the other side because we all know that just in the way that there are a small minority of landlords that I would say abuse the system, there are a small minority of tenants that abuse the system as well. That was what was so encouraging about the package that we dealt with. That is it brought in a balance. I think what it did was it

was beneficial to what I would consider to be landlords who are interested in fairness for their tenants and at the same time I would say strengthening tenants' rights generally but without getting into the situation that often can develop where that small minority can take advantage of the situation and distort the real intent of the law.

So in conclusion, Mr. Deputy Speaker, I want to say one thing on behalf of, I know, my colleagues in the New Democratic Party. We want to see action in this particular area, and we will be quite willing in terms of specific Bills to deal with specific items. I really do not believe it is going to be something that will be dealt with by the opposition Parties. Action has to come from the Government, and if the Government is not willing to bring in that, I would suggest that you, while we may raise it in the Legislature over the life of this Legislature, there may be very little we can do to force them to do it. I can predict that in many areas of this province, and in my constituency where there are many tenants as well, and many responsible landlords looking for this type of legislation, it will become an election issue. and I believe if the Government does not act soon it will be the type of issue we saw in 1981.

As I said, in 1981 that made the difference in a number of key seats in terms of the defeat of the Conservative Government at the time. If there is one thing I am convinced of, Mr. Deputy Speaker, despite all the talk of learning from history, in my brief time in this Legislature, the eight years that I have been here, political Parties seem to be condemned to repeat history because they do not learn from it. I think in this case we are seeing the Conservative Government increasingly indicating to Manitobans that they are not learning from history, and it is becoming very frustrating for those of us who would like to see some opportunity for this minority Government to be given some opportunity to work. It is becoming increasingly frustrating with that attitude. But really that is something they are going to have to live with and they are going to have to deal with the consequences as this Session continues.

Mr. Helmut Pankratz (La Verendrye): It is a privilege for me to rise and speak to the amendment to this Bill which the Member for Inkster (Mr. Lamoureux) has introduced. Unfortunately I cannot agree with him on this Bill. I feel our Minister of Housing (Mr. Ducharme) is taking this a little more seriously than the Member for Inkster (Mr. Lamoureux). He is going to bring forward quite a few changes to the total Landlord and Tenant Act and I think that will incorporate what the Member for Inkster in part maybe wants to accomplish as well, but I think it is going to be a way broader scope and deal with the issue at large, not piecemeal like the way the Member for Inkster is proposing to do with this Bill.

* (1750)

Mr. Deputy Speaker, before I carry on with my speech I would actually like to say what has happened in these last four days in this House and they have been actually disgusting for me.

An Honourable Member: Disgraceful.

Mr. Pankratz: I thought when Bill No. 8, The Endangered Species Act came forward and the Honourable Minister for Natural Resources (Mr. Enns) spoke on that Bill I could not help but think of the Liberal Party. Here they had one species in the House, one specimen or species, whichever you want to call it, and after that, actually, the Leader of the Opposition (Mrs. Carstairs) spoke and she was speaking about the board appointments and so forth.

I had to sort of bring those two together, and when thinking about it she mentioned that the Gerry Mercier appointment, she approved that appointment on the board, but she did not approve some of the others. Well, it was that former Member who allowed her as being a single person in the Opposition, almost like I was referring to the endangered species, allowing her to have the extra and additional help, and phones and so forth, the extra expenses, not as a single Member, but as a Party. In all fairness, I think when we relate to some of this you have to bring it into the total focus, and so when it comes to the board, since she singled out that Gerry Mercier was the House Leader at the time and spoke in favour of her receiving some of this extra special funding as a single Member in the House. Yes, I think in all fairness, this has to be recognized. Now that endangered species all of a sudden has 21 Members in this House.

(Mr. Speaker in the Chair)

An Honourable Member: Twenty, and one defector.

Mr. Pankratz: Okay. Now we see the other Party that had—how many Members?—37, 33 and now they are on the endangered list. Now they get up and the speaker just before me gets up and says, you are in Government now and we have to see action on this. They had seven years to deal with this Bill, seven years with a majority Government, now they want a minority Government which is in power now for 16 months.

An Honourable Member: You have done nothing.

Mr. Pankratz: Wait a minute, wait a minute. The Member says we have done nothing. The Member for Housing (Mr. Ducharme) has indicated that it is being reviewed. Just remember that when the complete package will come before you that you will accept it in its present form the way the Minister of Housing will present it because that is how the Government of the Day would like to see The Landlord and Tenants Act be implemented.

Not ill-fated the way the Member for Inkster is proposing it, piecemeal, or possibly the Party that is on the endangered species list right at the present would have liked to see it come about, but in its entirety. I have full confidence in our Member, the Minister of Housing, that when he will bring forward the Bill, it will be a Bill that we will all be able to be proud of and be happy to pass in quite quick order if the will of the Opposition will be there.- (interjection)-

The Member for St. Vital (Mr. Rose), does he have a question at this point in time? I would wish that he would then just wait until after if there is time available. I would like to address his questions then later on.

Mr. Speaker, the disputes between landlords and tenants will not keep on going regardless of what legislation they put in place. The fact remains - (interjection)-

An Honourable Member: They had all summer to be ready for Estimates and they are not ready. Well, come on Bob, you should be ashamed. You know, you used to crack eggs and make omelettes at one time. You are not even cracking eggs any more.

Mr. Pankratz: We in Government today have made our commitment during the last election that this piece of legislation is going to be addressed in the full focus of the Bill. It will be addressing this from the standpoint that the tenants and the landlords will be able to—I have full confidence in the Minister that when he is through with making the adjustments and by the time it will have been studied, it will be something that we will all be able to be proud of.

We have to make sure that whatever legislation we put in place still will always keep some onus on the landlord and also place some onus on the tenant. Regardless of what you want to put on paper, if the landlord will not be a responsible landlord, Mr. Speaker, then we will not get legislation in place, no legislation can be in place that will make a landlord a responsible landlord. The same goes for the tenants. Anybody that has rental property that knows and works with tenants, or is a tenant and works with landlords, knows that they are few and far in between. It is very important that whatever we put in place is such that can be workable with both parties involved.

There were some questions that were asked before. I did not jot them down but some of them that come to mind is, can the landlord seize my personal possessions for non-payment of rent? Mr. Speaker, at the present time, no. A landlord may not normally seize a tenant's personal property for default in rent payment. Maybe there should be some adjustments. I think when our Minister will be through with reviewing the whole Landlord and Tenant Act, there is a good possibility that maybe there will be some adjustments in this way. Does my landlord have the right to enter my residence? A landlord may enter only under specific circumstances. For example, to show the premises to potential tenants during reasonable hours, in case of emergency, or when given permission by landlord and tenant affairs.

We are running into all kinds of problems if between the landlord and the tenant there is not basically a good working relationship. If you want the relationship between the landlord and the tenant shall be in paper only, it will basically, as far as I can see it, have lots of difficulty. For that reason I again have to admire the Minister of Health (Mr. Orchard) in this short time that he is in office. He is going to try his best to address all of these different concerns and problems so that—

An Honourable Member: You really got us confused when you said Minister of Health.

Mr. Pankratz: Oh, pardon me, Minister of Housing (Mr. Ducharme). The Honourable Member for Portage (Mr. Connery) corrected me. I am sorry. I am so engrossed in this Bill that I addressed the wrong Minister. Thank you for that correction, Member for Portage. I have to admire him for it.

Mr. Speaker, the present Bill No. 2, the way the Member for Inkster (Mr. Lamoureux) is presenting it, has also some problems in respect to the security deposit payment, in some cases in respect to this report that the tenant and the landlord are supposed to fill out. For instance, if the tenant is going to rent the property six months in advance, or three months in advance, it is very difficult at that point in time to fill out this conditional report which shall state in what shape the suite or the apartment is in at the time.

I think a lot of these conditions, these problems the way the Minister indicated in his speech by addressing this Bill, and I do not want to be repetitious on a lot of those points because he has documented it already, - (interjection)- yes, that is right, it is important what the Minister indicated, that he is going to review the Bill in such a case that whatever we will see come out of it at that point in time that it will address all of these different problems and not take it piecemeal. I think we must make sure that we give the Minister of Housing that support at this point in time.

Mr. Speaker, I have put a few more notes before me and I have just such a limited time left. I am actually at a loss at this point in time whether I am supposed to start with the—Mr. Speaker, all of this takes place at the beginning of a tenancy. The tenant has hardly moved in and a dispute has been created and referred to a Government agency. This is not the best footing to go off on a landlord and tenant relationship.

Like I indicated before, Mr. Speaker, further, the Bill requires the Rentalsman to inspect the premises and complete the condition report and advise the parties of the results.

What are we expecting of the Rentalsman? There are approximately somewhere between 20,000 and 25,000 people who are changing their place of abode in a year, and if there would be 25 percent or 30 percent complaints, that would mean that the Rentalsman would have to investigate in the neighbourhood of 5,000 to 6,000 or 7,000 apartments or complaints in a year. Well, I think in that respect, we would just be adding to the bureaucracy and possibly not resolving the cause. So I think what is very important and whatever the Minister will come forward is of fairness in dealing with all parties.

Mr. Speaker: Order, please; order, please. When this matter is again before the House, the Honourable Member will have three minutes remaining.

The hour being 6 p.m., the House now adjourns and stands adjourned until 10 a.m. tomorrow (Friday).