

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, December 13, 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 Second Quarterly Financial Report for the Province of Manitoba, ending September 1989.

INTRODUCTION OF GUESTS

Mr. Speaker: Prior to Oral Questions, may I direct Honourable Members' attention to the gallery where we have from the Pierre Radisson Collegiate fifteen Grades 9 and 10 students under the direction of Lawrence Pitcairn. This school is located in the constituency of the Honourable Member for Radisson (Mr. Patterson).

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

ORAL QUESTION PERIOD

Substance Abuse Education Programs

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, since Sunday, the Winnipeg Sun has been publishing a series of articles on drugs and the horrors, quite frankly, in our homes and schools that result because of the abuse of substances of this nature. I think every Member of this House has been touched by the heart-wrenching account of suffering and despair, and I think we have all become convinced that there appears to be no absolute cure for drug addiction, even for those who have received rehabilitation.

Mr. Speaker, for over a year we have been asking this Government to implement programs in our schools and communities to deal with this serious problem, which is claiming the lives and destroying the health of many of our citizens. On September 8, 1988, and again on September 28, 1989, I asked the Minister of Family Services (Mrs. Oleson) about specific programs in her department to deal with the growing problem in our community, and I am still waiting for answers to both questions.

Can the Minister today give us information as to what new programs have been developed within Family Services to cope with drugs on the streets in the Province of Manitoba?

Hon. Charlotte Oleson (Minister of Family Services): Most programs that are run in connection with my department are run by outside agencies who do run some programs. However, I can tell the Member that

my department has some programs for various staffing members to do with Child and Family Service Agencies, but they are run by AFM, who is the principal deliverer of that type of program. My department does not actually deliver as a department programs of that nature. They are run by AFM. Some of them are run in my department, to do with staff. There was one in November for some members of staff.

Mrs. Carstairs: We are waiting for a comprehensive policy from this Government with regard to drug abuse programs, and we unfortunately still have to wait.

* (1335)

Substance Abuse Youth Education Programs

Mrs. Sharon Carstairs (Leader of the Opposition): Perhaps the Minister of Health (Mr. Orchard) can tell us, having announced as part of their first Speech from the Throne a youth drug program, can he announce today just what form that youth drug program is going to take from the Government's perspective and the perspective of the Alcoholism Foundation of Manitoba, or is he still willing to let other agencies do it?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, quite contrary, the AFM has been involved in a number of initiatives in the past year, some of them continuing initiatives, some of them new initiatives, in terms of drug awareness programs and education programs in schools, in working with other agencies outside of Government. That is part of a community effort in terms of the war on drugs, because as my honourable friend the Leader of the Opposition indicated in the preamble to her first question, there is no one single answer to the resolution of the use of addictive substances. We have taken a number of initiatives in the Department of Health starting on January 1 of next year in terms of the duplicate prescription program which very much narrows the availability of pharmaceuticals with addictive properties.

Mr. Speaker, I will hope that my honourable friend asks more questions so I can provide her with more information that I know she wishes.

Federal Rehabilitation Funds

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, the most pressing need in any program that effectively deals with drugs is education and counselling. Can the Minister of Health tell this House if he has yet signed the Alcohol and Drug Rehabilitation Program with the federal Government, or is he still denying Manitoba millions of dollars of funds from the federal Government because he cannot come up with a program?

Hon. Donald Orchard (Minister of Health): No, Mr. Speaker, I am not denying Manitobans millions of dollars

of funding, as my honourable friend alleges without complete facts.

Mr. Speaker, what is at issue is whether the province can access treatment funds in one regard with the national drug strategy in a fashion that does not parallel, duplicate or otherwise mimic initiatives that are currently in the community of Manitoba. That is very much a topic of serious discussion within the Ministry, with the AFM, and with some of the agencies that are currently involved with residential treatment. Let me tell my honourable friend that in terms of the education, promotion and prevention programs, not only is the AFM very directly involved in those types of programs, but so are many outside community-based agencies that involve people in the community to bring messages of "do not use drugs" to students and youth throughout the length and breadth of this province, inclusive of service clubs such as the Lions, the police forces, the RCMP, the Jets, and other organizations who care about the community.

Mrs. Carstairs: Mr. Speaker, it is still obvious that this Government is not approaching this thing with the concern that they should be approaching it.

Provincial Vehicles Misuse

Mrs. Sharon Carstairs (Leader of the Opposition): I have a new question, this time to the Minister of Government Services.

This morning Peter Warren of CJOB reported that a Government aircraft was used to fly Government personnel to a retirement party for an individual in Thompson on Saturday, September 23. Can the Minister indicate to the House today under what basis this Government aircraft was taken to Thompson, who paid for it, how many people were involved, and why was it authorized?

Hon. Albert Driedger (Minister of Government Services): Mr. Speaker, there are policies and regulations in place governing the activity that takes place with Government vehicles and Government equipment. I have approximately 4,500 employees within my two departments and we have these policies and regulations in place. If they break these regulations or the policies then disciplinary action will be taken.

* (1340)

This morning I was advised of the possible misuse of Government aircraft by Government employees on the weekend of September 23 and 24 concerning flights to Thompson. In light of the information provided, I have requested the Civil Service Commission to investigate the matter as quickly as possible and submit a report of their findings to me, along with recommendations regarding disciplinary action.

Policy Review

Mrs. Sharon Carstairs (Leader of the Opposition): Obviously the policies that the Minister makes reference to are not adequate. Is this Minister prepared to review the policies and to ensure that an abuse of Government aircraft and therefore an abuse of taxpayers' money does not take place in the future?

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please. The Honourable Minister of Government Services.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order. Order, please.

Misuse—Minister's Awareness

Hon. Albert Driedger (Minister of Government Services): Mr. Speaker, I have no difficulty reviewing the policies regarding the use of Government aircraft or Government vehicles as such. I just have to indicate at this time that I have been informed of the possibility of misuse of Government aircraft. We will look into that and then report.

Mrs. Sharon Carstairs (Leader of the Opposition): What we are opposed to is the abuse of a Government plane and therefore the taxpayers' money, and we would object to it no matter where the flight was going to. Can the Minister of Government Services inform the House as to why it took him almost two months to learn about the abuse of this aircraft?

Mr. Albert Driedger: Mr. Speaker, as I indicated, I was informed of this possible incident today. We are going to investigate and find out exactly what the circumstances were, why I was not made aware of this, and why the issue happened.

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

LynnGold Resources Inc. Severance Pay Packages

Mr. Gary Doer (Leader of the Second Opposition): I think all Manitobans share the sense of injustice in this province when a company that the Minister of Energy and Mines (Mr. Neufeld) has acknowledged is worth over \$550 million leaves our province with one of its subsidiaries and leaves employees owed about \$14,000 each.

Yesterday we asked the Minister to use his Government muscle with the company and the holding company to deal with this injustice. Did the Minister recommend to Cabinet today that the powers that he has under The Mines Act be fully utilized to deal with the holding company that is closing and declaring bankruptcy, LynnGold, so that this muscle can be used to return the severance pay to the employees and their families in Lynn Lake?

Hon. Harold Neufeld (Minister of Energy and Mines):

Mr. Speaker, the holding company he speaks of, Hayes Resources Limited, owns approximately 60 percent of LynnGold Resources. Hayes Resources, in turn, is owned by two parents, American Barrick and DCC Capital. They own approximately 60 percent of that company. Any attempt to get at the major parents, being DCC Capital and American Barrick, would be very difficult. We will do what we can to seize assets if necessary, if we can, indeed, legally. We will do what we can to obtain whatever retribution we can for the workers of LynnGold.

* (1345)

**The Mines Act
Permit Withdrawals**

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

We recognize that Dynamic Capital and DCC are subsidiaries of the American Barrick. Would the Minister now agree to use his powers under The Mines Act and withhold the mining and exploration rights and leases for the Blackhawk Holding Company, which is presently exploring and doing business on behalf of its holding company in Manitoba? In fact, Blackhawk Drilling Company has its head offices at the same place as DCC. It is presently drilling for ore and exploration is south of Wabowden. Would the Government now revoke the permit and use the Government muscle to return the money that is owed to the workers and families in Lynn Lake?

Hon. Harold Neufeld (Minister of Energy and Mines):

Mr. Speaker, Blackhawk indeed is a subsidiary of Dynamic Capital. It is a separate corporation, a separate legal entity. I have already said we will do what we can to get retribution for the workers of LynnGold, but to go and seize assets of a company that is a sister company, a different legal entity, I do not think is possible. I will check with our legal department to see what we can do.

Mr. Doer: Mr. Speaker, I recognize that Blackhawk is

one subsidiary and LynnGold is another subsidiary, but the holding company is DCC. The Minister has the power under The Mines Act, his Act, to withhold the permits, to withdraw the licences, to deal with the assets that are Manitobans' assets, the minerals in the ground, as leverage and bargaining power and muscle to get the workers' monies back to the families in Lynn Lake.

I asked the Minister yesterday, would he use that muscle? He said he could not. Today I checked The Mines Act and he can, and today I checked subsidiary holdings and it is indeed controlled by DCC. Will the Minister now in this House agree to withhold and withdraw the permits so the workers and their families can get the \$14,000 they are entitled to?

Mr. Neufeld: Mr. Speaker, I have already indicated LynnGold was a subsidiary of Hayes Resources. Hayes Resources is partially owned by American Barrick and DCC. DCC has the controlling interest in Blackhawk. Now, what good will it do to withhold permits of

Blackhawk even if we can legally? What good would it do for the workers of LynnGold? LynnGold Resources is a separate legal entity, and to withhold permits or withdraw permits of another corporation will not do anything else except to send a message into the mining community that Manitoba does not want mining industry in Manitoba.

Mr. Doer: Mr. Speaker, the message we want for these mining companies is they cannot just close down one operation, open up another operation, and shaft 250 workers and their families without somebody standing up for them. That is what we want from this Minister. Would the Minister now use his power under The Mines Act—something he neglected yesterday in his answers in this House—to deal with the holding company, the \$550 million holding company that the Minister acknowledged yesterday, to withhold the permits, withhold the licences and not allow them to do any business until their obligation to the workers and families was returned in terms of the severance pay for those families in Lynn Lake?

Mr. Neufeld: Mr. Speaker, we have had no dealings with the holding company except to negotiate in terms of extending the life of the LynnGold Resources operations. It was the holding company that we wanted to have put in money. We were putting a commitment on the holding company—asking them for a commitment to put in money—enough to pay for the workers' severance. At this very time that we were asking the holding companies to put in money to help the workers' severance liability, the Leader of the Opposition and his colleagues were pressuring Government into withdrawing that commitment.

**LynnGold Resources Inc.
Severance Pay Packages**

Mr. Paul Edwards (St. James): Mr. Speaker, the fact is that the Minister of Energy and Mines (Mr. Neufeld) has been badly snookered by this corporation, and the workers in Lynn Lake are paying the price. In a conversation I had yesterday with Bob Buchan, the chairman of LynnGold, he indicated to me that this Minister had known for months that the company could not pay the severance pay of approximately \$2.3 million. The balance sheet was in front of this Minister. This Minister knows how to read a balance sheet presumably, and he did nothing.

Mr. Speaker, when the company filed, they had \$30,000 in cash and \$2.3 million owing to the workers in severance pay. My question is this: did it not occur to this Minister to ask LynnGold to put the money on the table to provide for the workers before bankruptcy? Why did he allow them to get away with saying they were going to pay, all the while knowing that they had no intention of doing that—

Mr. Speaker: Order, please. The question has been put. Order, please. The Honourable Minister of Energy and Mines.

* (1350)

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, the Member for St. James (Mr. Edwards) is wrong on several accounts. In the first instance, no severance pay was owing until the layoff date, and that was November 6. In the second instance, the holding companies had not drained any cash from it. In fact, they had put in \$15 million. To demand that the holding companies put up money, the holding companies who, if you pierce the corporate veils, own approximately 30 percent of LynnGold resources; to ask them to put up on behalf of the other 69 percent of the shareholders money at a time when we were negotiating for them to continue their operations, not to cease operations—we were negotiating with them to continue operations, and at this time we are demanding of them to put up money for the other 69 percent of the shareholders—would be inappropriate.

Mr. Edwards: Inappropriate! This Minister was saying we should have respect for the company, respect for a company that had no intention of paying these workers.

Mr. Speaker: Order, please; order, please. The Honourable Acting Government House Leader, on a point of order.

Hon. Clayton Manness (Finance): I am well aware that a greater latitude has been offered in preambles of the Leaders, but we have watched day after day this particular Member across the way editorialize with respect to the answer given by the Minister into each of his preambles. I would ask that he be brought to order and put his question very succinctly.

Mr. Speaker: The Opposition House Leader, on the same point of order.

Mr. Reg Alcock (Opposition House Leader): If I may speak on the same point of order, I realize we have an Acting Government House Leader right now, but if he had consulted with the Government House Leader I think he would have been advised of the very good advice you gave us, that perhaps the Government should be calling some of its Members to order too in the length of their answers. We will follow their lead.—(interjection)—

Mr. Speaker: Order, please. On the point of order raised by the Honourable Acting Government House Leader, he is quite correct. I have recognized the Honourable Member for St. James for a supplementary question. A supplementary question actually does not need a preamble. The Honourable Member will kindly put his question now, please.

Mr. Edwards: My question is, why did the Minister not do his job for the workers and figure out that LynnGold was going to shaft these workers sometime before October 27 when it would have made a difference? He had the figures in front of him, he knows how to read

a balance sheet. Why did he not do his job and figure out that this company had no intention of paying those workers that severance pay?

Mr. Neufeld: The Member for St. James is a lawyer, he has acknowledged that. How can we demand that money be put out by the holding companies at a time when there is no severance pay due? The severance pay was due on the date of the layoff, which was November 6. If Government were to insist on payment of that severance pay, if Government were to withdraw leases, as has been suggested, to force the company to put up the money, the Government would have been sued. I suggest, and I will ask the Member for St. James whether he would allow his client to be coerced into putting up money before it was due?

Mr. Edwards: Yes, Mr. Speaker. The fact is November 6 was the day, this Minister did nothing. He did not ask. My final question is this: how does this Minister explain not taking the company to task during the negotiations when he knew they could not and were not going to pay the severance pay, in particular when the vice-president, in particular when the chairman, told me yesterday that he has in the past been willing to put cash on the table for severance pay? This Minister made a request three days after a proposal in bankruptcy which specifically shafted the workers on the issue of severance pay.

Mr. Speaker: The question has been posed.

Mr. Neufeld: There was no severance pay due until November 6, so what happens on October 27 is of no consequence. The fact of the matter is we were in negotiations until November 9. It could well be the company never had any intention of meeting their obligations with respect to the workers. I am not going to deny that. I do not know whether they had intentions or they did not have intentions. We negotiated with the best of intentions and had to expect that the company was negotiating with the best of intentions. On October 27, when they went into a holding position, not into bankruptcy, but into a holding position, to give them time to prepare a proposal, the proposal was due on December 14. A week ago the company decided they were not going to make a proposal, but on October 27 there was no money due to the workers.

* (1355)

Conawapa Project Diesel Fuel Spill

Mr. Harold Taylor (Wolseley): The Filmon administration is really a non-performer when it comes to the environment. We have the northern Native communities and the environmentalists very, very concerned about their sincerity and their commitment to a full public EIS on Conawapa. In fact our Leader has called for an EIS to be carried out before any further construction is undertaken.

Will the Minister of the Environment (Mr. Cummings) please explain to the House why he has kept the lid

on a spill of some 45,000 litres of diesel fuel at that same Conawapa damsite?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, I would hate the Member to put on the record that someone kept the lid on this spill. We as a department were advised and went in to make sure that the clean-up was executed.

Mr. Taylor: Is that not interesting? His department officials will not speak on the matter, and between 33,000 and 35,000 litres of that same diesel fuel remain in the ground. When will the Environment Minister insist that a clean-up be completed? When will he get on with the job, or is he just minimizing the cost to the polluter?

Mr. Cummings: Mr. Speaker, the Member need not take any great concern about whether or not this is going to be cleaned up. We certainly do intend to have it cleaned up. I wonder what he is implying about minimizing the cost to the polluter? If he has some charges he wants to make, he better be brave enough to stand up and make them.- (interjection)-

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

Mr. Taylor: Mr. Speaker, staff of this department are quite frankly prepared to close the file on this case, leaving that fuel in the ground. It is really unfortunate that the firm was fined twice \$190 on the matter. Why has the Government not appealed these token fines, which are in effect a licence to pollute by this firm or any other company that is a party to a pollution incident?

Mr. Cummings: Mr. Speaker, this Government is not giving anyone a licence to pollute. Our concern is to make sure that the material is cleaned up, that the danger to the environment is minimized. We know that every time there is a spill or a hazard of this nature that gets into the environment that there can be problems. That does not mean that we are not working diligently to make sure that we reduce the effects of that problem.

I really resent the fact that the Member somehow indicates that the Department of Environment should have made banner headlines with announcements day after day on a blow-by-blow description of how they were dealing with this.

Lynn Lake, Manitoba Mobility Assistance Program

Mr. Jay Cowan (Churchill): My question is to the Minister of Energy and Mines (Mr. Neufeld). We all know that the federal Government and the provincial Government have co-operated to set in place a mobility relocation and retraining program for LynnGold employees. Unfortunately, that program is not available to provincial or federal Government civil servants who are transferring from one job to another.

I would ask the Minister of Energy and Mines, would he be prepared to put in place a waiver of that restriction

on that program so that all the employees in Lynn Lake, not just the employees of LynnGold, will have access to retraining, mobility and relocation monies?

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, we have in place several committees that are working with the people of Lynn Lake, as well as the workers of LynnGold. They will be dealing with the task of moving the people that want to move. At this point in time, I will not make a decision but the committee undoubtedly will come to us with some proposals.

Mr. Cowan: It is not enough for the Minister of Energy and Mines (Mr. Neufeld) to continually attempt to wash his hands of any of the problems or any of the blame for this circumstance. The fact is that hundreds of employees do not have access to relocation because of the policies over which he can provide some direction.

Is he prepared now to provide some Ministerial direction to protect other employees to ensure that they have the same benefits of relocation, mobility and retraining as do LynnGold employees under the present circumstances?

Mr. Neufeld: It is precisely for the reason that we do care about the community that we have a committee in place to work with those people. We are not in a position at this time to say what that help will be, but the committee is working on it and they will be coming to us with recommendations.

* (1400)

Lynn Lake, Manitoba Mobility Assistance Program

Mr. Jay Cowan (Churchill): The mine is closed, businesses are closing, families are being laid off, provincial civil servants are being affected, federal civil servants are being affected. It is all happening now and the committee has not made a decision because they lack direction. Will the Premier (Mr. Filmon) please take control of this situation and direct that the restrictions on provincial civil servants that prevent them from collecting mobility, relocation and retraining programs are waived in this particular instance? Will he go one step further and ask that the same be done for members of agencies as well as the federal Government? Will he direct the communities to look at other mobility requirements of other community residents as well?

Hon. Gary Filmon (Premier): Mr. Speaker, I apologize, I was reading a note. I did not realize that question was directed to me. I wonder if I could ask the Member for Churchill to repeat that question.

Mr. Cowan: I would ask very briefly, if the Premier would under his authority waive the restrictions on provincial civil servants which mean they cannot collect mobility, relocation and retraining programs under the system as it exists? Will he go one step further and ask the federal Government to do the same and will

he go another step further and ensure that mobility, relocation and retraining programs will be available to all residents of Lynn Lake, no matter where they work or for whom they are employed?

Mr. Filmon: Mr. Speaker, we have established a committee at Lynn Lake to look at all of the aspects of the closure of the mine. The Member knows full well, as Members opposite know, that we worked very, very hard to try and ensure that mine kept operating, that our first priority was to have jobs there for the people of Lynn Lake, that all of our efforts were there including a \$24 million package.

The Liberals wanted to write them off and do nothing about it. They would have entered into a confrontative situation with the owners of the mine and wiped out the opportunities and wiped out the potential for severance pay, Mr. Speaker, but we do not want that. We were working to try and keep the mine operating.

We will have the committee take a look at the suggestion which has been put forth by the Member for Churchill (Mr. Cowan) and see whether or not it is an appropriate suggestion.

Violence Against Women Comprehensive Information Strategy

Ms. Avis Gray (Ellice): Mr. Speaker, every day we see more examples of violence perpetuated against women, and every day we see more examples of how women are considered less than equal and are forced to be humiliated and degraded in work situations.

Just recently a Francophone womens' group has felt it necessary to initiate a lobby to ban pornographic material from video stores, and today another woman is forced to file a complaint with the Human Rights Commission because of discriminatory dress codes practised in the workplace.

The Minister responsible for the Status of Women (Mrs. Hammond) promised education and information programs about violence against women some eight months ago. We have seen nothing.

My question is to the First Minister. Can the Premier (Mr. Filmon) tell us when his Government will provide a comprehensive public education and information strategy? When will that be developed?

Hon. Gary Filmon (Premier): Mr. Speaker, I think we have difficulty in trying to promote gender equality and respect for women when the Member for Ellice (Ms. Gray), for instance, gets up and shouts, "you guys," to the Government of the House, calls the Government in this Legislature, "you guys."

Here we have a woman who has an opportunity herself to promote the equality of men and women, to be a role model in a positive sense, to show leadership so people know that men and women are equal and should have equal opportunity throughout our society, and she goes around calling a group of men and women, "you guys."

We have difficulty and it will take a great deal of education and training on the part of this Government—

Mr. Speaker: Order, please. Order.

Mr. Filmon: —to overcome those negative examples that are set by the people like the Member for Ellice.

Mr. Speaker: The Honourable Member for Ellice, on a point of order.

Ms. Gray: On a point of order, Mr. Speaker, by the answer that the Premier has given us this afternoon, he has just succeeded in insulting all women in Manitoba by his lack of regard for this very—

Mr. Speaker: Order, please; order please. The Honourable Member for Ellice does not have a point of order. It is a dispute over the facts.

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

Ms. Gray: Mr. Speaker, one must assume that in fact there has been no strategy developed by this Government and that it is all lip-service in the Women's Initiative and that we will not see anything in the future, but I will ask the Premier a supplementary question.

Has Cabinet developed a strategy so that the philosophy of preventing and curtailing violence against women and against families is reflected in all education programs, all enforcement and all public education?

Mr. Filmon: Mr. Speaker, I know the Member for Ellice is embarrassed at the things that she has said in the past and the kinds of cheap politics that she tries to make out of the serious issue of gender equality.

I can tell her that this Government is totally committed to the implementation of the recommendations of the Women's Initiative. This Government has put additional funds, substantial increases in funds, to deal with family violence, violence against women and children. That has been a major priority of our Government. She can ask questions in the Department of Family Services and of the Minister responsible for the Status of Women (Mrs. Hammond), so that she can get full information about the substantial increases and improvements in services regarding violence against women and families that this Government has provided.

Ms. Gray: Mr. Speaker, I have a final supplementary to the Premier (Mr. Filmon). The Premier seems to think that the only place that those types of programs should occur are in the Status of Women and the Family Services portfolios and that is what your problem is. You do not understand that it should be a comprehensive strategy throughout all —(interjection)—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please. I would like to remind the Honourable Member this is not a time

for debate. This is Question Period. The Honourable Member kindly put her question through the Chair now, please.

Ms. Gray: Mr. Speaker, I have a final supplementary to the Premier. Can the Premier tell this House today if this Government has any intentions at all of developing a comprehensive strategy that deals with public education, which would be throughout the 26 departments of the Government?

Mr. Filmon: Mr. Speaker, it is interesting that the Member for Ellice has been in this House for a year and a half and still does not know how to put a question through the Chair. It is a fundamental -(interjection)-

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. Order.

Mr. Filmon: A year and a half and she still has not figured out how to place a question. I am glad that you have finally given her some instruction. I hope this time she will learn.

POINT OF ORDER

Mr. Speaker: Order. Order, please. The Honourable Member for Thompson, on a point of order.

Mr. Steve Ashton (Second Opposition House Leader): On a point of order, Mr. Speaker. I think our rules are very clear in terms of answers to questions. If the Premier wants to try and act as Speaker as well, I would suggest he get his own act in order. As someone who is sitting back and hearing these continuous abuses of Question Period, I would really ask if the Premier would show some leadership on this and answer the question that was raised so we can get on to some real business in Question Period.

Mr. Speaker: On the point of order raised by the Honourable Member for Thompson, he is quite correct. Answers to questions should be as brief as possible, should not provoke debate, and should deal with the matter raised.

Mr. Filmon: If you continue to abuse the rules of the House, it is very difficult for the Government to do its job. On the other hand, I will be glad to tell the Member for Ellice (Ms. Gray) that this Government will continue to focus all resources possible on ensuring that violence against women and families is something that is demonstrated to be absolutely unacceptable in this society, in this province, and by this Government.

Regardless of which department the services are in, whether they are the services provided by the Attorney General, Family Services, Status of Women, or any other department in this Government, we will ensure that we will be consistent and let the public know that violence against women and families is unacceptable in Manitoba.

Transportation Industry Safety Standards

Mr. John Plohman (Dauphin): Mr. Speaker, I have a question to the Minister of Highways and Transportation (Mr. Albert Driedger).

Over the last number of years the New Democrats on this side of the House have consistently raised concerns about public and worker safety in the wake of deregulation of rail, air, and truck transportation by successive Liberal and Conservative Governments in this country. We have repeatedly warned that companies would cut corners on safety in order to cut their costs and to, what they would say, stay competitive.

We are astounded that the federal Transport Minister could be leading the charge and undermining safety with unilateral decisions affecting rail safety in this country. I ask the Minister of Transportation to explain to this House why he supports the decision of the federal Minister to unilaterally eliminate the requirement for locomotive sanders on VIA passenger trains in this country, as he did in an order on September 22?

* (1410)

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, when the Member makes reference to deregulation taking place and the safety aspect of it, I want to remind him that he signed the memorandum of understanding at that time that allowed deregulation to take place. There has been no change from this Government or from this department in terms of changing any status in terms of the safety aspects of it that have been brought down under the National Safety Code.

Mr. Plohman: Mr. Speaker, we are discussing rail safety dealing with locomotive sanders in orders that were given by the federal Minister on September 22 dealing with VIA trains not being required any longer to be equipped with locomotive sanders. This has resulted, Mr. Speaker, in a dangerous situation.

In view of the fact that the Brotherhood of Locomotive Engineers have written that engineers of many years experience will verify the value of sanders, we consider the removal of sanders as a direct threat to safety of the general public and operating crews of locomotives. I ask why this Minister has not raised opposition to this issue and why he is supporting the decision by the federal Minister without proper testing, without consulting with the people who are the experts in that area?

Mr. Albert Driedger: In the 18 months I have had the opportunity to be the Minister of Highways and Transportation I have never had any qualms about letting my view be known to the federal Government in terms of concerns I have with what they do in the transportation aspects of it, whether it is VIA Rail, whether it is CN, whether it is Churchill, and I will continue to do so.

Mr. Plohman: If the Minister believes he is taking a strong stand on this issue, why did the Minister move

unilaterally on November 20 to abolish sanders on CN trains, all CN trains in this country, and this Minister has not even raised a protest. Why has this Minister not even raised a protest -(interjection)- and discuss this issue with the federal Minister in opposition to the decision?

Mr. Speaker: Order, please; order, please. The question has been put.

Mr. Albert Driedger: I have some difficulty with the rationale or the direction the Member for Dauphin is taking on this. I have indicated all along the position which we have taken in terms of safety for people in Manitoba. The Member continually tries to bring up federal issues and tries to have them affiliated with this Government. We will continue to monitor and make sure that our views are known to the federal Government in terms of safety of the people of Manitoba.

Unemployed Help Centres Funding Reinstatement

Mr. Bob Rose (St. Vital): My question is to the Minister of economic security. Mr. Speaker, as we all know, unemployment in Manitoba is rising rapidly and with more and more businesses folding this trend will certainly continue throughout the winter. Last year this Minister ceased funding to a very valuable agency, the Community Unemployed Help Centres. With increased unemployment comes delayed UIC cheques in Manitoba and certainly poorer service from the bureaucrats. Will the Minister now revisit this decision and reinstate funding for the Community Unemployed Help Centres?

Hon. Charlotte Oleson (Minister of Family Services): Mr. Speaker, as I have indicated on many occasions, unemployment insurance is a federal matter and those organizations, should they want to continue, should deal with the federal Government.

Mr. Speaker: Time for Oral Questions has expired.

MESSAGES

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I have a message from His Honour the Lieutenant-Governor.

Mr. Speaker: The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba Estimates of further sums required for the services of the province for the fiscal year ending the 31st of March, 1990, and recommends these Estimates to the Legislative Assembly.

(Translation)

Le lieutenant-gouverneur transmet à l'Assemblée législative du Manitoba le budget des dépenses supplémentaires nécessaires à l'administration de la province pour l'exercice se terminant le 31 mars 1990 et il recommande ce budget à l'Assemblée législative.

ORDERS OF THE DAY HOUSE BUSINESS

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I propose today to call Bills 27 and 53 at the Report Stage. Then, hopefully, by leave, these Bills will proceed through concurrence and through third reading stage, and if the House so desires to pass these Bills. I would hope that Royal Assent might occur around 4:55 p.m. today.

Beyond that, Mr. Speaker, if these Bills are considered and duly supported, I then would ask you to call Bills 79, 31, and I will say 67 at this point—that may be a slight change, I think not, though, to Members on their list—38, 8 and 19.

I should move a motion dealing specifically with the Supplementary Estimates that are being introduced at this point in time. Therefore, I move, seconded by the Minister of Northern Affairs (Mr. Downey), that the said message, that being of the Lieutenant-Governor, together with the Estimates accompanying the same, be referred to Committee of Supply.

MOTION presented and carried.

REPORT STAGE

BILL NO. 27—THE FISCAL STABILIZATION FUND ACT

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, this being report stage with respect to Bills 27 and 53, I would like to move an amendment, particularly with Bill 27. Is that in order at this time?

Mr. Speaker: Bill No. 27, The Fiscal Stabilization Fund Act; Loi sur le Fonds de stabilisation des recettes. The Honourable Minister of Finance.

Mr. Manness: Mr. Speaker, I am proposing to bring forward an amendment, and I will read the amendment now.

I will move, seconded by the Minister of Industry, Trade and Tourism (Mr. Ernst), that Bill No. 27, The Fiscal Stabilization Fund Act, reported from the Committee of the Whole—I am sorry, I am mixed up in all the motions that I have here. Can I go into the amendment right now? Mr. Speaker, I then will read the amendment.

Mr. Speaker, I move, seconded by the Minister of Industry, Trade and Tourism (Mr. Ernst),

THAT Bill No. 27 be amended:

(a) by striking out "The" in section 4 and substituting "Subject to subsection (2), the";

(b) by striking out (2) in the French version of section 4 and substituting 2(2)

(c) by re-numbering section 4 as subsection 4(1); and

(d) by adding the following subsection after subsection 4(1):

Restriction

4(2) A transfer under subsection (1) may be made only once in each fiscal year, and the amount transferred in a fiscal year shall not exceed the amount specified to be transferred from the fund in the Detailed Estimates of Revenue of the Province of Manitoba for that fiscal year as laid before the Legislative Assembly.

MOTION presented.

* (1420)

Mr. Manness: Mr. Speaker, after having some debate on Bill 27 in Committee of the Whole the other day, I indicated to Members opposite that I would look at the advisability of bringing in a greater clarity associated with the intent of the Bill, indeed, the intent of the Government. The Fiscal Stabilization Bill should be entered only on one occasion during a planning year. In my view, that safeguard was contained within the wording that was provided within the former Bill. Nevertheless, to give greater clarity to that section, Government is proposing this amendment, making it fully clear that the Stabilization Fund, should it receive the support of this House and be allowed to come into being, should be accessed only once a year.

It is not saying that this fund cannot receive a larger amount of money through the year in a revenue sense. It does not mean we cannot put more into it during the fiscal year if we find out that there are additional revenues far beyond what we expected half way through a fiscal year. We can put funds into the account. We can put monies into the fund, but we can only withdraw at the time that we are preparing the budget and relay that information before the people, indeed, the people's elected representatives. Furthermore, Mr. Speaker, if the Government chooses to transfer \$200 million, and halfway through the year, again because of additional windfall, realizes it does not need all that money, there is no incumbency upon the Government to take all of it either. In my view, this is a common sense approach and addresses certainly the question of the Liberal Party in particular.

Mr. Reg Alcock (Opposition House Leader): Mr. Speaker, I would like to put a few remarks on this particular amendment. It is an interesting situation we find ourselves in right now, because the Minister is quite right. He makes these amendments based on a considerable amount of debate in the House about the intentions of this Bill, and our belief that this was simply a means of giving them greater flexibility to move money around to meet their electoral needs as opposed to the needs of the citizens of this province. This amendment goes a long way to satisfying that concern. I applaud the Minister for bringing it in. I think what he has done is underscore his intention to limit the use of this fund to a once-a-year draw, as he describes it, to stabilize the budget.

Mr. Speaker, we remain of the belief that this fund is completely unnecessary. All it does is obscure the real financial picture of this province. It adds an unnecessary level of obscurity to the financial reporting

in this province. I think that case has been well made, and I think it is certainly supported across the country as we see the responses of auditors in other provinces to similar funds, and, I might add, in the States.

We support the amendment. We remain opposed in principle to the Bill and would simply comment that the Finance Minister is in an unusual position. He stood up in this House yesterday and described himself as an oddball, and I would not want to take away from that, although actually I would not use that word at all myself. The reason that he made that comment was that he said that he believes that each year should be taken for itself, that he takes a much more traditional view of Government financing. He said in reference to capital, that capital expenditures should be budgeted on an annual basis and fully accounted for within that year, so that there was not a sense of carrying over the costs of things that are tangible in nature and that can be applied and used and consumed in future years, yet at the same time he is quite prepared to, on paper, move money around to muddy up that clarity about a single year's financing.

In principle, on the Bill, Mr. Speaker, we remain critical as to it, but we are pleased with the amendment. We think it improves a bad Bill and are prepared to see the amendment pass now.

Mr. Leonard Evans (Brandon East): Firstly, I guess we are not changing our position in the support of the Bill, although I have some, unlike the Member for Osborne (Mr. Alcock)—are you from Osborne?

An Honourable Member: Yes.

Mr. Leonard Evans: The Member for Osborne, I have some concern about the amendment, not overly concern, but nevertheless what it does is take away some flexibility. We had always thought, or I had always thought, had the impression that the Government would give itself more flexibility by having a so-called rainy day fund that could be available for emergencies during the year. Apparently this is not to be, although I suppose the Minister could argue that once it is put into a budget, it could be used retroactively. Is that the term? Now, once it has been put into the budget, then it can be utilized for various purposes that may be deemed, or may not be used. I suppose the argument for it is that in some ways you could argue that it is a bit of Keynesianism here, and that is you have these monies available and that in a given year, when say there is a downturn in the business cycle the Government could have a fund of money to offset the cycle by increasing spending in that particular year.

In some senses this fund could assist any Government at that time in increasing expenditure, having had the fund, whatever the amount is. We are only talking about \$200 million now. It could be larger at some future time, or it could be smaller.

I think in some ways though it takes away the flexibility and to that extent it is not as desirable. We would like to see as much flexibility as possible. However, having said that, I guess it could be argued that once it is in the budget, at some future time the Government might want to be flexible on how it utilizes the money.

There are a lot of questions surrounding this matter. It is still a new procedure. I do not know whether the Provincial Auditor is really that happy with this type of Bill and this type of financial approach. He probably is a bit more happier, however, with the amendment that the Minister has brought in.

At any rate, Mr. Speaker, I reiterate, we will continue to support the principle of the Bill.

Mr. Speaker: Is it the pleasure of the House to adopt the motion? Agreed? Agreed and so ordered.

Mr. Manness: I move, seconded by the Minister of Natural Resources (Mr. Enns), that the Bill, as amended, that is Bill No. 27, The Fiscal Stabilization Fund Act, reported from the Committee of the Whole, be concurred in.

Mr. Speaker: The Honourable Member for Brandon East (Mr. Leonard Evans), on House Business.

Mr. Leonard Evans (Brandon East): Just on a point of clarification, are we now moving into third reading?

Mr. Speaker: No.

Mr. Leonard Evans: We are not moving into third reading.

MOTION presented and carried.

BILL NO. 53—THE ENERGY RATE STABILIZATION AMENDMENT ACT

Mr. Speaker: Bill No. 53, The Energy Rate Stabilization Amendment Act; Loi modifiant la Loi sur la stabilisation des emprunts d'Hydro-Manitoba à l'étranger, the Honourable Minister of Finance.

* (1430)

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I move, seconded by the Minister of Industry, Trade and Tourism (Mr. Ernst), that Bill No. 53, The Energy Rate Stabilization Amendment Act, reported from the Committee of the Whole, be concurred in.

MOTION presented and carried.

THIRD READINGS

BILL NO. 27—THE FISCAL STABILIZATION FUND ACT

Hon. James Downey (Minister of Northern and Native Affairs) presented, by leave, Bill No. 27, The Fiscal Stabilization Fund Act (Loi sur le Fonds de stabilisation des recettes), for third reading.

MOTION presented.

Mr. Speaker: The Honourable Minister of Finance will be closing debate.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, thank you very much. I will only take a very few seconds to thank all Members of this House who have engaged themselves over the course of several months in much debate surrounding this Bill. It presents, obviously, a new concept which in some respects is not fully acceptable certainly to the Liberal Party, but nevertheless I think in time it will be shown to be a good move for the taxpayers of the Province of Manitoba.

Nevertheless, Mr. Speaker, I thank all Members from this House for their representation on Bill 27.

Mr. Speaker: Is the House ready for the question? The question before the House is third reading of Bill No. 27, The Fiscal Stabilization Fund Act; Loi sur le Fonds de stabilisation des recettes. Is it the pleasure of the House to adopt the motion? Agreed?

Some Honourable Members: No.

Mr. Speaker: All those in favour of the motion, will please say aye; all those opposed, will please say nay. In my opinion, the ayes have it.

Some Honourable Members: On division.

BILL NO. 53—THE ENERGY RATE STABILIZATION AMENDMENT ACT

Hon. James Downey (Minister of Northern and Native Affairs) presented, by leave, Bill No. 53, The Energy Rate Stabilization Amendment Act (Loi modifiant la Loi sur la stabilisation des emprunts d'Hydro-Manitoba à l'étranger), for third reading.

MOTION presented.

Mr. Elijah Harper (Rupert's Land): I believe there has been agreement for me to speak on this Bill, and also I believe the Member for Brandon East (Mr. Leonard Evans) has a short speech. I am not going to take very long on this Bill.

The Energy Rate Stabilization Amendment Act is a Bill actually to repeal another Bill which was introduced by the Conservative Government, I believe in 1979, which was to freeze the hydro rates. Certainly the people of Manitoba did not benefit by the actions of the previous Conservative Government by freezing the hydro rates. They had mentioned it would cost in the neighbourhood of about \$110 million, and after the smoke cleared they found out the actual cost was over \$300 million. Certainly they have changed their policy over the last ten years, I believe they have seen the light as to what has happened.

(Mr. Parker Burrell, Acting Speaker, in the Chair)

I guess through the Conservative Lyon years the development of hydro was at a standstill and they mothballed the Limestone hydro development for some time. At that time our Members, the New Democratic Party, were in Opposition and they called for the Limestone project to be continued. We did as a

Government later advance the project two years ahead of time because at that time we had just signed a deal in which Limestone would be built. Certainly that is a different policy that was enunciated differently from the Conservative Government.

I wanted to speak on this Bill because most of the hydro rates are affected by the people in the North, and certainly most of the people do not have the regular hydro service as made available to the ordinary citizens of Manitoba. They are not available to most of the northern residents. Most of the electricity runs practically over their heads and is being consumed by other people than the people who live closest to those resources, the surrounding reserves and Northern Affairs communities.

We have been advocating for regular hydro service into those communities. For some time, I know in my community we have been after the Government of Manitoba and also Manitoba Hydro, to provide that service directly to us from the rich resource we have in our own backyards, and we do not seem to have that service made available to us.

What we have in place of a regular hydro service is the hydro diesel service, which is very costly. The fossil fuels that are being shipped in through the winter roads are very costly. Those fossil fuels eventually will run out in the future, and hydro-electric power is a renewable resource we can depend on. Of course, we will have to wait and see situations in which we may have a dwindling power supply because of the drought or low water levels in the future. Certainly it is a reliable resource and a renewable resource that we have in our own backyards.

Manitoba is blessed with energy power that could be made available to Manitobans. I support the Government's move to try to bring the hydro line as soon as possible into these communities. I applaud them that, but we have been after the Government for the last 13 years or so to try to bring hydro lines. When we were in Government, we did indicate as a provincial Government we would go ahead with that, and also Manitoba Hydro. The only thing that had to be settled was to negotiate with the federal Government their share of building that hydro line from Kelsey into those communities, which are; Oxford House, Gods Lake Narrows, Gods River, and Red Sucker Lake, the Island Lake communities.

* (1440)

The Conservative philosophy at that time, or their policy at that time, was not to construct hydro because they thought it was going to cost a lot of money. Also, by freezing the hydro rates it ate into the reserves that we had. The hydro policy, in terms of access by communities, is certainly one which should be provided to all the citizens of Manitoba.

I believe it is our resource and we should try to make that resource available to everybody in Manitoba. I believe if we had those powers available to many of the communities we would have a better and safer environment for those communities. The reason I say that is because we do not have regular hydro power

service in communities like Red Sucker Lake, which I am very familiar with. We do not have the ability to have built quality homes, and most of the homes we have are not generated by electricity.

(Mr. Speaker in the Chair)

I am sure that if we had a regular hydro line service to many of the northern communities we would not have situations where we have house fires started by wood-heated stoves. We would be able to eliminate that because if we had the regular hydro service we would be able to heat the homes by electric heat. Also, we would be able to provide better economic opportunities for the residents who, at the present time, are limited as to how much power each home has access to. We are only able to have 15 amp service to each home which basically allows you to hook up your TV, or your refrigerator, or maybe one appliance like an electric kettle. If the power is overused the breaker would go off because you are not allowed more than 15 amp service.

By bringing in the hydro line you would probably be able to provide electric heating for many of the fire halls because right now most of the homes are heated by wood fuel or by oil stoves and certainly it would provide a better service to those communities.

One of the examples that I can give you as a classic example of what happened in terms of not having a regular hydro supply in the communities is in Red Sucker Lake. We had a water line system, pipe system, built throughout the entire reserve. They had electric tape throughout the reserve and it was able to heat the line, and also because of the cold weather conditions it would not freeze.

One evening, it was 1982-83 I believe, the power, the generator went out in the community and was not able to be restored for some time. I believe it was a day later that the electricity was put back on, but by that time the whole line had frozen and put the line out of commission. At that point the people were not able to have access to a clean, safe water supply for the community. They were able to chop holes in the ice and get the water from the lake.

This is just an example of what could happen in the northern communities where you do not have the regular power service or that you are restricted, or what you can do with the present power service that you have in the communities. Certainly we want to change that, and we as a Government have been during the NDP administration wanting to change the present power supply that is made available.

As I mentioned before, The Energy Stabilization Amendment Act was to repeal in a sense the Conservative policy for what they had previously, which is in a sense a flip-flop on their philosophy, the policy in terms of hydro energy power and also because of the recent actions by this Government in signing a deal with the Ontario Government.

It had been announced that Ontario would purchase hydro-electric power from Manitoba Hydro worth about \$13 billion which would cause the Government to build a \$5.5 billion project in the North. We were criticized

for building Limestone which they said would cost us I believe \$3 billion, but we were able to build it between for \$1.6 and \$1.7 billion because of the sales that we have made. Also, the cause -(interjection)- to build the hydro dam two years in advance.

If we had not made the sale, it would have been the hydro ratepayers in Manitoba that would have paid for that project. Certainly if we had followed their advice, we would be still building to starting of Limestone right now, and we would not have been able to have the sale with Ontario because the power that we built in Limestone is only 1.2 megawatts.

Certainly this Government by signing this agreement was going to build the biggest dam in the North, and the Native people are looking towards this project for some benefits—jobs and training. There are some outstanding issues that have to be settled in respect before this project proceeds. One of course is environmental study that has to be done in the area, not only Conawapa but the transmission line that would have to come through the northeast side of Manitoba.

Certainly all the communities would have to be consulted, all the trappers and the people that use those resources would have to be consulted, and see what kind of impact it would have on their livelihoods.

I mentioned, I questioned the Minister of Northern Affairs (Mr. Downey) yesterday in respect to the Treaty Land Entitlement, which may have effect on the bipole line project. Certainly that is one outstanding issue that should be addressed maybe before the Bipole 3 project is completed. There are other issues that have to be addressed in respect to the other hydro line coming from Kelsey into the northeast area to those communities, how their trapping areas, their livelihoods may be affected by the building of the bipole 3 line.

Certainly Limestone was one of the biggest projects that this Government was involved in, and we had a lot of input from the northern communities, Indian communities. We actually did travel into those communities, met with the people ourselves and had meetings in the band halls, community halls, met them directly, grass-roots meetings, grass-roots input from those people.

Certainly I hope this Government would do the same, not just hire consultants to travel around and meet with the communities. It is important to meet people on a one-to-one basis, not only in community halls but even just walking around the communities talking to the people. They were concerned about many of the issues that this Government is doing and also because of the lack of involvement that the Native people have had for so many years.

Certainly during the Limestone project we did bring them in to be part of the whole process. We set up the Limestone Aboriginal Partnership Directorate board to be involved in the whole process. Certainly they would want a Native person to be involved at the top, and they had that representation through me to—

An Honourable Member: And they certainly criticized you last week, let me tell you.

Mr. Harper: I know the Minister of Northern Affairs (Mr. Downey) is a little bit touchy about this issue, because you know they have driven him out to the point where out of frustration they could not, because they were not involved in the Nelson-Burntwood Collective Agreement. I know the Minister has said that we should learn by our mistakes—

An Honourable Member: People did learn. They voted us into office.

Mr. Harper: —learn from the mistakes of previous administrations, but they never consulted the aboriginal people, the aboriginal directive, the partnership on the terms of the Nelson-Burntwood Collective Agreement.

* (1450)

They never improved that when certainly they had that opportunity, and the people that were directly, mostly affected, our Native people, were not involved. If you look at the—I know that we are not perfect in terms of the way we deal with things and certainly we have also learned by our accidents. Certainly at least we tried to do our best and the people appreciate that.

The Conservative Government, the present one, should be learning from that and not driving the partnership out of the arrangement that we had. It should be negotiating and bringing them back to the table to try to iron out many of the things that we had put into place. Certainly we are concerned as to the involvement of Native people and aboriginal people in respect to the development of Conawapa.

The training program should have continued, so there should have been a follow-up instead of closing down the Limestone office in Thompson. They should have expanded that to include the Native people. Many of the people that worked in that Limestone training agency have left. Most of them were Native people. As a result of that, people are concerned as to what commitment they have in respect to hiring Native people in their project.

Certainly there needs to be a dialogue with the Native people to consult with them, to travel in those communities, and to work with the people and work with the Limestone Aboriginal Partnership Board so that they can become part of the whole process, because when we have resource developments happening in the North we are left out completely.

If you look at the resource development activities in the North, whether it be mining, forestry, or previous Hydro development projects, the Native people have not been involved. As a matter of fact many of the reserves have high unemployment, have stagnant growth. There is virtually no growth and virtually there is no employment opportunity. Certainly those are things we need to address. We need to have people come in from those communities to be part of the development in the North which for far too long we have been left out.

Certainly those resource towns have good facilities like education and health facilities that come with the development, and we want to be part of that whole

process. We were not able to take part in the resource development, or even in the joint ventures that happen in those communities, whether it be mining, forestry or Hydro development. I hope many of the opportunities that would be created will be taken advantage of by the Conawapa dam being built, and I hope this Government would put into place a program that would provide an opportunity for Native people.

I know that when we were in Government we talked to companies. An example is the Canadian General Electric, when we awarded the turbines and generators worth over \$100 million they set aside \$2 million for northern and Native businesses, and northern and Native people were able to access those resources. Berens River is the one area the one Band that accessed the resources, Oxford House was another one, I believe South Indian Lake, just to name a couple, but those are some of the initiatives that this Government needs to do to create employment opportunities and work for the people in the North.

By announcing this recent hydro sale to Ontario has brought in more concern and also some hope that the northern and Native people will become involved and become partners in the development of the North. I just wanted to put those few comments on record so that the Members can read them, or if they heard me would take into account as to the development of hydro in the North. Thank you, Mr. Speaker.

Mr. Downey: I just want to make a brief comment. I do thank the Member for Rupertsland for putting some of the things on the record he has. I do say in all sincerity to him that I would hope that he would do a little more homework before he puts some of the things on the record that he has, because I think he has really opened up an opportunity for debate which I do not plan to at this point challenge. I do thank him though for his support of the recently announced Conawapa start-up and the whole Hydro initiative. I think his support will be helpful, and I again would thank him for that.

I do think there are some areas in which the Member and I should sit down or we should get into a specific debate as to some of the historic activities within Hydro. I say, as it relates to the Act that is currently before us, there was a sincere attempt by the Government to in fact deal with the hydro rates for the people of Manitoba. After all, when one looks at the historical chart of increases over the past 20 years it has without question gone up substantially, and a lot of it has been because of the high costs of construction and the manner in which our hydro products were sold. Yes, I have to say I am pleased that the Limestone Hydro project cost a considerable amount less than what had been projected. If it had not I can assure you that the hydro rate impact on the people of Manitoba would have been almost intolerable. So I say there are many areas of debate.

I have to make one other point at this time, that deals with the LAPD Board and their recent public announcement that they are quitting, or they are resigning, or they are dissolving the organization through frustration. Mr. Speaker, it was established by the previous administration to become involved in

Limestone activities. We are now at the latter part of the activities of Limestone so I guess the frustration they have had was with the past administration because that is when they should have had their maximum input. Now that has wound down. I know they have a youth program which is important and I said in my speech yesterday we will be dealing with it.

I can assure the Member that future activities, as it relates to the whole environmental process, as it relates to the construction process, as it relates to training, as it relates to the involvement of the Native people, I want to assure him that we will be working very closely with those communities to maximize their opportunities. I say that with sincerity and I would hope that the Member in future would sit down and we will go over some of the opportunities and the ideas that he has, but as well we will straighten out some of the factual information that he has put on the record here today. Thank you, Mr. Speaker.

* (1500)

Mr. Leonard Evans (Brandon East): I just want to make a few comments on this particular Bill which this amendment, The Energy Rate Stabilization Amendment Act, Bill No. 53, which we are supporting, but as previous speakers from our Party have indicated we cannot help but think that this Bill finally brings this Government full circle, the Conservative Party full circle, from where it was back in the Lyon years when it seemed at that time from my recollection that they were against many of the policies that the previous Schreyer Government had brought in.

What this Bill does is finally put an end to a policy that was really inappropriate and really inefficient in the long run. What we were trying to do in my view, and at that time it seemed to be politically favourable for the Government of the Day back in 1979, to say that they were going to impose hydro rate freezes in the province, that was a very popular political move to make. Of course, the Government stated it was going to assist in this by setting up an Energy Rate Stabilization Fund, which according to the Minister of Energy at that time, or the Minister of Finance, pardon me, at that time the late Mr. Craik, that it would cost the taxpayers only about \$100 million or \$110 million, I believe, by way of exchange losses on foreign currencies. Well the fact is the loss was much greater than that, it was much closer to \$300 million I believe.

In 1987 the NDP Government introduced a number of amendments which removed a portion of the province's obligation under the Act. The amendments return Manitoba Hydro responsibility for fluctuations of the U.S. dollar debt as of April 1, 1987. As I understand it, this particular amendment follows on that path and transfers the responsibility for currency fluctuations on Manitoba Hydro's debts in other debts, including Swiss Francs and Japanese Yen. I guess we have finally come full circle, this Government, the Conservative Government of Manitoba has really admitted to us in effect that they were wrong in 1979 to bring in this kind of a policy. It was wrong then, it has been wrong ever since, and I think this amendment—

An Honourable Member: Was it wrong to put \$27 million in the Saudi Arabian telephone system?

Mr. Leonard Evans: We have -(interjection)- No it is not, it is not. We will not get distracted by irrelevant side effects. We are talking about the Energy Rate Stabilization measures. If the Members want to get into other issues we certainly can do that, but I will not be baited by them. I tell them that they have gone full circle; they have flip-flopped on the policies that they announced and brought in in the 1970s.

We had a Government in the '70s that not only brought in this wrong policy but also said they were against exportation of power to the United States. In fact, Mr. Lyon, the Premier of the Day, said he wanted to sell power to Alberta and Saskatchewan. Believe it or not, this Government and its agencies were looking to sell hydro-electricity to Alberta and Saskatchewan. Talk about great—well, what is wrong with that. That shows the total ignorance of the Minister of Northern Affairs (Mr. Downey) with regard to energy costs in this country. The fact is it is like bringing coal to Newcastle. It is just not in the cards.

It is ridiculous to suggest that we should be selling electricity that is produced in northern Manitoba, which does cost a considerable amount to ship it a distance from the North down to the South and then across over to Edmonton or Calgary, or whatever. The fact is that just could not be competitive with the price of generating electricity by natural gas or the reserves of cheap coal they have in Alberta.

The fact is it was not economic. We said it then, we said that in Opposition in the '70s and I repeat it, that was absolute nonsense at that time to suggest that we can do that. Fine, if we could sell to Alberta, but that could not be. It was just not economically feasible.

Mr. Speaker, I cannot help but also be reminded of the time the wrong-headed policy of the Government, which virtually was going to give away the Nelson River, was going to -(interjection)- give away the control over this valuable resource to a corporation in return for some kind of aluminum development in this province. Of course, we were tagged by the Liberals as well when we proceeded with Limestone. It was referred to, unfortunately, as Lemonstone by certain people.

The fact is the electricity was needed, is needed, will be needed, and indeed I am pleased to note that the cost was considerably less than originally anticipated. It was not \$5 billion, it was not four, it was not three. It was not even two, it was even less than two billion. I think in the order of \$1.7 billion—\$1.8 billions of dollars.

It has provided considerable benefits to this province apart from providing much needed electrical power. It did certainly provide benefits to northern Manitobans. A great effort was made by our Government to ensure that northern Manitobans were trained, so they could have the maximum amount of opportunity in the North as possible, in the construction phase. Of course it benefitted the entire economy, because it does have a favourable economic spinoff to the balance of the provincial economy to the extent that Manitoba

businesses can produce goods and services and supply them to Manitoba Hydro for this development.

Indeed, Mr. Speaker, a development of Limestone, indeed the development of the Nelson River has been a major economic thrust to this province. We were attacked for our position on wanting to develop it at that time. We were told by the Conservative Party in Opposition that we should be importing power. We should be looking at other alternatives, and so on, but we proceeded and it was a good move and it was beneficial to the province.

To be consistent with our policy, we are of course very much in favour of the sale of power to Ontario and the development of the Conawapa site. There is no question in my mind that hydro-electricity is our ace in the hole. If we have any natural resource which has a positive economic benefit by being developed in this province, it has got to be hydro-electricity. Therefore, we are fully supportive of the continued development of hydro along the Nelson River. We are fully supportive of the Conawapa development, and we are fully supportive of the sale to Ontario.

Of course, Mr. Speaker, those policies were being worked on by the previous Government. Those programs were being worked on, discussions had taken place, and I fully remember the hopes we had that a sale would take place to Ontario at some point.

* (1510)

The fact is the Manitoba economy is not as strong as we would like it to be. It is suffering from a lot of weaknesses at this time, some of which is beyond the control of anyone in the Government. The farm income situation is very serious and the reports we received yesterday from Agriculture Canada makes one very pessimistic about the future of this provincial economy. If this report is at all correct, and I hope it is not correct, I hope they are not correct in their estimates of the disaster that is going to betake the farm community next year, it is disastrous as it is. I certainly do not wish any further economic woes on the farmers of this province, on the farm community of this province.

I would say that, nevertheless, if there is any truth in the federal Government's estimate of weakening farm income situation, it is going to make it even more difficult for this province to maintain employment. It is going to make it more difficult for our Minister of Finance (Mr. Manness) to obtain the revenues needed to carry on with the various programs which do cost a lot of money, whether it be in the health field, the education field, or social services.

Therefore, I welcome this hydro development because it does have a positive impact. I would only wish that we could get some co-operation from the federal Government in terms of interest rate policies. There is no question the exceedingly high interest rate policy of the Bank of Canada is having a very negative impact on many areas of this country, including Manitoba, and of course the Free Trade Agreement has not benefitted us to date. I have not seen any benefits, in fact, I have seen a lot of disbenefits.

Mr. Downey: I wonder if the Member would submit to a question?

An Honourable Member: Of course he will. Of course he will.

Mr. Downey: I would like to ask the Member for Brandon East (Mr. Leonard Evans) if he is opposed to McKenzie Seeds' expansion which has come about with the Free Trade Agreement? Is he opposed to the expansion of McKenzie Seeds which has come about because of some of the regulation changes under the Free Trade Agreement? Is he opposed to that?

Mr. Leonard Evans: Mr. Speaker, I refer the Honourable Minister, because he really put his foot in his mouth that time, to Hansard to read the answers of his own president of McKenzie Seeds who said that the tariff reduction—first of all, the tariff on a package of seeds was almost non-existent. It was practically none - (interjection)- Just listen. Just be quiet. Mr. Speaker, I wish the Minister of Health (Mr. Orchard) would be quiet for a moment. I am certainly in favour of expanding McKenzie Seeds.

Of course, I have spent many years helping this company and working to keep it alive and to keep it growing.

An Honourable Member: You were going to sell it.

Mr. Leonard Evans: Mr. Speaker, there is a lie if there ever was one.

An Honourable Member: Oh, oh!

An Honourable Member: He did not hear it.

An Honourable Member: I did not hear it.

Mr. Leonard Evans: I would certainly withdraw that term because I know it is unparliamentary. I do regret that the Minister is misleading the House and the public by making a blatant statement, because he is really insulting me, having spent 20 years working for that company and spending an awful lot of energy and time over years to save the company when it was going to be sold in 1969 to the Ferry-Morse Company.

The decision was made by the Conservative Government. We have the documents, it was going to be sold for \$200,000 with no guarantee to keep it in the Province of Manitoba. If we had not intervened at that time there would be no McKenzie Seeds for the Honourable Minister and I to even talk about today. It would have been gone, it would have been sold courtesy of the Weir Government in 1969-1970. That is historic fact and we have the Cabinet documents to show that, signed by certain individuals in the Weir Cabinet.

Mr. Speaker, the point is the Minister was to ask me a question about this Bill, but instead he asks something totally irrelevant to this particular Bill. The fact is the president of McKenzie Seeds said there was a negligible tariff on package seeds and that was not the reasons they were putting the staff to try to sell package seeds. He said it was really a change of attitude and perhaps the discovery that maybe there is an opportunity there. I certainly hope there is an opportunity. I want them to sell more there.

Let us not think that it is because of the Free Trade deal, because they could have done it without the Free Trade deal, Mr. Speaker.

An Honourable Member: I will be getting my picture taken with MacKenzie . . .

Mr. Leonard Evans: Well, that is fine, that is fine. I hope you do not discourage sales with that picture.

At any rate, the fact is the Free Trade deal has been a negative influence in this province. The fact that Campbell Soup is closing down in Portage, they want to go to Ontario because they have to be more efficient in the North American Free Trade economy with canned goods and that is the sad fact. We lost 44 jobs in Marr's Leisure Products, because they had eliminated 44 jobs.

Mr. Speaker, I was trying to be positive in my remarks talking about Hydro having a positive impact on our economy and hopefully offsetting some of the negative impacts such as the free trade deal. But Members opposite do not want to hear about the negative impacts, and the Minister of Northern Affairs (Mr. Downey) gets up and interrupts my line of thought by asking a question about free trade. So I am not totally to blame in being irrelevant in some of my remarks. I am trying to be as relevant as possible.

Mr. Speaker, the fact is that the Hydro potential in this province is a very major source of economic progress. We support the development of the Nelson River as we have over the years, but I cannot help but remark that this Government or this Party in Government has gone full circle. They have totally flip-flopped because originally they were against construction along the Nelson—let us import power, we do not need all this. They seemed to be against exportation of power.

We said it was good for Manitoba to export power because those revenues could help offset the cost of construction. Then of course they came up with their infamous rate freeze which was strictly a political move, which was a poor move from pure management point of view, and they have come up with their Energy Rate Stabilization. Now this Bill, finally puts this wrong-headed policy to bed. It finally buries this wrong-headed policy that their predecessors put in place in the 1970s. So I am glad that they have acknowledged that.

* (1520)

Mr. Speaker, we have no difficulty in our Party in supporting this Bill because what this does is finally along with moving on Conawapa, finally with recognizing that exports of power are a good thing, and finally recognizing that we should move on this Energy Rate Stabilization matter which was wrong-headed in the first place. They have finally come around to virtually the position that we have had over the years. We are being very consistent in supporting the Bill, and I would certainly trust that it will be passed expeditiously.

Hon. Donald Orchard (Minister of Health): Mr. Speaker, this will just take two minutes. My honourable friend, the Member for Brandon East (Mr. Leonard

Evans), sat around the Cabinet for 15 of the last 20 years as a Cabinet Minister. For him to make the remarks that he just made, shows how in addressing the Bill that he did not have anything positive to contribute in his 15 years of Cabinet service, and maybe contributed to the fact that the NDP so abysmally ruined the orderly development of Hydro in northern Manitoba. My honourable friend, the Member for Brandon East, reminds me a great deal of the chandeliers that are hanging in Room 200 at the end of this hall. He has been here a long time, but he is not getting any brighter.

Mr. Speaker: Is the House ready for the question? (Agreed)

The question before the House is third reading of Bill No. 53, the Energy Rate Stabilization Amendment Act; Loi modifiant la Loi sur la stabilisation des emprunts d'Hydro-Manitoba à l'étranger. Is it the pleasure of the House to adopt the motion? (Agreed)

DEBATE ON SECOND READINGS

BILL NO. 79—THE MUNICIPAL ASSESSMENT AND CONSEQUENTIAL AMENDMENTS ACT

Mr. Speaker: On the proposed motion of the Honourable Minister of Rural Development (Mr. Penner), Bill No. 79, The Municipal Assessment and Consequential Amendments Act; Loi sur l'évaluation municipale et modifications corrélatives, standing in the name of the Honourable Member for Springfield (Mr. Roch). Stand.

Is there leave that this matter remain standing in the name of the Honourable Member for Springfield? (Agreed) The Honourable Member for Dauphin.

Mr. John Plohman (Dauphin): I appreciate the opportunity today to speak on Bill No. 79, The Municipal Assessment and Consequential Amendments Act. It is one that we have been looking for in this House, in this province, for a number of years—perhaps a decade, the better part of a decade—since some substantial action was taken to change and revise the assessment system in this province.

Over that period of time, there has to be a lot of preparation and study done in order to get it to the stage where it is now. So for those reasons we are dealing with an issue that is of great importance, not only for the City of Winnipeg but in rural Manitoba, all of our people in this province, because it deals with taxation eventually as a result of the assessment on people in all walks of life throughout this province. Anyone who owns property is impacted by this legislation. During the time that we were in Government—certainly we cannot be accused of not taking action as the Minister of Health (Mr. Orchard) just accused my colleague from Brandon East (Mr. Leonard Evans) insofar as the Energy Rates Stabilization in this province. During that period of time, we had moved this issue forward continuously.

That is somewhat contrary to what the Minister of Rural Development (Mr. Penner) said in his Estimates

when I asked him why he was not tabling that legislation at that time in October in this House and, from discussions with him since, he did not want to have it tabled in this House before the municipal elections that took place. Probably there were other reasons why perhaps there was not a final decision on that legislation by the Cabinet and the Members of the Government.

However, he at that time did say to me that our Government had not moved this issue forward as fast as we could. As a matter of fact, we had a timetable that called for introducing this legislation in October of 1988, a year ago. That was the timetable of the Minister of Municipal Affairs at that time, the Member for the Interlake (Mr. Uruski). That timetable was not met, not because the Government of the Day did not want to meet that timetable, I do not believe.

So far as this Government, I cannot really speak for this Government, but I know from the information that I have obtained that it was not met because the staff was not ready with their automated system that was put in place. It was not up and running as fast as they thought it would be. Therefore they could not get it in; the Government could not proceed with that legislation last year and did not meet that timetable.

So there was one year lost there. There were a couple of other years perhaps when the—perhaps one other year lost—staff of the Department of Municipal Affairs at that time felt that they could get this system up and running internally as opposed to contracting out for it. They found that they were not able to do it, eventually had to hire outside consultants to develop the system, and in doing so, the system that was put in place was partially as a result of the internal work that had been done as well as the work of the outside consultants. But there was some time lost there.

Other than that, our Government had moved as expeditiously as possible with acting on the Weir Commission and putting in place the necessary base and structure so that the Government at this particular time could implement this legislation. The Minister of Health (Mr. Orchard) knows that to be true if he does any reading and understands anything about the history of this issue, if he has taken the time to do that. I know that he is drowned in health issues at this particular time and therefore he probably does not have time to get into these other important issues of serious concerns of his constituents.

(Mr. Praznik, Acting Speaker, in the Chair)

However, Mr. Acting Speaker, the Government at the time, the Pawley Government, moved ahead with public hearings on the Weir Commission and on the various recommendations that were made to gain some input as to the direction the Government should move. We undertook, as a result of those public hearings, the immediate updating of assessments across this province so we could be in the position that we are today to have this legislation considered, and we automated and computerized the system.

The Minister, I do not believe, has moved as quickly as he could have. As I indicated earlier it is unfortunate because if he had, we would have had a little bit more

time as Opposition Members to deal with this issue. We have been placed in a timetable straitjacket as a result of that Minister's inaction in dragging his feet and bringing it forward.

I think all the Members of the Cabinet and caucus should feel somewhat of the responsibility because, in fact, we had this introduced in the House on November 2 and we are told it must be passed by December 15, actually January 15 in the statutory requirements. There is information which has to flow between departments and to municipalities, so it is in the best interests of all of those groups to have it passed as early as possible.

* (1530)

The fact is we did have a very short timetable in relationship relative to the timetable which the Government acted under. That is unfair to the Opposition Parties but we will, and we have expedited this process as much as we can, and we will continue to do that. We think the legislation is far from perfect, so there are many improvements which can be made, Mr. Acting Speaker. But at the same time, as I will indicate later, the Government is going to have to carry the can for the imperfections. They cannot say, well, the Opposition in a minority Government approved this too, therefore they are responsible.

The fact is they are going to have to be responsible, and one of the concerns we have because of this timetable straitjacket, as I referred to it, is the public will not have the opportunity to perhaps have the input at this stage, now at long last that we have the specific details of the legislation. They will not have the kind of opportunity to react and to respond and have their questions raised in the way they would have liked to had they had more time.

We want to assure that the public does have the opportunities which are available, and so we will want to see this move to committee as quickly as possible, perhaps by this Friday. Now that we have had an opportunity to review the details of it and will have an opportunity to speak on some details of it, we will want to expedite this Bill to committee so the public does have that opportunity to provide their thoughts and their views on this Bill.

We also will want to consider—want that to be considered by the Government as to possible further discussion of this Bill in early January, prior to January 15, before it is passed. I have indicated that in writing to the Minister and I have also indicated that in a copy to the Liberal Opposition as to the timetable we believe is possible for this legislation.

We are not at this point able to say that we are going to support this Bill. As I indicated, the principles of this Bill are very important, and have been waited for for some time. However, that does not mean there is going to be an approval or a disapproval of this Bill at this particular time until we have heard from the public. I have to say that is very important. One of the unfortunate things is that because of the slowness of this Minister, he was not able to carry out what he indicated he wanted to carry out a number of months ago to me and that was public hearings on this

presentation. He had indicated that he wanted to do that.

The Government did not proceed in an expeditious fashion with getting this into the House and, therefore, they now cannot have these kinds of public meetings which would be desirable for a Bill of this consequence. That is unfortunate, and I on behalf of my constituents, would say that they deserve the opportunity to make representation that they will not be able to make because of the timetable we find ourselves faced with.

Mr. Acting Speaker, to deal with some of the important issues in this Bill in a general way, as we should at second reading. I want to indicate that the overall tone of the Bill is something which I find quite consistent with the way that perhaps we would have drafted it in Government. The ministerial powers that are provided for regulations are reasonable in certain sections of the Bill in terms of the division of powers between the Minister and Cabinet.

There is a serious problem with one of the main principles of the Bill insofar as our thinking is concerned. That deals with the phasing of increases which may result as a consequence of the implementation of this Act. The Government has chosen to provide the municipalities with the responsibility for phasing. It has, I believe, taken a politically expedient route in doing this because it has taken the onus of responsibility for that from the provincial Government and placed it on the local officials.

In many ways, local officials would find this quite attractive because they always are lobbying for, and campaigning for, greater responsibilities at the local levels. In one way they have to take the good with the bad. In this case, they may find they are in the middle of a hot situation in some instances.

However, the fault with this Bill in that delegation of responsibility to the municipalities for phasing is, in our mind, that there are no instructive provisions for these municipalities to in fact put in place a phasing mechanism in certain circumstances. In fact, it is permissive. It says they may do that but there is nothing instructing them to do it under certain circumstances. We think that is a weakness that should be addressed.

It is possible the Government could consider, this Legislature could consider, an amendment which would require municipalities to phase in increases above a certain level, say 20 percent in a given year, to phase that over a couple of years, three year period. If they were able to, if they did in fact do that, that would ensure municipal councils who were perhaps not sensitive to the needs of one individual who came forward, or a whole group of individuals within a classification came forward and said, look we are getting hit with this heavy increase; we want it phased in, and they said, well no, we are not going to bother—for whatever reason. This would ensure that they must do it when there is an inordinate increase. I think that is something the Minister of Northern Affairs (Mr. Downey) would want to consider supporting and other Members of his Caucus and the Minister of Rural Development (Mr. Penner).

That is one aspect I think should be looked at. We look at the whammy that is hitting livestock producers

and other farmers at this particular time from many quarters. They are certainly facing high input costs, low commodity prices again next year, a drop forecast in the real income of some 87 percent net income for farmers. It is a devastating situation for farmers.

The failure of the national tripartite program in livestock which is evident now, is another reason why we have to be careful what kind of pressures are placed on livestock producers. The fact that hog producers have not been included in the feed subsidy program the provincial Government has put in place is another reason why we should be concerned, because the hog producers who I have talked to have indicated that the cost of production formula is well below their actual cost at the present time. Yet, they are not able to access that program for livestock subsidy for feed.

That indicates to me that there could be a serious problem for building intensive farms. Farms that are now going to see their out buildings taxed where they were not before. Some will say, well, tough beans, they have been getting away with this for so long they should now have to face the music. They are going to have to pay for what they should have been paying.

I do not agree that kind of hard-headed approach should be taken. I believe that yes, there are those who have not paid their fair share under a certain system which most of us would consider fair. If they are now going to have to pay their fair share it should be phased in in a way which makes it possible for them to do so.

* (1540)

There should be assurances that the tripartite program they are involved with will allow them to pass through these costs and be taken into account in the cost of production formula. That is absolutely necessary. On the other hand, I think it is important that we put in place a mechanism to ensure there is phasing for those who are hard hit because they cannot take that kind of a whammy on top of all of the other difficulties they face, the high costs and the low commodity prices which they face at this particular time.

It is having its impact on the financial viability of many of these operations, contrary to what the Minister of Agriculture (Mr. Findlay) said about the health of the agricultural community and the fact that they have 80 percent equity overall in their farms.

That is not the significant point; it is whether they have any operating funds, and when they have not received any advance payments this year because the federal Government has this tied up in Bills where they want to remove the interest-free provisions. The fact is, it is not moving forward. No money is going forward to farmers in desperate need to pay their bills at this particular time who have been relying on these advance payments. Even if they have to pay interest, Mr. Acting Speaker, they are facing a very serious situation.

Therefore, we at the Legislature have to be concerned about placing a greater burden on them, a shock burden, a high-percentage burden upon them, even if it seems fair overall that they should be paying more tax as a result of the change in this legislation. Therefore

I would suggest that we do in fact consider an amendment to the Bill at committee stage that would ensure that phasing in is a requirement if it is over, say, a 20 percent level and permissive by the municipality below that level if they so wish, and that way we would protect those who are being hard hit. I think that is something we should seriously consider.

(Mr. Speaker in the Chair)

Mr. Speaker, there are a number of other areas in the exemption area that we have to discuss. The Weir Commission recommended that exemptions be eliminated and that Government should in fact not exempt any properties and that there is a more progressive way of providing assistance to various organizations who own property, if in fact they should be receiving some assistance. It can be done by a system of grants at a later time, but that should not be a property exemption for any properties.

What we see in this legislation is pages 23 to 29 full of exemptions, and there are others for even real property exemptions, personal property exemptions, I should say, even in this Bill, beyond those pages. It is a good seven pages of exemptions. So the Government was afraid to take this issue head-on to face this issue, because they felt that it would not be politically wise to do so. So therefore they decided to retain all of these exemptions and even expand them, and of course as a Government they have to consider the consequences of that, because once they start expanding them to include day cares, then they open the barn door for others and there will, no doubt, be others. There will be other exemptions either put forward by ourselves or by the Liberals and perhaps even by the Government in this particular instance.

For example, what is wrong with exempting crisis centres in communities, women's crisis centres? Why should they not be exempt? They are not included in this legislation. Perhaps the Member for Ellice (Ms. Gray) would agree that crisis centres should be exempt from taxation, yet the Government did not do that. We might consider bringing that kind of an amendment forward.

Others may bring other exemptions forward for organizations that are not exempt in this legislation, but what in fact we have is that the Government is not in a position then to argue from this position that they have a pure act. It does not have any exemptions in it. They cannot argue that there is a good reason why this other exemption should not be put in. So in fact what we will see is the opposite of what Weir wanted and that is an expansion of the exemptions rather than a reduction in the exemptions. I think that is one area where this Government failed to tackle a difficult issue in dealing with this Bill, and I think they have to face that.

I am not saying, Mr. Speaker, that had we been in Government that we would not have done the same thing or anyone else, but I am saying that this Government has not, in their responsibility, taken that issue headfirst in terms of dealing with the Weir Commission. I think that is something they will have to deal with as we move along, because there will be a request for additional exemptions and they have to

be able to give good reasons why they should not be included in the exemption list.

Mr. Speaker, there is also another area under the exemption list that I should raise and that of course is the one dealing with Native lands off reserves held in trust. That issue is one that has been removed by the Government, that exemption, apparent exemption, as a result of the recent court case at Thompson with the Keewatin Tribal Council. That apparent exemption has been removed without consultation with the Native community. In fact—(interjection)—well, the Minister disagrees. We will let him talk about the consultation he has had. However, it is clear that there is a great deal of concern from the Native community about the removal of this.

* (1540)

The fact is that this Legislature has to be seen not to be supporting any move to denigrate from Native property rights as may be defined or may be determined by the courts for Native people for lands off of reserves. I think it may be necessary for us to put in place, Mr. Speaker, some kind of provision that would ensure that the Legislature is not in fact making that statement, a non-derogation clause of some kind that may be advantageous to be placed in this legislation.

I would think that we should consider that kind of thing. I do not think it would hurt this Bill in any way, and it would not place any burden on the municipalities, because we all agree that municipalities should not be faced with having to tax other property owners to a greater degree because of exemption of properties for Native people in other communities off of reserves. I think it is important that we consider that principle when we move into committee and we hear from those who are making presentations from the public, the possibility of a non-derogation clause just to ensure that it is clear, that there is no intent by this legislation to take one side or another on this issue that has to be determined by the courts and through negotiations perhaps by the Native people with the federal Government. I will leave that issue at this particular time. It is a big issue, a huge issue.

There is another section that deals with contiguous lands and exemption for contiguous lands and clearly that one has to be straightened up, because what it does at this particular time in fact is—inadvertently I believe, result in residences that are contiguous to a land that has some other exemption being exempted as well. I do not think that was ever the intent of the legislation. So that section will have to be reviewed in committee.

The section that exempts buildings older than 60 years is an interesting one. It is certainly one that the principle of I find able to support, because we are dealing with historical buildings perhaps but, the Minister for Culture and Heritage (Mrs. Mitchelson) should consider whether this arbitrary figure of 60 years is the appropriate one. There is a continuum there, should it be 50, should it be 70. It could perhaps be that any building designated by the Historical Resources Department might be eligible for this exemption as

opposed to having to be over 60 years. (interjection)—

Well, the Minister says that he has some examples. I am not sure that is the one, but I think that deserves further thought, because 60 years is not necessarily the cutoff in all situations. It may be that a building that is 40 years old has as much historical value as one that is 60, and so—maybe 50, or maybe any other age in there. So, Mr. Speaker, we should consider whether in fact that arbitrary date should in fact be somewhat flexible in terms of the age of these buildings and that will have to be explored as well.

There is also on page 31, Mr. Speaker, references to personal property exemptions and personal property has not been taxed by municipalities in recent history, I do not believe, in most cases. What the Government seems to have done is taken the provision for exemption of personal property from the old Act and placed it in the new without revising it and updating it. For example, they talk in one of the sections about stock and animals and grain, but they do not mention hay, they do not mention oil seeds or some other property that farmers may have, so it has to be updated.

In fact, it is very limited in its application. I think the Minister could well be advised to take a look at that section dealing with personal property exemptions and perhaps consider whether it is necessary to have it in there anyway, because they are not taxed at the present time, or to consider that this could be expanded to reflect modern day terminology and products. It does not seem to have done that and I do not know if the Minister has considered that.

Mr. Speaker, there are a number of other issues that I would like to mention, in the short time that I have available, on this Act. As I indicated to you, we have reviewed this Act in detail.

(Mr. Gaudry, Acting Speaker, in the Chair)

One of the things that bothers me about it is that it pretends to be metric, but it is not really a metric Bill in that it is only a conversion of metric from the imperial system. So you have such things as 4.07 hectares instead of 4. If we are going to use metric, and what it is is a conversion from 10 acres, let us say 4 hectares, or 10 hectares or 8 hectares. Let us not put in these three decimal place numbers to add confusion, for people to say, well, what is that, 4.06 or whatever—7, 4.06, 7 hectares.

Why not have metric terms used in terms of rounded-off numbers, rather than a conversion from imperial when we are doing a new Act? Can anyone, Mr. Acting Speaker, indicate why we would not want to just put down, instead of 4.07 hectares—we might not want to put 4—just round numbers; instead of 8 point something, we put 8?

* (1550)

I think that the Government could make this much more understandable for the public, if they are going to use metric terminology, to use round numbers. I see one here, maximum exemption of .81 hectares. Now, why have that kind? That is—the Minister proves my

point, he says, that is an acre. Well, everyone does not know that that is an acre. The fact is, they are going to be dealing with legislation in metric terms. Why should they be talking in decimal points about the land? So I say to the Members—and this is not a facetious suggestion, this is not one with a trap in it, this is one that makes sense, is straightforward—if we are going to have a metric Act, yet, let us use metric measurements legitimately here, rather than fractions and decimal points of metric measurements.

Why convert? Why—the Minister of Urban Affairs (Mr. Ducharme) seems totally confused by this suggestion. I do not understand what his problem is.—(interjection)— Well, it could be 3.5 or something, but why all these odd numbers, 3.6, 7, 8? The Minister of Urban Affairs has not read this Act. If he has, he would know that there are decimals in there that are totally confusing for people. Why do that? Why do it? I say to the Minister and to this Government, they have an opportunity to make something that reads clearly, that is understandable, and they should consider doing that.

Insofar as the overall tone of the Act, as I indicated to you, it is probably one that would be very close to what many Governments would have put in place in this province. However, they have missed some of the finer points in the phasing.

Another very serious error, I think, in this Bill, or in terms of the Weir Commission in terms of an omission, is the implementation of a two-value system for land that is under developmental pressures. I think this is a very important issue that I believe the Government should consider seriously.

Why should they be promoting, through the assessment and taxation process of property, the industrial development of agricultural land? That is what in fact happens when you have a one-value system that is based on market value. You assess it on the basis of what the going price is, even though it may be for industrial development purposes, and it makes it difficult for the other farmers in the area to resist taking opportunity to have their land developed. In fact, industrial development takes place when they are paying taxes based on that higher level anyway.

I think the Weir Commission was eminently smart in what they recommended, in that they suggested that there should be a two-value system: one based on agricultural value, based on soil types, perhaps, on crop insurance information and other factors affecting the value of the land for agricultural purposes; and another for the market value based on whoever will pay the higher price for industrial purposes. Then, if a farmer chooses to have his land rezoned or to request and have it sold for industrial purposes, he would have to pay that higher assessed value, for a period of, say, five years back, retroactively, recognizing that increased value, where he has been paying a lower value based on agricultural value previous to that.

I think that is a very good suggestion and I think it is one that we should consider, as a Legislature, now in bringing in this Act. We should consider ensuring it is put in place very soon in this province and included in this Act. Whether it can be done January 1, 1990

or not is another thing, but certainly it could be put in place on proclamation, when they can be able to put that in place, based on the two-value system for land.

I also think that there should be some consideration by this Government and by this Legislature, therefore, on the issue of wildlife habitat lands or woodlands. It seems to me that where the assessment is based on agricultural value of that land, and I think it is, in many cases, in this province, the assessment is much higher than the value of the land for wildlife purposes in its pristine state. For conservation reasons we should be concerned about this, because I do not think we want to be promoting development and the knocking down of trees and putting into agriculture production all of the land in this province if people want to see it retained for wildlife. So they should be encouraged by having a system in place that will ensure it would be assessed at a lower value if it is continued in its wildlife state, in its natural state for the promotion of wildlife.

I think there could be a section put in place for that to assist those landowners who want to retain the land but do not want to have to pay taxes based on an assessment that is much higher, based on the agricultural value of the land. So I think there are a couple of things there that the Government should look very closely at.

I would suggest that the Legislature consider some amendments to ensure that there is a more sensitive approach, that we are protecting our environment by resisting development, by resisting the tearing down of our trees and by protecting our wildlife; by giving a reward system, by lower assessment on land that is retained in its natural state, whether it be swamp land that is not drained, or tree land, woodlands that are not cleared.

I think that that would be a fair way to treat that situation and not base it all on market value, because it skews the system and requires landowners to pay taxes on a much higher rate than they should have to pay on the land that we are dealing with. So it is a matter of fine tuning and making the provisions more sensitive. Mr. Acting Speaker, could you give me the time that I have left?

I would once again, Mr. Acting Speaker, indicate that we are going to be moving to explore that area further at committee, and having done that, we hope that there will be some action that the Members of the Government side and the Liberals in this House will find acceptable so that we can move forward.

We recognize that there may be some problems with this on the part of the staff in terms of having a system in place, but there are ways of getting around that and still demonstrating clearly that this Legislature feels strongly about that issue. I ask the Minister to consider supporting that principle in a strong way when we get to committee, and deal with presentations by the public.

I have a number of other technical amendments that I believe will be of a technical nature that we can present at the committee to perhaps improve this legislation, to make it say what was intended. There has been some oversights as is always the case when there is a Bill of this size introduced.

However, we hope it is not going to be as extensive as the Minister's colleagues had in some of the other Acts that we dealt with, including The City of Winnipeg Act, the Minister of Urban Affairs was responsible for and the Minister of Justice (Mr. McCrae) was responsible for insofar as—the Minister of Highways (Mr. Albert Driedger) with regard to the drinking and driving legislation.

The amendments were longer in some cases than the Act itself. We hope that in this case it has been long enough in the making, this Municipal Assessment and Consequential Amendments Act, Bill No. 79, so that in fact a lot of these angles have been covered and has been cleaned up and the mistakes have been removed. They have been found and removed at this particular time.

* (1600)

I think what is very important here, as I conclude my remarks, Mr. Acting Speaker, on this Bill, is our desire to move this Bill forward to committee stage, to have the public have an opportunity to make their comments known, their views known. We would like to see this move forward expeditiously and have committee hearings beginning next week, before the Christmas recess.

What is also important to make insofar as a point at this time is that the Government will want to take credit for those provisions in this Bill that are popular, certainly the removal of tax from farm land for taxation purposes, the assessment of farm land for taxation purposes is going to be popular.

However, there is also going to be some negative sides that the Government is going to have to deal with in introducing this legislation. They feel that they are ready to face that responsibility. I say to them that they will have to carry the can on those things that are not popular. They cannot co-op the Opposition into saying this is all of our legislation.

We will make improvements, we will make suggestions for improvements and we will try indeed to have some of those improvements put in place in this Bill while this legislation is before us. In the final analysis, the Government is responsible for the Act that they have brought in. We know there are going to be some pitfalls.

We have not received all the information on the City of Winnipeg yet that we need from the Minister. He has been co-operative in providing it to us on the rural areas so that we could have a better idea of how this is going to impact on various property classifications. We are going to want to get more information. We have received some preliminary information on a limited basis for the City of Winnipeg.

We will want more before we will feel able to answer the questions that we have as to the real impacts of this Bill and whether in fact this compulsory phasing, as we say, could be included in this Bill, should in fact be included. That can only be done after a detailed examination of how this is going to impact on the various properties in the city, in the various classifications of property. That is something that we have to consider

in this Legislature, but also it is something that the Cabinet is going to have to consider in terms of the phasing. They are going to have to look very carefully at how they set—pardon me, the portioning, I used the word phasing, the portioning that the Cabinet in fact can set.

The portioning for each classification, that is going to be vitally important as to how fair this legislation is in the final analysis. That is something that we are going to be watching very carefully, because we do not want to see a large increase in one particular classification because the portioning has been undertaken in an insensitive way by the Government. That is one issue that will be left to the Cabinet and surely they will be responsible for when the implementation of this Bill takes place in the coming year.

I want to indicate to the Minister that we appreciate receiving information that he has given us. We think that we have acted expeditiously in some probably five, six weeks since receiving this legislation and that considering the limited time that we have for consideration, we have done our very best at it. We would have liked to have had, and I indicated to the Minister earlier, perhaps he was not able to hear it at that time, that we feel he should have brought this in earlier in the fall so we would have had a greater amount of time to deal with the issues because of the importance of this Bill to all Manitobans.

Mr. Herold Driedger (Niakwa): I am going to make just a few comments on this Bill, and in the beginning my comments will pick up on the last remarks made by the Member for Dauphin (Mr. Plohman) and refer to some of the remarks made by the Minister of Environment (Mr. Cummings) when he was speaking to our Member for Sturgeon Creek's (Mrs. Yeo) Bill No. 20.

I think if we take a look at this massive Bill that we have here, this omnibus Bill, this document here which has been introduced as Bill No. 79, we begin to realize that making amendments, making changes to The Municipal Assessment Act is not an easy task. It is not a light task and it is not something that you can undertake with just a quick stroke of a pen.

When you take a look at some of the comments made by the Minister in his introductions and references to why it was necessary, we refer to the fact that 60 years have passed since the Act was initially passed, 60 years where changes have taken place in how people use property and where people live and changes that take place in the standard of life and in the quality of life and the way people make their living, we find it is essential to come to grips with the fact that it is time to look at a completely redrafted Act.

If I hearken to the comments made by the Minister of Environment (Mr. Cummings) when he was talking about the fact that Bill No. 20 the other day, stating that this was a piecemeal approach to municipal assessment amendment, that this was a one-step-at-a-time approach, and he stated that it would be much better if we were to wait for the second reading of Bill

No. 79 and move that on to committee and into law, because in his words, he stated, it is time that we put fairness and equity in the way society assesses taxes on itself.

I think that is a perfectly valid statement to make, but if we are serious about assessment reform, and I believe we all are, then we have to, and I now refer to the comments made by the Member for Dauphin (Mr. Plohman), in his conclusion, we should be a little bit more cognizant of some of the implicit problems that have perhaps been left out, amendments that he feels are going to be necessary. What he is already saying is that we are going to be doing exactly the same thing, piecemeal to this Act that was done to the former, to the one that this Act is replacing.

I think that as we move this particular Act to committee stage it is wise to keep this in mind because there are people, not only here in this Chamber, but also people in other jurisdictions, in rural areas, who feel that something of this magnitude requires sober thought, sober reflection in the implementation and in the writing of the Act and in the writing of the amendments. If we are serious about assessment reform we should bear this in mind.

* (1610)

I notice that we have, although the Member for Dauphin related the history of this Bill as it worked through the department, he indicated that it was possibly ready for October of '88. The present Minister of Urban Affairs states that I should not take that at face value.—(interjection)—I hear corrections being made, not to the record, but I hear corrections being made.

Mr. Plohman: Point of order, Mr. Acting Speaker. I think it is important for the record when paraphrasing starts to take place in speeches, that the accuracy of the information is determined. I want to ensure that people are accurate and that the timetable that was projected was the fall of '88. However, when the fall of '88 came around, this Government was not able to do so because in fact the system was not in place as was planned, so it had to wait a year. They may have had other reasons, they can speak for themselves on that, but that is the perception that I have as to why it was not done in the fall of '88.

Hon. Jack Penner (Minister of Rural Development): Mr. Acting Speaker, on a point of order. Just to set the record straight, I would suggest that the Honourable Member know that the fall of the year continues until about the 21st of December.

An Honourable Member: '88 we are talking about.

An Honourable Member: Oh, John you are so confused.

The Acting Speaker (Mr. Gaudry): The Honourable Member, on the same point of order.

Mr. John Angus (St. Norbert): On the same point of order, Mr. Acting Speaker. I would venture to counsel

you that neither of these individuals have a point of order. They are disputing factual information, and it does not fall within this jurisdiction to continually point fingers at each other, trying to build the worst horror story. So it is not a point of order.

The Acting Speaker (Mr. Gaudry): Thank you, Honourable Members, but this—order, please. Order, please. The Honourable Member did not have a point of order. The Honourable Member for Niakwa.

Mr. Herold Driedger: Thank you, Mr. Acting Speaker. I do not know if I can pick up the flow of comments I was going to make after these corrections to the record and the points of order, but I will try.

The point I was trying to make was not to actually pinpoint one person, or one interpretation, or one view of the fact, and hold people to that, but rather to point out that this is a massive Bill. It is one that has had considerable time in the drafting stage and one, because of the nature of its imposition on the province as a whole and now being, as I said, introduced relatively late in this part of the Session to meet a deadline to meet a timetable that, as I understand yesterday is not necessarily a timetable of the Government's choosing, but a timetable of the legislative deadline in January.

We are now pushed to the wall in considering some of the limitations, some of the shortcomings of this Act. One of the shortcomings which is paramount, which is a factor of the timetabling, is that most of this Act will be impacting on rural Manitoba, and it is these people living in rural Manitoba who need to have their inputs in a committee stage. I feel this Act should, the committee hearings should, move into rural areas for a true consideration of what some of the reaction to the Bill, and some of the amendments which might be made by people who know full well what kind of impact an Act like this will have on them.

They can actually make these statements to the Minister for his concern and for his consideration for potential amendments to the Act, so we do not rush into this and end up saddling ourselves with something that is absolutely beautiful in the intent but may end up having considerable shortcomings in the implementation. It is that aspect which I wish we would not be faced with.

Now, I believe—I am not sure who it was—it was referenced that the Weir Report has been around now for a considerable length of time, nine years is a number I heard. It was to guide the drafters of the legislation, of whichever Government the people charged with finding out whether or not a particular implementation is possible, technically possible, or whether it is to be enforceable. Well, these have been around a goodly length of time and should probably have been able to be worked into the current Act with a good deal more relation to some of the recommendations.

As I said, the new Act should have been introduced much, much earlier so that the committee hearings could actually move into rural areas. But as it is, we

are now forced to look at this with some degree of haste. Despite that, there are some areas of concern that I have which I would like to put on the record. Now I cannot speak with the experience of someone who has been raised in rural Manitoba, who has experience with rural municipalities. The Member for Springfield (Mr. Roch) who is our official critic for this Bill did wish to make comments on this Bill and he, through no fault of his own, through an accident, is prevented from being here. He would like to speak to this and I hope I can do some justice to some of the comments he would have made.

An Honourable Member: Hear, hear!

* (1620)

Mr. Herold Driedger: Now one of the aspects I am going to refer to specifically, with respect to this Bill, are aspects which actually impact in my constituency. You see, much of this assessment, the need for assessment, is not a result of the fact that farmers do what farmers do so well, which is to grow grain, to farm, either with dairy herds, or beef herds, or pork, or chickens, or whatever it is that they choose to devote their time to. Rather, the thing at issue is the fact that wherever the farm may be, through no fault of its own, suddenly finds itself in the way of the spread of an urban area.

You find that farmers who do not wish to change their profession, farmers who have chosen not to speculate on land values, but rather choose to carry on doing what they do so well, find that the cities of Manitoba—this is not necessarily Manitoba only, but cities of the country, of all countries—tend to spread and start taking up and usurping, as it were, the land which was originally dedicated to farm land. It is in this area, specifically, that we find some difficulty with this Bill.

I think the Member for Dauphin (Mr. Plohman) referred to the fact—called it actually the two-value system—that you have farm land which is used for agricultural purposes suddenly being taxed on the concept of property value, which is speculative, which is a fact of pressure of demand, and this pressure of demand forcing up values and, therefore, forcing up taxes on this land. They find that it is very difficult for them to continue farming.

I believe that he referenced a recommendation of the Weir Report which called upon a system of assessment whereby a farmer who chooses to farm can do so, pay taxes on farm land at an agricultural rate. Only when the land is to be considered for development, to be considered for subdivision, to be considered for sale, for development purposes, do you look back at the previous years—I believe Weir referenced five years—and do an incremental average, forward averaging, of land values as you move the land from an agricultural use to a speculative land use.

That, to me, would be a much fairer system of assessing land at the city fringe, so that we actually can keep good farm land in production much longer and not hasten this division of farm land into larger

property lots which then are bought up by people seeking to move away from the pressures of urban living. Without consciously deciding that they want to move the city outward, they find that in fact, by their very choice, they are doing so. The city sprawls and, as a result of its sprawl, ends up having to extend its influence, its jurisdiction, further and further afield. As it does so, it impacts more and more on further of these rural or, shall we say, these farm lands at the rural-urban fringe.

It is particularly with these people that I am concerned as I take a look at this Act and how it impacts upon their ability to continue to do what they do. If you have land taxed, or assessed, strictly on property value, then—if I may use the case of just one example in my constituency—land that is being taxed at a rate of something like \$73 to \$75 an acre. This is a horrendous charge and, as the farmer in question actually told me, he stated that there is no crop that he could grow which would return to him a value that would pay for the cost of that taxation. We realize farmers already find themselves in a cost price squeeze. The cost of materials, the cost of energy, the cost of fertilizers, the cost of labour, the cost of equipment, the cost of insurances, all of these rise, while the world demand for commodities tends to either remain stagnant or in some instances drops. As the price they can earn from the sale of their commodity drops and the cost of farming increases, they find themselves squeezed right out of business.

When we here as legislators decide to make the assessment of their property, the taxation of their property. One more aspect to be considered in that cost price squeeze—we actually are stating that the values, and this is in a value system of our society, tends to be anti-farm, anti-growing of food, against people who have their roots in the land and have a strong feeling for the land.

Some farmers, of course, be it at the rural-urban fringe probably are retaining their lands for some future speculative use. I believe the Weir Commission did take that into account and would allow them to pay a fair taxation on that land. It is when the land changes its utilization, it changes how it is used, that you begin assessing it at the rate which reflects the speculative or developmental aspect. As long as the land is used for farms, then for heaven's sakes let us continue to tax it at some rate of agricultural assessment.

The aspect of property value, and if I can just simply illustrate with the City of Winnipeg in this one instance again how this affects land usage. We have in my constituency a facility called the south end sewage treatment plant which has land about it held in trust for the city. Now, this land can be used by farmers to farm.

For this land they pay the city a rent. The rent as I understand it from the schedule is based on the previous year's taxes for city lands and in this case in the rural municipality of Springfield. The rents calculated on this formula, and I believe the actual formula is quite complicated, but the rents calculated for this one instance reflect a cost of something like \$16 per acre. I will not refer that because it involves considerable

calculation into hectares, but just utilize it for example purposes.

This land which the farmer rents, and this is now a cost on his cost of production, is \$16 per acre. North of the highway separated from this land which a farmer can rent for \$16 per acre is farm land owned by a farmer within the city limits and on this land he must pay \$75 an acre. Now this to me is a tremendous disincentive to continue to farming, whether this occurs only in one instance it is one instance too many.

* (1630)

I think if we took the principle for assessment on how land is used rather than on the speculative nature of what could become with that land we would have a much fairer system. What happens in Winnipeg now, could be happening in Portage la Prairie next year or in Brandon the year after, or in any other city which begins to grow beyond its initial boundaries and starts putting pressure on the rural-urban fringe.

It is there that I feel very strongly that we must look at what this does to the opportunity of people to come to committee to state their cases so they feel they know their concerns are taken into consideration in the drafting of the law which affects them. There is another aspect of the Weir Report which was recommended and that was there should be essentially one assessing authority, one assessing authority for the province as a whole.

As I read the Bill I see that there are still two authorities, one the provincial assessing department, and one the City of Winnipeg assessing department. Now exactly how these two are going to relate—whether one will be able to -(interjection)- Well, I understand if we look at other jurisdictions it gets even more complex. I think the answer is to try to simplify this situation and bring it back home.

Now, one of the reasons we have had some of the changes to go to market value is that initially assessment for farms was based on land and not necessarily on the buildings they are on. As we find, in any instance when you see private enterprise at work, when you try and utilize either, not a loophole, but utilize something which favours your operation, you have highly concentrated, not land intensive operations as you might have as a grain farmer or as a beet farmer, but rather you have building intensive operations such as a poultry farmer, where the farming activity actually takes place in a very, very concentrated space, highly mechanized, building intensive.

As long as we work on an assessment process which looks only at land, these people are actually able to manufacture as it were, manufacture food and they are not assessed fairly. One of the aspects of trying to get back a fair assessment is to assess these particular buildings which are now used to manufacture food.

The very attempt to close this one aspect or to make this a little bit fairer so other people do not have to pick up their undue portion of the taxation, we create another aspect which leads to a potential in equality. If I just simply go in the Act to one of the exemptions

which, if I may just read it into the record, an exemption of personal property tax exemption and they define farm stock, farming implements and farm machinery that is usually used by a farmer for the purpose of farming. I think back to my limited farming experience, that identifies things like a seed drill, that identifies things like a combine, that identifies things which are used only very seasonally by farmers.

There are similar outbuildings used by farmers which reflect a similar kind of use. If I use, for example, say a granary which is only used for the purposes of storing for a short period of time—almost using that granary only at harvest time. I realize this is not a perfect analogy, but there are ways of utilizing outbuildings or buildings which are very seasonal that do not necessarily get used in the same kind of intensive operation as a poultry farmer might or as a, what we call a farm that produces only eggs, I guess egg-laying plants or something of that nature.

The fact that here we have buildings which are susceptible to assessments, susceptible to tax, which are only utilized for a very short period of time, almost more in tune as defined by the personal property tax exemption of a farm implement or farm machinery, I personally am not going to interpret this one way or the other. I leave this to people who are actually doing this to reflect or to give their criticisms to the Minister or to the committee, which will indicate clearly whether or not this is a true concern.

Because I feel, with my limited background, that this is a concern, that it is something that should be raised even at second reading, I feel we have to expand the public hearing process to permit more and more input, because the Bill should reflect as much thought and as much information as possible in the development of a good Act.

Another area of potential problem with the assessment Bill—I will read into the record something that was reported from the City Board of Commissioners just the other day—they say that the Bill ignores controversial issues, and for them the controversial issue is a firm definition of market value. They state that the present definition of the Act, the present indication of how this particular Act reads leaves it open to being susceptible to political and bureaucratic whim or manipulation. They actually consider it to be a significant flaw in the Bill.

Now, we have heard that there are going to be changes brought forward by Government. I would like to see these changes or amendments that they are thinking about bringing forward, which they may have had introduced to them as trying to tighten up this Act, on the Table long before the public hearings, long before the committee hearings, so people can actually react to the full aspect of the Bill and not just a part of the Bill. With those comments, Mr. Acting Speaker, you realize that there are some aspects of this document which are considerably subject to question, and I feel it is the people who are going to question them that should be given maximum opportunity to do so.

There are other aspects that one should consider when we take a look at this Act as presented to us.

Because of the stress on property value, on market value, and because market value of any property is often deemed, not by the value of the property itself, but rather by the value of property surrounding it, this transferred pressure, this transferred rise in value could—I should not say could, I will say will—in many instances work counter to any kind of environmental refuge.

* (1640)

I believe the previous speaker referred to wildlife, but we could also think in terms of wetlands, we could think in terms of swamp, we could think in terms of simply forestland, which presently is allowed to stand in the natural state, not being cleared. But when we have external pressures put on land, we may find that farmers may decide that rather than leaving the land in its natural state, because we are going to be going into a higher property value, there will be pressure to clear the land, which oftentimes is contrary to good farming practices.

Some Honourable Members: Oh, oh!

Mr. Herold Driedger: Obviously some of the comments I am making are being interpreted to be awfully amusing. I cannot see that they are. I feel we should be very, very concerned about the environmental impacts of clearing land too quickly, of taking land that is forested that perhaps should be left as forest, because if you start taking lands that are forested now out of forest and decide to simply make a straight clearing, the land degrades, the land erodes. The same thing is true of wetlands which delay the run-off of water, and I believe, if I recall, there is a water strategy that this Government has in place, has presented. Delaying run-off is one way of retaining water when we are trying to drought proof a province. Wetlands which would be drained because of undue pressure of property values escalating around them, pushing over for the development thereof, pushing over for the agricultural use thereof, is not environmentally sound.

Mr. Acting Speaker, I will not take up much more time, I just believe—(interjection)—I see that my remarks are being listened to with great interest by the Minister of Northern Affairs (Mr. Downey). He wishes me to continue. I just wish to emphasize that counting on the land assessment to reflect property values taxed at surrounding land values, pushing up the value of land, affects the rural urban fringe significantly, causing upward price pressure which ultimately pushes, works against agricultural practices at the rural fringe; which actually goes against the development, the retention of farms; which leads to the very sprawl which we often find that we would rather not have to contend with.

So, with those remarks, knowing that there will be other speakers on this, knowing also that our critic will probably make some comments during third reading, I am prepared to allow this to move forward to the next stage. But I do wish to caution Members that there are aspects to this Act that need to be questioned, that need to be raised, and I would like to extend the ability of the people to come forward during

committee—to the rural people as well—to try and extend that period to make it as easy as possible for them, and to give them as much opportunity as possible to put their thoughts on the record as well. Thank you, Mr. Acting Speaker.

Hon. Gerald Ducharme (Minister of Urban Affairs): I would just like to take a couple of minutes to discuss this particular Bill No. 79, having been a Member on the committee dealing with this particular Bill, and just to put some comments on the record before I start to get to the more specific.

I would, first of all, like to compliment the Honourable Member, Mr. Penner, for showing the leadership of this particular Government in presenting a long-awaited assessment that a previous Government avoided over so many years. They had since 1981, had the Weir Report that was produced in 1981, and again they failed to deal with that particular report. The Member for Dauphin (Mr. Plohman) a few minutes ago mentioned in his remarks—I noticed by his remarks that he did not really understand that much about assessment, but he did make some long remarks for about 40 minutes dealing with the assessment issue. He did not mention—through some history I know, as a Member wearing a previous hat, there were long discussions with the Municipal Affairs Minister from before, and there was always the comment that we cannot deal with this at this particular time; as you know, it is a tough thing to deal with; on and on and on, ever since the Weir Report was put in. The city dealt with some alternate means to temporarily deal with the three-year phase-in, and I did not hear the previous administration in their election of '86 ever dealing with the assessment. No, they did not deal with it. In their election of 1988, no, they did not discuss assessment.

The Member for Dauphin also mentioned that there are amendments not to come forward. Well, to the Liberals on the other side of the House, if they would have sat here in Opposition when the NDP were in Government, there might have been amendments proposed, but they were never accepted by that previous Government. So they should not start talking about amendments coming forward, as this particular Government has allowed people the opportunity to do, not only the people in this Chamber and Members from outside—groups from outside this Chamber. The previous administration never allowed amendments to come forward when Bills came forward.

I am pleased to speak to Members of the House in support of Bill No. 79, the new Municipal Assessment Act. As already noted by my colleague, the Honourable Minister, Bill No. 79 marks—and I must repeat—the first major and much-needed review of assessment legislation in Manitoba since its enactment in the 1920s. The proposed new assessment Act addresses a number of important issues and problems with legislation which exists primarily because the legislation is outdated.

I notice that the Member for Niakwa (Mr Herold Driedger) mentioned that it was a large Bill. It did not have to be such a large Bill if it would have been dealt with by the previous administration to maybe at least try to tackle some of the problems. One of the classic

examples of the type of problem which the existing legislation poses is the assessment of day care centres. It is such an issue that the previous administration always wanted to deal with, but even such a bright light out there about the day cares was never dealt with.

In the early 1900s when the original assessment legislation was drafted, day cares did not exist and therefore there were no provisions and this is how long this Act has been neglected especially by the previous administration.

In some cases the assessment provisions in The City of Winnipeg Act are different from those which govern the rest of Manitoba. For example, while Winnipeg's reassessment of property is prescribed in existing legislation to take place at three-year intervals, for all other Manitoba municipalities the reassessment cycle was every five years. Now all property will be assessed every three years.

Another example is that while Winnipeg's assessment legislation enables council to exempt from assessment a heritage building undergoing substantial renovations, similar provisions are not presently available to the rest of Manitoba. Uniformity and real property assessment provisions and common standards in the process of determining property values, I think helped to achieve the goals of equity and fairness which is in the heart of this particular legislation reform.—(interjection)—

Mr. Acting Chairman, the Member for Concordia (Mr. Doer) pipes from his seat, acting in fairness. I wish he would have dealt with it. I cannot particularly put all the blame on the Member, because he was at times when he was in Government—and I have to credit him for that—when he was approached by the city in the time he was a Minister, that he did deal with some of the provisions that were the band-aid solutions and he did provide them. However, his colleagues on that side did not deal with the legislation for so many years. I will give compliments where compliments are due and the Member did deal—but when other Members from his side who were here long before he ever came into this Chamber get up in this Chamber and they blame this Government for not doing something in a year and a half and could have done it sooner, and they waited since 1981 while all of us had written and looked at the Weir Report.

The Member for Dauphin (Mr. Plohman) keeps getting up and referring to it, that was the example we should have used. Well, Mr. Acting Speaker, if he is so sold on the Weir Report, why did he not convince his colleagues at the time and sell them on the Weir Report?

I take pleasure in contributing these brief remarks at the time of second reading. I look forward to the third reading and make further comments on the Bill.

Mr. Gary Doer (Leader of the Second Opposition): Mr. Acting Speaker, it is indeed a—I was not going to say an honour, it is an obligation to speak on Bill No. 79, The Municipal Assessment and Consequential Amendments Act in Manitoba.

This is one of the most important Bills this Chamber will be dealing with in 1989-1990. It is a bit unfortunate

that we have about 11 weeks to deal with it in the time that the Minister has introduced it and the time in which the Government wants it passed or dealt with prior to the January 15 requirement dates. We had to take a few weeks to study the Bill, Mr. Acting Speaker, as one would expect, because it is not dealing with property assessments. It is like dealing with a Rubik cube. When you move one piece you have to know where the other piece is going to be. You have to know exactly what is going to happen when you move one piece in terms of what it means to other property owners and people in the province.

I noted for the Minister of Urban Affairs (Mr. Ducharme) gave a macho speech just now about how strong the Government was in taking this action. I recall not too long ago the Member for Charleswood (Mr. Ernst) speaking one way on a property assessment Bill dealing with the City of Winnipeg, and the Member for Arthur (Mr. Downey) speaking another way when they were on these benches. In fact I understand we used to hear echoes in the night coming out of their caucus room dealing with the City of Winnipeg property assessment, echoes coming out of the night I think the Member for Dauphin (Mr. Plohman) will remember. The movie is not over yet on this Bill.

(Mr. Speaker in the Chair)

The Members should be very careful, very, very careful. Members signing letters now may want to take a look at what this means to their own constituents in their ridings, because this is a very important Bill and if people in this Chamber think for a minute that this will not become a very political issue—(interjection)—We are not. Whether we like it or not there is more people in this province than the 57 Members who sit in this Chamber. It may be surprising to Members that are spending some time here, but there are actually over a million citizens, most of whom either rent, borrow, own, or operate property and all of them will have an opinion on this Bill eventually.—(interjection)—

* (1650)

Well, Mr. Speaker, we do not know yet whether you are bold, because we are just beginning to analyze the data. Now all of us support going to 1985 values. All of us support moving up in our values. In fact, we are a bit disappointed that the City of Winnipeg, when it had the opportunity to do property assessment, moved only to 75 values. We actually thought, and we tried to enable them to move to 85 values a couple of years ago.

I had the great pleasure of dealing with the City of Winnipeg situation to try to move it up 30 years. I can tell Members of this Chamber that when you move from one year of values to another set of values there are shifts and burdens that shift, not only between and within the property classifications, there are shifts that take place between the property classifications. For example, there are shifts that take place—as we saw going up to 75 values—for property between the commercial sector that was going to go down and the residential sector that was going to go up.

The Member for Riel, the Minister of Urban Affairs (Mr. Ducharme), talks about us dealing with this

situation. Well, a differential mill rate was the way in which the province and the Legislature could provide levers for the municipality, the largest municipality in the province, to ensure that the senior citizen in North Kildonan did not get clobbered with a tax increase while the Royal Bank of Canada had a tax decrease.

We do not know yet what is going to happen when we go from 75 to 85 values and I have not had an opportunity to analyze those factors, Mr. Speaker. I know whose side we are on and I know whose side we will be on when we deal with those Bills. If the senior citizen in St. Vital is not going to be protected by the Minister of Urban Affairs, we will protect that person. If the Member for River East (Mrs. Mitchelson) has not been given the data in her own area, we will protect that constituent.

Mr. Speaker, there are some major shifts that will take place when you move from one year of values to another and there are going to be other real major changes when we move from an individual municipal assessment system to a province-wide system. Let there be no mistake about that.

So we only have a little bit of a rough idea what is going to go on with this Bill. Some power will be maintained by Cabinet in terms of the portions that are going to be established, but because those portions are going to be province-wide and because those portions will not only just deal with the large municipality, which we had the opportunity to do as an interim step. If you read back in Hansard you will see the word "interim" in all of our speeches. We do not quite know who the winners and losers are going to be when we look at these abstract concepts and theories and technicalities contained within The Municipal Assessment and Consequential Amendment Act, Bill 79.

Mr. Speaker, other provinces have had similar problems with this legislation. The Members from the Liberal Party who were speaking just a minute ago about the Government moving ahead with '85 values, they should be aware what is happening in other Liberal jurisdictions in Canada.

Mr. Speaker, the Liberal Government and Conservative Government did not deal with this, they did not deal with it.—(interjection)— Oh, the Member for Wolseley (Mr. Taylor), boy, you mention Liberal and he gets—I hope you are never in Government because, boy, you get one question and the Member for Wolseley is going to be thrown out of the House. He is a little sensitive.

Mr. Speaker, in Ontario they have not assessed and reassessed the properties since 1944, and the Peterson Government in Toronto has not even touched property assessment in that community, which continues to go against people on lower incomes and works in favour of people in higher incomes in the Forest Hills area. It is even worse in Quebec with the Bourassa Government with property assessment because they too just deal with property assessment without dealing with the different categories.

When there was a major shift of property values, when homeowners' values went way, way up in the

major urban centres and the commercial values stayed very flat and in fact, in relative terms, went down against residential properties, you had a situation in Quebec where the Liberal Government was putting in massive increases in taxation for the residents of Notre-Dame-de-Grâce, and major tax decreases for the Place Ville Marie, another major downtown interest. The Desmarais and the Power Corps and everything else were getting tax breaks while the residents in the inner city areas of Montreal were getting massive tax increases and had riots on the street, Mr. Speaker, in terms of the—

An Honourable Member: Riots in the street?

Mr. Doer: Well, that is what Liberal Governments will do for you.

I find it rather curious that we get the lectures without any accountability from our Members to the right of us, Mr. Speaker, in the Liberal Party.

An Honourable Member: Everybody is to the right of you.

Mr. Doer: Well, thank God, Mr. Speaker. This is a very, very complex issue and, yes, moving to '85 values is very important, and we support moving to 1985 values. We think that if 1985 values are implemented fairly, there will be a shift in the City of Winnipeg, for example, from the inner city residences to the suburban areas. That is as it should be because the values of houses are higher in Tuxedo and Riel and Charleswood and North Kildonan, and there should be a major shift in taxation from the inner city onto the suburbs.

We put in a cushioning proposal to that, Mr. Speaker, but I guess this Government does not care. It is heartless about North Kildonan and South St. Vital. We will see what happens in those areas.

But the other side of this Rubik cube—

An Honourable Member: Concordia loves this. Concordia can hardly wait to support this.

Mr. Doer: Yes, that is right. We need a good vote in there for the Conservatives in Concordia because you ran so pitifully third last time that we cannot have you do that this time.

An Honourable Member: Merry Christmas to you.

Mr. Doer: Well, it is the Christmas season.

Mr. Speaker, the other part of this Bill which is very important to us is the portions of each category and what they are going to pay. I do not know whether we know that yet, I have not seen the numbers. That is going to be a real big issue for this Party because we will not participate in a major shift and, in fact, we want the shift to go the other way in terms of our priorities for working people and their families and residences across Manitoba.

We do not know, Mr. Speaker, the Minister of Urban Affairs (Mr. Ducharme) may know that he is going to put in proposals that will save his own constituents in terms of the change in burden of taxation.

An Honourable Member: He is going to save them all.

Mr. Doer: I do not think he does know, quite frankly, otherwise he would not be so gung ho up here, pouring gasoline on his head and lighting his political match in terms of what it is going to be for his constituents, but I will let the Minister of Urban Affairs determine that on his own.

Mr. Speaker, we have to, therefore, look at the Bill and the principles of the Bill, and look at the whole portioning component which the Government has maintained through discretion to the Government. That really is the other side of the Rubik cube. That will determine what happens to working people and their families in their own residences, and that will determine whether there are going to be tax breaks for corporations, or whatever else.

Mr. Speaker, this Party does not trust Liberals and Conservatives on breaks for corporations. We both know that you both campaigned for corporate tax breaks for corporations before. The Liberals created every loophole in the federal tax system that exists and even Michael Wilson plugged a few of them, but there are many more still left, so we only have to go by Liberals and Tories by their past record. The NDP brought in a differential mill rate; we brought in a mill rate and allowed the city to tax corporations and big business more than the senior citizen in North Kildonan, Transcona, East Kildonan, and South St. Vital.

Mr. Speaker, —

Some Honourable Members: Oh, oh!

Mr. Doer: Well, you should be very careful because nobody has seen a decrease in their Autopac rate since this Government came in.

An Honourable Member: They did not see a hundred

Mr. Doer: They have not seen a decrease in their Autopac rates since you came in. So I suggest to you that is just another unfulfilled promise of the Conservative Party, just another one on the check list of the smoke and mirror promises of the Conservative Party in 1988.

Mr. Speaker, I do not know how much consultation has gone on between this Minister, the Minister of Urban Affairs (Mr. Ducharme) and the City of Winnipeg. I do know there has been some consultation with the UMM, and I respect that because I always believe there should be consultation with all the elected officials in the province dealing with this Bill. But I noticed the other day the city assessor has already made comments on this Bill, and I do not think the city and the province have really sat down at the political level and really addressed themselves to the issues in this Bill and what it will mean to the citizens of the City of Winnipeg. I respect the comments that my colleague, the Member for Dauphin (Mr. Plohman), has placed on the record in terms of its effect in rural Manitoba.

We have obviously caucused and discussed this issue on a holistic way, but I wanted to talk a little bit about

the City of Winnipeg. Mr. Speaker, we had a very, very active consultation process. In fact, we met on a weekly basis with the city elected officials, not the assessors but the elected officials, to try to get us from the 1950 values to the 1975 values—it should have been '85 values—in the most effective way, and we had to deal with problems as they came along.

We did not want to have an assessment system that closed down the golf courses of Winnipeg. We did not want an assessment system that clobbered the curling clubs across Manitoba. We had to make a few changes that we did not anticipate. Mr. Speaker, we had the time to make those legislative changes and we had the co-operation of the Opposition Party at the time. The official Opposition was very co-operative with us and we will be co-operative with the Government of the Day in terms of expediting the decisions. We may disagree about what those decisions will be, but we do plan on being co-operative in expediting the decisions.

But, Mr. Speaker, we were very flexible and very sensitive to human issues tied to property assessment, and we will be very concerned about the human issues tied to property assessment as this Bill proceeds. So we will be looking at this Bill and how it affects the flesh and blood citizens of Manitoba. We will leave the property assessment computers to the bureaucrats, we will leave the property assessment computers to the City of Winnipeg people. We, the New Democratic Party, as we review this Bill, will look at this Bill and its effect on people, and the winners and losers in property assessment.

* (1700)

Mr. Speaker, I pledge to you today that we will listen very carefully at the public hearing process to the citizens of this province, just as we did when the City of Winnipeg assessment came through. I hope the Members remember that we had over 200 presentations, mostly from large lot holders and, boy, when they see their assessment going up they will wish they never went to court. The Minister knows we had a number of excellent presentations.

There will be people who will disagree with the Government, and we will listen to those people at the committee stage, at Second reading, because we want to ensure that we know accurately the winners and losers. We know who we will be standing for in-property assessment. We will be standing for those farmers in Manitoba who need support from their Government and are not getting it from the federal Government. We will be standing with the average Manitoban, we will be standing with the senior citizens, with the inner city resident. We will be standing with the people and we will not be standing with the large commercial land holders.

We will be standing on the side of the people of Manitoba who really need help from their Government, not the large corporate entities of this province who are usually represented by the Conservative and Liberal Parties of Manitoba. Thank you very much, Mr. Speaker.

Mr. Speaker: As previously agreed, this matter will remain standing in the name of the Honourable Member for Springfield (Mr. Roch).

I am advised that His Honour the Lieutenant-Governor is about to arrive to grant Royal Assent to Bills Nos. 27 and 53. I am therefore interrupting the proceedings of the House for the Royal Assent.

ROYAL ASSENT

Sergeant-at-Arms (Mr. Cliff Morrissey): His Honour the Lieutenant-Governor.

His Honour George Johnson, Lieutenant-Governor of the Province of Manitoba, having entered the House and being seated on the Throne:

Mr. Speaker addressed His Honour in the following words:

Mr. Speaker: May it please Your Honour:

The Legislative Assembly at its present Session passed two Bills, which in the name of the Assembly, I present to Your Honour and to which Bills I respectfully request Your Honour's Assent:

Bill No. 27, The Fiscal Stabilization Fund Act; Loi sur le Fonds de stabilisation des recettes;

Bill No. 53, The Energy Rate Stabilization Amendment Act; Loi modifiant la Loi sur la stabilisation des emprunts d'Hydro-Manitoba à l'étranger.

Mr. Clerk (William Remnant): In Her Majesty's Name, His Honour the Lieutenant-Governor, doth assent to these Bills.

His Honour was then pleased to retire.

PRIVATE MEMBERS' BUSINESS

Mr. Speaker: The hour being 5 p.m., time for Private Members' Hour.

ORDERS FOR RETURN,
ADDRESSES FOR PAPERS
REFERRED FOR DEBATE

Mr. Speaker: Orders for Return, Addresses for Papers, on the motion of the Honourable Member for Churchill (Mr. Cowan), standing in the name of the Honourable Minister of Housing (Mr. Ducharme). Stand.

Is there leave that this matter remain standing? Agreed.

On the proposed motion of the Honourable Member for Osborne (Mr. Alcock), standing in the name of the Honourable Minister of Rural Development (Mr. Penner). Stand.

Is there leave that this matter remain standing? Agreed.

PROPOSED RESOLUTIONS

RES. NO. 28—WINNIPEG RIVERS MANAGEMENT

Mr. Harold Taylor (Wolseley): Mr. Speaker, I rise today in Private Members' Hour to address a subject matter

that I have spent many long hours on.—(interjection)—Sorry. I move, seconded by the Member for Fort Garry (Mr. Laurie Evans), Private Members' Resolution No. 28:

WHEREAS the Red and Assiniboine Rivers are Winnipeg's greatest natural resources; and

WHEREAS these rivers, and the lands along them, have become important for recreational purposes; and

WHEREAS the citizens of our capital city are choosing to make even more use of these rivers; and

WHEREAS there have been three serious boating accidents, one of them fatal, in Winnipeg in July 1988; and

WHEREAS the preservation of the riverine flora and fauna is of serious concern; and

WHEREAS all three levels of Government have certain responsibilities on, in and surrounding these bodies of water; and

WHEREAS clarification and co-ordination of these various Government responsibilities would be of benefit to those who use Winnipeg's rivers; and

WHEREAS the City conducted a major jurisdictional study on rivers concerns in 1985, which has been reviewed by all city departments; and

WHEREAS City Council, by unanimous vote in October 1986, requested provincial/civic negotiations at the official level and set a proposed 12 point agenda; and

WHEREAS the City of Winnipeg Act Review Report, the Department of Urban Affairs' response to that report, and the City of Winnipeg's response to the same report have all called for greater authority to be given to the City for rivers management.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba request the Government to instruct the staff of the Department of Urban Affairs to commence comprehensive negotiations with officials of the City of Winnipeg on rivers jurisdiction matters; and

BE IT FURTHER RESOLVED that this Assembly also request the Government to initiate discussions with the Federal Government as soon as possible on matters under its control, i.e., navigation, boater licensing, speed limitations, noise limitations and construction of crossings; and

BE IT FURTHER RESOLVED that this Assembly further request that the Government seriously consider the immediate transfer of additional funds to the City of Winnipeg to be used for the provision of needed equipment and staff so as to enhance the harbour master operation.

MOTION presented.

Mr. Taylor: It is interesting that, coming around the second time in the Thirty-Fourth Session for the debate on this resolution, we have had some movement on some of the concerns that are raised in both the WHEREAS and in the BE IT RESOLVED. I have to say that I am pleased that we have seen the City of Winnipeg, in co-operation with this provincial Government, initiate moves to regulate boating speeds on both the Red and Assiniboine Rivers. I have to say, though, that it was with great concern, that in reviewing those same speeding regulations, I noted that there was the proposal, Mr. Speaker, for day and night speeds on the Assiniboine River of 37 kilometres an hour.

Anybody who has travelled on that river, or anybody who has even walked along the shores, would be very concerned to consider what boating speeds of that nature would produce. It would potentially produce legal speeding. After appearing in delegation, along with certain boating associations, both before Rivers Management Committee of City Hall, and then later before city council itself, the council agreed to amend its recommendations to the province for transmittal on to Ottawa, in particular the federal Department of Transport, for the initiation of the first boating speed regulations in Winnipeg.

We have, at my initiation and with the support of the boating associations now, a recommended night boating speed of 10 kilometres an hour, which I think will be a heck of a lot safer, given the winding nature of that river, its blind spots, and the lack of night lighting, and the total lacking of navigation markers along that water course. I think what we see though, in these first boating speed regulations coming forward, should only be very much a start in moving in that direction. Much more is needed in boating regulation, particularly as it relates to dumping of effluent from washrooms on boats, pumping out of bilges—that sort of thing—into the water courses as opposed to collecting them on the shore, Mr. Speaker.

I think we also have to talk about the designation of water uses on the water surfaces, no different than we have land uses.

An Honourable Member: Sorry, were you trying to speak?

Mr. Taylor: Yes, I was.

An Honourable Member: You lost your train of thought.

* (1710)

Mr. Taylor: No, I did not even lose my boat of thought. I did not have much silence here. Mr. Speaker, to continue, the need for there to be designated water uses on the surface of the water, similar to the way we designate land uses, is very important, because there are times where there are conflicts on those water surfaces. If one looks at saying, in certain lengths of the river there will be prescribed areas in widths of river for rowing clubs—whether that is in kayaks or

rowing shells, that sort of thing—and that there be very restricted speeds in the areas of passage alongside, then, in other words, power boats would be going by dead slow.

Another example has been where a commercial firm set up a water-skiing school. Well, there is a lot noise and a lot of wake from continuous motorboating in support of water-skiing. I would suggest that when that sort of thing is considered, they either consider a length of river where it is not offensive to local residents, it does not particularly bother other boaters, or that that sort of a use along the water be moved year by year to different locations to minimize the impact.

The need for support from the federal Government in the way of navigation markers, and signs, and buoys is without question one of the most serious things that we have to request of the federal Government. The federal Government some years ago, when requested by the city for additional marker buoys on the Red to facilitate safe navigation, said, we will be very pleased to oblige your request, would you please tell us which of the existing buoys you would like moved to the new locations. When asked, what do you mean by that, the response back from Transport Canada, particularly the coast guard, was, we only have so much of a budget, we cannot afford to put new buoys in even if they are needed and can be justified, so we can only move around that which is there.

Well, that is not the level of service Coast Guard Canada gives in municipalities in Ontario, which it gives around Ottawa, in particular, or Montreal, or some of the Maritime communities on either coasts. I think the time has come when Winnipeg and Manitoba should demand the same level of service of the federal Government. I would also suggest the federal Government can participate in another way. Small Crafts Harbour Canada, which unfortunately has the reputation of being one of the "pork barrel" organizations of the federal Government, has the ability to provide small boat harbours and dredging. There has not been any dredging done on the Red or Assiniboine Rivers to facilitate boating or flows for over a decade now. I think a review by the federal Government, in conjunction with both the civic and provincial administrations, would facilitate the finding of where the problems are in the river, and get a small dredge operating so that we can again encourage more boating.

The jurisdictional matter that we have in this resolution is one that is very serious, and one that can be fraught with problems, as we have seen. There has been a lack of activity on the part of civic Government, provincial Government, and especially federal Government, of not carrying out of responsibilities. We have the obvious situation in certain cases where there are overlaps and lack of clarity, but dereliction of duty is probably one of the most serious ones. It can go from the one I have mentioned, of the lack of response to the provision of navigation markers, it can be in the area of policing, it can be in the area of monitoring of pollution and spills in the rivers, and one could go on.

The report that was developed over 1985-1986 by the City of Winnipeg's Rivers and Streams Committee, of which I was the chair—I was the chair of the

subcommittee that did that work.- (interjection)- Pardon me.

An Honourable Member: Who was the chairman?

Mr. Taylor: The chairperson of that one was Councillor Reese, and the previous councillor was Councillor Angus, who had done the study upon which we had based our work.

An Honourable Member: Hey, Harold, stop blowing your horns for a couple of minutes—

Mr. Taylor: I do not know, I sort of liked the music I was hearing with this horn tooting that was going on. In any case, what was found was that there were problems at all three levels of jurisdiction, Mr. Speaker, and the conclusion of the city was that in an ideal world we should have a tripartite solution. However, we are not in an ideal world, and the situation is that the federal Government is getting out of program after program after program, throwing it on the backs of the provincial Governments, throwing it, if they can, onto the backs of the municipal Governments across Canada.

We did not think, at that time, in the city Government, that it was practical to ask the federal Government to be a one-third partner in a rivers management corporation. In fact, we figured it might be the death knell of the initiative. So the suggestion was, instead of having a window dressing type corporation like the Forks corporation, or a short-life corporation like North Portage, which has a five-year mandate only, we were looking for something that was to have an ongoing mandate. In that sense, we did not feel that the federal Government would be a likely partner and, therefore, it would not be practical to advocate a tripartite solution.

The solution, therefore, was a bipartite solution, Manitoba-Winnipeg. I still stand by that position, and I am more than a little concerned that this summer the Minister of Urban Affairs (Mr. Ducharme) announced an initiative which was tripartite. I would suggest it is naive, it is impractical, it is not going to happen. Get the feds onside to play their small roles. Do not have them in the management of the corporation itself; have them delegate their authorities in the areas in which you do wish, at the civic or provincial level, to have that authority; have them delegate it, no different than the federal Government has delegated almost totally its responsibilities in fisheries to the Province of Manitoba, to none other than our Honourable Minister of Natural Resources (Mr. Enns).

That is the sort of solution that I would like to see on some of the rivers' problems within the jurisdiction of the City of Winnipeg. I do not think it is practical to try and get the feds onside. But their niggardliness that is going on and evident all over the country, when one from one department or another—to get them into a new initiative, I think, is just not going to work. So I would ask, as I have previously asked, the Minister of Urban Affairs (Mr. Ducharme) to review that announcement this past July, and see if he would reconsider looking at the city's recommended solution, which was a bipartite one, made in Manitoba, for Manitoba's capital city.

Let us get on with the action because I do not think what we are talking about here is an initiative which would be one which would be full of just window dressing and nice projects. What we want to do is straighten out the jurisdictional problems on the rivers in the City of Winnipeg.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, it is not my nature to do this, but I just will point out for some of the Members in the House that the Member upon reflection realized he used a word that if any Member of the Government had used it would cause front-page headlines tomorrow. I just point that out for some interest to the House.

Mr. Speaker: Order, please. The word does not show up in unparliamentary language, but I would remind the Honourable Member that it does absolutely nothing for the decorum of the House. The Honourable Member for Wolseley.

Mr. Taylor: Yes, thank you, Mr. Speaker. I am sorry the Member for Morris has taken exception to the word I used which is a synonym for stingy. I think it is quite a correct English word and it has no racial overtones. I have to say I am pleased, I am very pleased that the Member for Morris was listening to my speech.- (interjection)-.

Some Honourable Ministers yonder, Mr. Speaker, make reference to that infamous boxcar in north Transcona. Well, we know all the grief it has given them. We are not onto boxcars at this point, we are going to talk boating for a little while yet.

The fact of the matter is that when one looks at the jurisdictional authorities that have been set up within the cities of Ontario to deal with the myriad of water issues that are there, one can see some real leadership, we can see some real innovation.

I would offer the suggestion to the Minister of Urban Affairs (Mr. Ducharme) and also to the Minister of Natural Resources (Mr. Enns), because I am sure that they would play an advisory role to Urban Affairs on this. Take a look at the way there is water management and river management in places like Toronto, in London, in Windsor, in Ottawa. Take a look at Quebec City. Take a look at rivers along the Saint John. Take a look at Montreal itself.

You will see, in Vancouver and Victoria, where there is an interesting way of the Governments participating together, not in each other's back pocket in a negative sense but in a very positive fashion where the roles are clear and over time the jurisdictions of these river management corporations tend to expand and make very clear who is doing what. The improvement from a jurisdictional viewpoint, from a recreational viewpoint, from an environmental viewpoint, and from a safety viewpoint is nothing but for the good.

I would suggest that the Minister of Urban Affairs should lead those delegations to review what is going on in other jurisdictions so that he can come forward with a sound plan in conjunction with Winnipeg to solve the jurisdictional problems on our waterways and

preferably in a bipartite and not the tripartite fashion that he has proposed.

Hon. Gerald Ducharme (Minister of Urban Affairs):

Mr. Speaker, first of all, I would like to thank the Honourable Member for Wolseley (Mr. Taylor) for his proposed resolution on Winnipeg rivers management. He has put his remarks on record and we know that the Member from Wolseley has always been a Member who has always been interested in the waterways the same as this particular Minister. Mine goes back to my youth days in St. Vital and hoping that -(interjection)- Yes, that is right.

The Member from St. Norbert (Mr. Angus) has said that I have spent too much time in the river. I will tell him that I have enjoyed my rivers and that is probably why I am so engrossed in the Forks program and engrossed in any river that we might be proposing on this part of the Government.

* (1720)

That is probably why, when increasing my staff in my first six months of office, I brought in an individual who is probably renowned throughout Canada in her studies on river legislation. I know that the Member from Wolseley is shaking his head and he will vouch for that, that the person is probably one of the best.

I would like to though take his remarks and put them on record. This resolution gives me an opportunity to tell you about our Government's announcement on July 26, '89, of a Riverfront Corporation for the Winnipeg region and the progress we have been making on our 10-point action plan to improve the regulation of Winnipeg's waterways announced in September of '88.

Both these initiatives carry on from the very successful Canada-Manitoba agreement on recreation and conservation of the Red River corridor which was signed in 1978 by the previous Conservative Government and was a very, very successful program.

However, the Riverfront Corporation will be even more significant than ARC in that it will be a permanent organization and encompass the rivers of the Winnipeg region. We have to remember that we have to talk in the realm that it is the Winnipeg region and we have to realize that the potential of our rivers is enormous.

The Member for Wolseley has put his thoughts on the record. We know that Winnipeg over the next many years will make use of its rivers and be a vital part, and hope that we can rejuvenate, or not only rejuvenate, but make sure that people will use those rivers.

The Riverfront Corporation is a vehicle that will enable the Winnipeg region to become a showcase for riverfront enhancement in North America. It will strike a balance between conserving the natural and heritage resources of the river corridors and developing exciting and innovative recreation opportunities and tourist attractions. That is available to the people of Winnipeg. It is available if Governments will co-operate.

The corporation will provide the opportunity for Government and business and the community to become partners in a long-term commitment to the

rivers of Winnipeg region. Mr. Speaker, while mandated to plan, develop, program and promote the river corridors, the corporation will leave management and regulation to existing legislative authority.

I believe with increased public access to river corridors, improved rivers management and regulation are issues of growing importance. It is with this foresight that this Government announced its progressive 10-point action plan to improve the regulation of Winnipeg waterways early last fall.

The action plan that we proposed committed the province to taking a leadership role in resolving the jurisdiction and the issues and the problems that we have in Winnipeg dealing with our waterways. It was a first step. We opened communication between the City of Winnipeg and the province regarding Winnipeg's waterways. Mr. Speaker, discussions now occur on a regular basis between the two parties about the planning and management of waterways.

As a second step this Government reviewed The Rivers and Streams Act, The Water Rights Act, and The Water Resources Administrative Act. The object of our review is to clarify jurisdiction and streamline and improve the effectiveness of regulations.

I believe through my department's review, results that will come of them will be implemented as part of a number of amendments proposed for The City of Winnipeg Act in the very near future. This Government is also working with the federal Government to address the problems of boating fatalities and accidents. We are participating in a national study which will advise Governments of the courses of actions that can be taken to reduce these boating fatalities and accidents.

Mr. Speaker, boat operator licensing and safety training are two options being explored. Third, both this Government and the City of Winnipeg are working as partners to review the health issues as they relate to waterways.

As a fourth but equally important step in clarifying other issues, I have contacted the federal Minister of Transport regarding the Federal Waters Protection Act and specifically the definition that is applicable. Our dialogue has been going on since I was appointed Minister and will continue as amendments to this Act are developed.

In addition to clarifying these very important issues this Government has shown leadership in ensuring the development of new regulations. For example, to improve the water quality of our rivers, regulations are being drafted respecting the sewage disposal from pleasure boats and marinas. This is being considered by this particular Government.

Once established the regulations will require containment of sewage, and boats, and disposal only at pump-out facilities. I know the Member from across the way did speak of these problems of sewage going right out of the boats and into the waterways. We are looking at that and we will establish some type of regulations.

An additional example of the work this Government has done in respect to new regulation is the boating

restriction regulation. Our commitment to having a boating restriction regulation in place as soon as possible has required a high degree of involvement by my staff and by this Government.

Mr. Speaker, between September '88 and March of 1989, the province did in its deliberations, press the city on numerous occasions to draft and approve a regulation proposal. I addressed this in the previous resolution put forward by the Member for St. Vital (Mr. Rose), and I did explain in the time which was allotted the history of what we went through in getting the city to agree to a regulation proposal. This Government advised the City of Winnipeg of federal Government deadlines and arranged an extension deadline.

Mr. Speaker, this Government has also served to expedite the process by ensuring that the regulation was forwarded to the appropriate federal or municipal party at the completion of each step of the process. These stages involve city approval of a draft regulation proposal, provincial drafting of a proposal in amendment form, federal review and legal drafting of the regulation, a public hearing, city approval revised regulation and final processing of regulation by the federal Government. Even now while the federal Government is in its final stages of processing the regulation, this Government is continuing to be involved.

I know the Minister of Natural Resources (Mr. Enns) is currently communicating with both the federal Government and the City of Winnipeg on the development and approval of appropriate boating regulation signage, in very, very capable hands of the Honourable Minister. As a result of our commitment to rivers management and safety it is anticipated that boating regulation will be enacted for the 1990 boating season.

In continuing to realize the goal of improving the safety of boaters in Winnipeg, I too have addressed and talked to many groups in regard to the boating. They had their concerns when they were going through the public hearings. They had their concerns in regard to the speed limits and such, that was originally suggested by the City Council.

I am also pleased to inform the private Member that on February 15, as he knows, the 1989 City Council did approve an increase in their equipment, staff, and budget for the harbour master. Both the harbour master and assistant to the harbour master positions changed from seven months to the 12 month full-time positions. One new position was the assistant to the harbour master was created for six months during the May to October season. Another new position, the patrol assistant was created for 10 weeks, approximately the end of June to the first part of September. The city is working along to address this particular issue and we are working with the city on these regulations and working with them and keeping in consultation with them.

Lastly, the budget was increased by around \$95,000 to \$150,000 in their current Estimates to allow for this expanded service. The increased budget allowed the city to use two boats to patrol the river on an overlap basis this past summer. Mr. Speaker, you being

someone who lives beside the river and who constantly uses the St. Vital Park, have noticed the improvement in the people and in the patrol of the river. The staff of the City of Winnipeg have indicated that these increases have permitted and have shown there is a more effective patrol of the river.

As a prairie province, as I again mention, rivers play a very, very important role in our lives. The rivers of the Winnipeg region are no exception. This Government and this Minister have recognized the importance of this role. We have made a commitment to our rivers and will continue to strive to fulfill it. Mr. Speaker, our leadership in this area will continue through vehicles like the Riverfront Corporation and the 10-point action plan on waterways regulation.

Mr. Speaker, I will again take note of the Member for Wolseley (Mr. Taylor), because we might not always agree with the particular Member, but I will take note of some of his suggestions, have my staff look at suggestions he has put on the record.

Myself, I would like to see a very, very new, or another amendment to The City of Winnipeg Act which would probably deal with what we call the waterways, or waterways legislation—could be a new section of the Act that I feel we could put into the Act in the next short while. I feel that I know the City of Winnipeg is looking for that. I feel that authority should be given to the City of Winnipeg.

* (1730)

As mentioned by the Member, he is not sure the three parties should be involved, the three levels of Government. I say to the Member that this provincial Government has asked the other two parties to participate. I am looking forward to the federal Government, not only for their participation that they might give to us and their expertise in dealing with rivers, not to interfere with the local people's ideas of rivers, because I agree with the Member for Wolseley (Mr. Taylor) that people in the area know better than someone from somewhere else dealing with the rivers. However, I hope that when they come forward they bring forward their money. That was our asked. We have committed the first half million dollars in this year's budget hoping that the city and the federal Government will come onstream the same as they did in other art projects. I look forward to hearing from them. I have had some positive letters.

In closing, Mr. Speaker, I have had some positive letters from the federal Government and so far I have not seen the commitment of their monies. However, I will wait and if otherwise they do decide not to participate then we can always go back to another plan. At this time I hope they will participate in our proposal of our management that goes by this Government in July of '89.

Mr. Gary Doer (Leader of the Second Opposition): Indeed it is an honour again to rise on this proposal put forward by the Member for Wolseley (Mr. Taylor).

I have to say I totally disagree with him and I want to be perfectly honest with him. One only has to walk

out the back door of this Legislative Building, look across the river bank, see some of the buildings that are built on the banks of the rivers, which were against the zoning, against the city's own provisions on the river bank, to know why you cannot allow the City of Winnipeg to take control of the jurisdiction of the rivers.

I find it absolutely insane that we are taking a City Council motion, which was the most self-serving motion, dealing with our rivers and xeroxing it and bringing it in this Chamber and trying to propose that as a solution to our rivers. The City of Winnipeg and its elected representatives were the biggest violators of the environment of the rivers, the biggest violators of the zoning on the rivers.

Some of us in this Chamber and previous Members of this Chamber had to fight the City of Winnipeg, whether it was Omands Creek, whether it was other developments, time after time after time. For the Member for Wolseley (Mr. Taylor) to come into this Chamber when we have another battle on our hands with the elected representatives from the City of Winnipeg dealing with Omands Creek, shows absolutely no regard for the environment, no regard for the rivers because you cannot trust the City of Winnipeg in terms of their performance to deal with it.

Mr. Speaker, I want to know how the Member for Wolseley (Mr. Taylor) squares this resolution with the history of Omands Creek. How does he possibly go back to his constituents—

An Honourable Member: No problem, they know where I stand.

Mr. Doer: Well, maybe they do not know where the Member for Wolseley stands. Maybe he stands one way one day, and one way another day when it comes down to the crunch like a typical Liberal. Which way is the wind blowing—a typical Liberal—what side am I on. Oh, let me see which way the parade is going, I want to run to get in front of it. I am a Liberal, whichever way the parade is going that is the way I am going.

Mr. Speaker, go out the back door, look at those apartment blocks that broke the zoning, The Rivers and Streams Act, the federal Navigation Act, the City of Winnipeg's own zoning act because the city never has the—

An Honourable Member: . . . tripped up on that.

Mr. Doer: Nerve, yes, because I was going to say what I really felt, and one must be parliamentary.

The city never has the backbone to deal with the developers and the old gang of 18 and 19 that the Member, who the Member for Wolseley (Mr. Taylor) sat with, the old Liberal Tory backroom gang which the Member for Wolseley participated in. Where were they when they built the apartment block across the way, where were they? They were getting their donations, they were not standing up for our river banks. They were not standing up for our river banks. Mr. Speaker, Omands Creek—

Mr. Speaker: Order, please—the Honourable Member for Wolseley.

Mr. Taylor: Mr. Speaker, the Member for Concordia (Mr. Doer)—on a point of order.

Mr. Speaker: On a point of order.

Mr. Taylor: There have been repeated errors in the Member for Concordia's (Mr. Doer) dissertation, but when the Member goes so far as to suggest that the Members of this—

Mr. Speaker: What is the Honourable Member's point?

Mr. Taylor: The point of order is the suggestion of illegal doings going on by this Member—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please. The Honourable Member does not have a point of order, it is a dispute over the facts. The Honourable Opposition House Leader.

POINT OF ORDER

Mr. Reg Alcock (Opposition House Leader): With a new point of order.

Mr. Speaker: On a new point of order.

Mr. Alcock: I do admit the debate in the Chamber gets a little raucous particularly at this time at Private Members' Hour. The Member for Concordia (Mr. Doer) did suggest that Members of the city council including Members on this side of the House accepted payment for decisions made by the council and I think that is clearly unparliamentary. I think the Member should be asked to correct the record.

Mr. Speaker: On the point of order raised by the Opposition House Leader the Chair did not hear those remarks but the Chair will peruse Hansard and will report back to the House. The Honourable Member for Concordia (Mr. Doer) has the floor.

Mr. Gary Doer (Leader of the Second Opposition): Mr. Speaker, if there is any impression left that there was a quid pro quo I certainly do not want that to be left and I will make that very clear. What I am trying to say is there was no backbone with the gang of 18 and 19 when it came to dealing with the river. There was absolutely no backbone dealing with standing up on behalf of the citizens of Winnipeg when there became a conflict between the developers and the City of Winnipeg.

Let the record show when there was a conflict between the developers and the citizens the gang of 19 and the gang of 18 stood with the developers when it came to the riverbank development on the Osborne River. The evidence is there, it is right into our riverbank, right across the—

An Honourable Member: The Osborne River?

Mr. Doer: The Assiniboine River in the new Osborne Riding, Mr. Speaker.

Look at the Omands Creek disaster. Again when it came to the issues of the citizens versus the developer, where did the old city council stand? The old city council passed this resolution. They wanted to build a six storey apartment block on Omands Creek, and we had to move in—

An Honourable Member: Your Government was financing it.

An Honourable Member: Under pressure from the city.

Mr. Doer: Under pressure from the city? The city zoned it on top of Omands Creek. I understand the Member for Wolseley's (Mr. Taylor) sensitivity on this because the old gang of 18 and 19 could not stand up to the land developer on Omands Creek. The Province of Manitoba had to prove it was a navigable river, secondly it had to move in—

An Honourable Member: There was no gang.

Mr. Doer: There was no gang. Mr. Speaker, I understand the Member's sensitivity being part of the old gang of 18 and 19.

An Honourable Member: . . . of falsehoods is unbelievable.

* (1740)

Mr. Doer: Mr. Speaker, I understand the Member's sensitivity. He was clearly a Member of the gang of 18 and 19. I do not blame him for being sensitive about that. I would not want to be labelled as part of the old gang either, but he is. If you walk like a gang member, you talk like a gang member, you are a gang member, and the Member for Wolseley surely did.

What did they do? They built a six storey apartment block on Omands Creek. We had to go in there, stop the construction, negotiate an arrangement, we should not have had to, and have the land transfer with the company to bring in—(interjection)— Can the Member, please, please, let everybody have a chance to debate. I know he is sensitive, I do not blame him for being sensitive.

We had to move in there and develop a park instead of an apartment block. The province had to do it. The Province of Manitoba, the same body the Member for Wolseley (Mr. Taylor) wants to transfer the jurisdiction from, on rivers authority to the city, he wants to transfer more authority to the city on river authority and there is no logic. There are no absolute facts to back up why the city should have more jurisdiction over rivers. In fact, the facts are opposite.

Look at the environment. The City of Winnipeg had an exemption from The Environment Act, and therefore, it maintained the ultimate jurisdiction in the environment. I would say that our previous Government was negligent in not moving in on the new Environment

Act earlier. As a new Member of Cabinet in caucus in '86, it was one of the things I argued about the first time I was in a Cabinet meeting, argued strongly in producing a White Paper which we should not allow any exemption to remain in The Environment Act and there was all kinds of support because we got rid of that exemption, and it was long overdue. Why did we get rid of the exemption?

Well, the city again had resolutions, had a spokesperson, the gang of 18 and 19 came out to our committee meetings when we passed the Bill, to talk about why they should have special status under The Environment Act. There is no municipality in Manitoba, no municipality in Manitoba which has a worse environmental record than the City of Winnipeg. Ironically, that was the only municipality that had the exemption. I say there is a curse on all our political houses for allowing that to happen for years—years and years and years.

Look what happened to the City of Winnipeg. All kinds of examples where environment is not the priority of the City of Winnipeg. Look at the snow being dumped in the Member for Osborne's (Mr. Alcock) constituency still in the river. Is this where we want to move the jurisdiction to? We want to move it from the province to the city? There is no evidence, I have not seen a shred of evidence to demonstrate why we would move more of our authority to the City of Winnipeg dealing with rivers.

I believe there is a convoluted set of authority in the City of Winnipeg river system. We have The Rivers and Streams Act under the Department of Natural Resources. We have certain planning provisions under the Department of Urban Affairs. We have the federal Government with the Navigable Waters provisions. We have the City of Winnipeg with the enforcement in the City of Winnipeg.

I believe we should establish a similar structure to what we have in the Core Area Agreement for three levels of Government in a tri-authority way because we cannot change the federal acts. We have asked for five years, they will not do it. The provincial Government should not delegate its authority under The Rivers and Streams Act to the City of Winnipeg, that would be a tragic mistake as witnessed by the apartment blocks which are sitting in the middle of the banks of the Assiniboine River just across from this building, and witness the situation in the Omands Creek situation.

There is a lot of work to be dealt with in the city with the rivers. Access, public access, park development, we were involved in the ARC Parks projects over a number of years which we could not get the city to join in by the way, Mr. Speaker, in the early '80s. I do not think the Member for Wolseley (Mr. Taylor) was elected to council then. So I do not want to comment on that, but in the early '80s we could not get the city involved. In fact the province and the city had to go it alone.

We have been able to get them involved once we built the parks, you know, get the plaques and the ribbon cutting and take it over after that, the Juba Park and the—I think they are pretty proud of the Forks

Park that the province was involved with the federal Government. Some of the other projects in St. Norbert are very positive projects.

I cannot understand the logic of the Member's resolution. In fact, when I look at some of the WHEREASes they are factually incorrect. They are factually incorrect in that they said the Department of Urban Affairs' response to the City of Winnipeg was for greater authority to be given to the city; it was the opposite, Mr. Speaker. The response was for the province to have one Rivers and Streams Act, and to enforce both The Environment Act and the Rivers Authority clearly under provincial jurisdiction. The reason why was quite clear. I mean, the evidence was quite clear to us. Look at what is happening again today. We are going through another shemozzle, if I can use that terminology, with Omands Creek again after we dealt with it before.

So in conclusion, Mr. Speaker, I know the Member is sensitive and that is why we have debates in this House, because we enjoy debating issues and we sometimes agree to disagree. I do not suggest there is a shred of evidence for the province to take the authority under The Rivers and Streams Act and give it to the City of Winnipeg; it would be absolutely folly on the part of our legislators. I know the Member for Wolseley (Mr. Taylor) has some ownership to this original resolution and this original report, but he is no longer a city councillor; he is now a Member of the Legislature and he must look at things from different perspectives sometimes. If he made a mistake as a city councillor it does not mean he has to make the same mistake as a Member of this Legislature.

I would ask the Member for Wolseley (Mr. Taylor), whose environmental knowledge I respect, and his environmental priorities I respect, to take another look at it. Look at the apartment block; go home and look at that apartment block sticking in the middle of the Assiniboine River. Go home and think about the Omands Creek fiasco and what we had to do to try to save that park and now what we are going to go through again. Think about it.

The Rivers and Streams Act should be maintained under provincial jurisdiction. The environment should be maintained under provincial jurisdiction. Joint authority for the federal, provincial and city Governments is absolutely essential, but that is not what this resolution says. It says, more jurisdiction to the city. We are opposed to it, Mr. Speaker, for good and sound reasons.

Mr. John Angus (St. Norbert): Thank you, Mr. Speaker, -(interjection)- thank you to my colleagues. I rise and had intended to speak on this resolution as a positive first step in relation to addressing specific problems, but the Member for Concordia's (Mr. Doer) apparent delusion that he can walk on water has navigated my course into a tributary of the main stream of this particular debate.

He has made fundamental errors, Mr. Speaker. First of all, he has admitted his Government's neglect. Those Members who worked with me on City Council, as the

chairman of the Rivers and Streams Authority, will remember that we in every way possible looked at the Rivers and Streams Authority and went to the former NDP Government time after time after time and asked for help, asked them to take over the responsibility, asked for them to help us clear up the legislation, clear up the regulations, to make the rules right. Nothing, nothing, they did absolutely nothing.

The former Minister of Urban Affairs shirked his responsibility in the most obscene manner by not acknowledging, not co-operating, not working with, not trying to resolve the problem, by passing the buck, by innumerable methods.

He talks about the Liberals out wherever there is a parade, they are out there marching right along. Well, we are, Mr. Speaker, we are leading the parade because the people are following the parade which we are leading. We are not the political weather vanes of the NDP or the Conservative Tories. They blow the way the political winds seem to blow and you only have to look at the front bench, their insensitive big brother approach to capitalism.

There is not a Minister there who has one ounce of sensitivity to people. Start with the Minister of Health (Mr. Orchard) and his insensitivity towards doctors and their patients. We go into cab drivers, there is absolutely no concern about their safety. We go to the Minister for Seniors (Mr. Downey) who does not even know they are there. We go to the First Minister (Mr. Filmon) who is prepared to take employees of the Province of Manitoba and flush them down the river.

* (1750)

Mr. Speaker: Order, please. I am having some difficulty relating the Honourable Member's remarks to the resolution that has been put forward by the Honourable Member for Wolseley (Mr. Taylor). The Honourable Member for St. Norbert (Mr. Angus), we will be relevant, please.

Mr. Angus: Mr. Speaker, when we talk and we hear that the Premier is considering flushing people's lives down the river it has everything to do with rivers and streams. We move into MPIC and the Minister of the Environment (Mr. Cummings) who you would think would have some concerns about the rivers, who you would think would be prepared to stand up. We know his insensitivity toward flushing the employees of the insurance division of MPIC, he has no concern about their future or their concerns. We know they are totally insensitive.

Mr. Speaker, let us look at this particular resolution—

An Honourable Member: A little uncertainty over there.

Mr. Angus: No, no, there is absolutely no uncertainty, Mr. Speaker. I doubt very much whether the common sense resolutions put forward by the Member for Wolseley will be even considered by the Minister of Environment (Mr. Cummings) or any of the Conservative Members on the other side.

Let us look at how wrong the Member for Concordia (Mr. Doer) was when he spoke against this resolution.

The basic fundamental problem is that he cannot read. That has been a problem. Probably they could not read the election. They could not read the Member for St. Vital (Mr. Rose) in the last election, so they blew it.

Therefore, Mr. Speaker, BE IT RESOLVED that the Legislative Assembly of Manitoba request the Government to instruct the staff of the Department of Urban Affairs to commence comprehensive negotiations with officials of the City of Winnipeg on rivers jurisdiction matters.

A very, very sound and logical approach and something that we, the former Chairman of Executive Policy Committee; the former Deputy Mayor and Chairman of Executive Policy Committee; the former Deputy Mayor, Chairman of Rivers and Streams Committee have been asking the province to do for a long time. It is common sense. Let us sit down and let us address this problem. Never mind the Gang members, never mind the political rivalry, never mind the innuendoes by the insensitive Government who did nothing before them. Let us look at the worth of this particular portion of the resolution. It makes sense.

Mr. Speaker, let us look at the second BE IT RESOLVED. BE IT FURTHER RESOLVED that this Assembly also request the Government to initiate discussions with the Federal Government as soon as possible on matters under its control, i.e. navigation, boater licensing and so on. Why would we want to speak about those, because these people have been passing—this Government, in particular—was passing the buck back and forth between their federal senior officials and the provincial officials. They would never let the city have the responsibility to address these issues in any way, shape, or form.

Mr. Speaker, on this the anniversary of the 10-year anniversary of the Joe Clark debacle years ago when they wanted a little bit of debacle, short-term pain, when they tried to flush the whole country down the river, there was no concern at all then about the people, there was no co-operation from the federal Government. I do not anticipate a lot of co-operation from the federal Tories to the provincial Tories, but it seems to me to make common sense to get them together and say, look we have a problem here on the rivers, we need some help.

The final BE IT FURTHER RESOLVED, that the Government give serious consideration to adding some funding to putting their money where their mouth is, they can do a number of things. The former NDP Government talk about the offenders and the river and how dirty it is. It was their fault, Mr. Speaker, and this Government is perpetuating it. There is no plan, there is no enforcement criteria, there is no desire to get in there and do it in the new Environment Act.

Further, Mr. Speaker, this particular Government, they talk about the snow banks. All you have to do is go out across the parliament buildings to where all of those apartment blocks he is talking about are and look at the biggest offender, the Province of Manitoba, which dumps its snow from the Legislative grounds right into the river, right into the river.

An Honourable Member: Oh, oh!

Mr. Angus: Are you going to haul it?

Mr. Speaker, there is light at the end of the tunnel. There is hope for the rivers in the City of Winnipeg if we can have that type of co-operation whereby we, those of us who have been familiar with the problems, can identify to the decision-makers that these are some of the problems and address them in a calm and logical fashion to try and make the rivers a more pleasant and more enjoyable place. We know the confrontational former methods of the NDP did not work. We recognize that there is difficulty with the rivers, that there is some jurisdictional responsibility. We believe strongly that this resolution is a first and very important step to get the people who have the ability to solve the issue together at the same table, to identify the issues. There has been a real reluctance in the administration to get together and try to solve these problems in a common sense fashion.

If there are any proposed amendments that will strengthen this resolution, if there are any suggestions that will allow for co-operation to help us solve the end and achieve the desired end result, then I am sure the Member for Wolseley (Mr. Taylor) and I certainly would be very, very pleased to accept amendments to improve it. Mr. Speaker, the underlying fundamental principle is that we want to address the problem and we want to try and solve the problem. The inaction of both former Governments in the past, and the current Government—

Hon. Glen Cummings (Minister of Environment): This is the born-again green city councillor tying himself to the end of the sewer, just to stop the . . . from going into the rivers. I can tell.

Mr. Angus: I wonder if the Minister of Environment (Mr. Cummings) would like to just put that on the record.

Mr. Cummings: Sure, go ahead. Point of order.

Mr. Speaker: The Honourable Minister of Environment, on a point of order.

Mr. Cummings: The Member asked if I would like to respond and add to the record what I said from my seat.

Mr. Speaker: Is there leave? The Honourable Minister of Environment then.

Mr. Cummings: Mr. Speaker, I take some umbrage at listening to former city councillors who are all of a sudden born-again green. What did they do during their tenure at city hall to save the rivers? What did they do in terms of the sewage outfalls? Did he tie himself to the end of the sewer and make sure that the city would do something about its combined sewer outfalls?

Mr. Angus: Mr. Speaker, as a matter of historical interest, I am sure that the Minister of Environment would be very impressed if he read my record as

chairman of the Committee of Works and Operations, the continual badgering that we put at the province to assist us, and the co-operation that we got; that, as chairman of Rivers and Streams in the City of Winnipeg, the good concrete positive efforts that we put in - (interjection)- I would be pleased to put my record of positive contribution to the City of Winnipeg, and to the preservation of the rivers in the City of Winnipeg, and the riverbanks in almost every area, up against the record of the Minister of Environment of the Province of Manitoba.

He should be ashamed of his inability to put into action what he is suggesting that I have not been doing. One of the very reasons that I am here is because I am going to make sure that happens. Obviously he is interested in speaking.

Mr. Speaker: Order, please; order, please. The Honourable Minister of Environment, on a point of order. Order, please. The Honourable Member for Concordia, on that point of order.

Mr. Doer: Yes, on a point of order, could the Minister please table the document he has referred to? Thank you. Yes, we want that.

Mr. Speaker: Kindly take the document. The Honourable Minister of Environment (Mr. Cummings) did not have a point of order, nor did the Honourable Member for Concordia (Mr. Doer). The document has been tabled.

Mr. Angus: Mr. Speaker, I would be encouraged to give leave to the Minister of Environment if he is prepared to table his notes that he is referring to.

* (1800)

Mr. Cummings: Mr. Speaker, I would like to read into the record three pages of documentation that were initiatives that we are taking with the City of Winnipeg: snow dumps, recycling, licensing sewage, disinfection, licensing outfalls, licensing private discharge, licensing inputs to sewer system, temporary permits for hazardous waste, designation of city as hazardous waste handlers, disposal for marine vessels, very germane to this discussion—

An Honourable Member: How much money did you put with it, Glen?

Mr. Cummings: —licensing expansions to sewage treatment, St. Boniface transport, Charleswood Bridge, sludge beds, closure of Summit Road landfill, Shoal Lake, large lot subdivisions, health jurisdictions on the suburbs, lead and water, radon, city assessment, rehabilitation of bridges, southwest transit quarter, Omands Creek, City of Winnipeg water supply and Bipole 3, connections of the—

Mr. Speaker: Order, please. When this matter is again before the House, the Honourable Minister will have 14 minutes remaining.

The hour being 6 p.m., this House is now adjourned and stands adjourned until 1:30 p.m. tomorrow (Thursday).