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First Session - Thirty-Fifth Legislature  
of the  
**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

39 Elizabeth II

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Speaker*



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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fifth Legislature**

**Members, Constituencies and Political Affiliation**

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARR, James	Crescentwood	Liberal
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHEEMA, Gulzar	The Maples	Liberal
CHOMIAK, Dave	Kildonan	NDP
CONNERY, Edward, Hon.	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Cliff	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Liberal
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	NDP
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	NDP
LAMOUREUX, Kevin	Inkster	Liberal
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack, Hon.	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
STEFANSON, Eric	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	NDP
WOWCHUK, Rosann	Swan River	NDP

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, November 21, 1990

The House met at 1:30 p.m.

### PRAYERS

#### ROUTINE PROCEEDINGS

#### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**Mrs. Louise Dacquay (Chairman of Committees):** Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the Honourable Member for La Verendrye (Mr. Sveinson), that the Report of the Committee be received.

**Motion agreed to.**

#### INTRODUCTION OF GUESTS

**Mr. Speaker:** Prior to Oral Questions, may I direct the attention of Honourable Members to the Speaker's Gallery where we have with us today Dr. Juan Argentino Vega of the City of Mendoza, Argentina. Dr. Vega is the Minister of the Treasury for the Province of Mendoza. He is on a tour of six major centres in Canada under the auspices of the Department of External Affairs and CIDA.

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

Also with us this afternoon in the gallery, we have from the Princess Elizabeth School, twenty-eight Grade 5 students. They are under the direction of Anne Brow. This school is located in the constituency of the Honourable Minister of Family Services (Mr. Gilleshammer).

Also this afternoon from the Grant Park High, we have eighteen Grade 9 students. They are under the direction of Richard Dooley. This school is located in the constituency of the Honourable Member for Crescentwood (Mr. Carr).

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

### ORAL QUESTION PERIOD

#### Transportation Industry Open Sky Policy

**Mr. Gary Doer (Leader of the Opposition):** My question is to the Premier.

Manitoba, and Winnipeg, has always considered itself to be the transportation centre of Canada, and deregulation has over the past few years cost us jobs in trucking. It has cost us jobs in the railway industry. It has cost us some jobs already in the airline industry. Mr. Speaker, the Government is proceeding with an open sky policy.

My question to the Premier is: What is the position of the provincial Government on the proposed open sky policy of the federal Conservative Government?

**Hon. Gary Filmon (Premier):** Mr. Speaker, we are examining the proposals that are developed in the federal scene, and we are examining what their potential effects, positive and negative, will be with respect to Manitoba and its economy. We will respond in due course.

**Mr. Doer:** Again, it looks like the Government is going to react after the fact instead of before the fact in terms of employment opportunities in Manitoba. Mr. Speaker, most industry analysts consider the open sky policy of the proposed policy of the federal Government to mean a closed airline in Canada.

Manitoba, and Winnipeg, has hundreds of jobs in the airline industry. We have reservation areas, we have Air Canada overhaul bases, Canadian Airlines Ltd. has crew assignments, Air Canada has crew assignments, so how can the Premier stand up in this House and not know the impact on the thousands of Manitobans who work in the airline industry and not have a position literally one week before the federal Government's committee will be before Manitobans in the Province of Manitoba?

\* (1335)

**Mr. Filmon:** Mr. Speaker, we have continued to have discussions with various airlines. I personally met within the last year with the president and CEO of Air Canada, with the president and CEO of Canadian Airlines, talking about further overhaul

facilities, further facilities here in Manitoba. We have not heard from either of those. In fact, discussions about their prospects have been part of those discussions and have been encouraging. We have not heard from either of those sources, the two main airlines, that he says one of which is going to be closed down, that that is indeed their assessment.

So without wanting to belittle the tack that the Leader of the Opposition is taking, it may be in his political interest to do that, but I do not think that he ought to be striking fear in the hearts of all of the employees of these airlines and air transport carriers here in Manitoba by virtue of that kind of statement.

**Mr. Doer:** If I was an employee of the airline industry, I would be fearful all right, based on the statements made by the Premier that they have not done an independent assessment of what this will mean for Manitobans and Manitoba jobs, that they cannot provide this Chamber and Manitobans any analysis, that they are relying on conversations with airline executives and not doing their own analysis in terms of the hundreds of jobs in Manitoba.

I ask this Premier: Will he get a position together? In fact, the last Cabinet meeting potentially before the parliamentary committee will be in Manitoba today. Why has the Premier not got an independent analysis of how many jobs are impacted, given that the seven largest airlines in the United States are larger than the two airlines in Canada put together? Why can he not stand up and take a pro-active position to protect jobs, rather than a reactive position as these Conservatives always do?

**Mr. Filmon:** It is not the parliamentary committee that is going to make the decision. The fact is that rather than our shooting from the lip as the Leader of Opposition, we are indeed having the department of transport and the Department of Industry, Trade and Tourism do an analysis that will give us the - (interjection) - Mr. Speaker, with respect, the Leader of the Opposition was chatting across the way with his colleague from the Liberal Party and he was not listening to my answer, because he is not interested in my answer. I will repeat for him.

The fact of the matter is that is why the ministries of transport and Industry, Trade and Tourism are doing the complete analysis, so that we will have fact upon which to base our position, not fantasy as he might prefer to do for his own political purposes,

to try and strike terror in the hearts of thousands of employees in Manitoba.

### Employment Standards Act Amendments

**Ms. Becky Barrett (Wellington):** Mr. Speaker, on Monday the Premier stated that his Government had taken no action to ensure that Manitobans can take advantage of the increased maternity and paternity benefits under the recently changed federal Unemployment Insurance provisions. Individuals who could potentially use these benefits are now in danger of losing their jobs if they try to take advantage of the federal provisions based on current employment standards legislation in Manitoba.

Given that the Premier has known for months that these changes were imminent and that the Department of Family Services has had time to provide a detailed analysis of the impact on Manitobans, which I will table now, can the Premier tell this House why his Government has had no amendments prepared so that Manitobans will be legally allowed the benefits to which they were entitled under the new regulations?

**Hon. Gary Filmon (Premier):** Mr. Speaker, as I indicated on Monday, that legislation just took effect on Sunday, one day earlier. We were in precisely the same position as eight other provinces. We would have our response to that prepared very shortly, and that would be a matter undoubtedly that would require the co-operation and consideration of all the House since it would indeed—to harmonize with the federal U.I. changes—require a change in our Employment Standards Act.

I suggest to the Member for Wellington that she just wait a short while, and her House Leader will have an opportunity to discuss with our House Leader whether or not we will indeed be acting co-operatively on this matter.

**Ms. Barrett:** I will be sure to let the people who are under these difficult times know the answer of the Premier.

\* (1340)

### Unemployment Insurance Changes Impact on Manitoba

**Ms. Becky Barrett (Wellington):** Will the Premier tell this House what plan of action his Government has developed based on the analysis provided in

the documents I have tabled from the Department of Family Services, which states quite clearly that there will likely be, quote, an inordinately high reduction in benefit payments in Manitoba compared to other provinces? When will the Premier take a strong pro-active stand for Manitobans?

**Hon. Gary Filmon (Premier):** When the Member for Wellington is speaking to those people, I hope she will not mislead them, that she will tell them that, as I said on Monday, we are very anxious to ensure that the benefits of the improvements in the U.I. changes are passed along to Manitobans and that we will be reviewing what measures have to be taken in order to ensure that happens.

I might tell her that indeed the review has been under way this week. Very shortly the House Leader will be talking with her House Leader to ensure that we have co-operation in effecting the changes that are going to be necessary to our legislation.

**Ms. Barrett:** Yes, more review, review, review, Mr. Speaker. -(interjection)-

**Mr. Speaker:** Order, please.

### Employment Standards Act Amendments

**Ms. Becky Barrett (Wellington):** Will the Premier direct his Minister of Family Services (Mr. Gilleshammer) to provide his plans for social assistant changes and his Minister of Labour (Mr. Praznik) to immediately draft amendments to The Employment Standards Act—the only way this can happen—that will allow the net losers of these changes, women, low income workers and youth, to take advantage of the few changes in this federal legislation that could possibly benefit Manitobans?

**Hon. Gary Filmon (Premier):** The Member for Wellington was obviously not listening to my previous answers. I said that until the federal Government did in fact enact that legislation, because it was sitting in limbo for a year due to the stalling in the Senate and there was no assurance that indeed it would get—Mr. Speaker, the Member for Wellington appears to be exercised.

I want to give her the assurance that it is our intention to ensure that Manitobans get the benefits of the changes to the federal U.I. Act, the positive changes. Until we had in fact the legal assurance that those changes had taken place we could not draft the appropriate legal changes.

Having had that assurance as of the weekend that matter has been in process in the last two and a half days. I am sure that when our House Leader gets together with her House Leader, given co-operation—which I am sure she will urge upon her House Leader—these matters will be attended to very, very quickly.

### Child and Family Services Night Staffing Policy

**Mr. Reg Alcock (Osborne):** Mr. Speaker, the Member for Wellington should be exercised about a report that says the net losers from the changes will be concentrated among lower income workers and youth in this province.

Some time ago I raised a question with the Minister of Family Services about the safety of night duty workers in the City of Winnipeg, saying that changes in the funding policy that resulted in layoff of staff placed the predominantly female workers at greater risk.

We now have confirmation of this, Mr. Speaker, in a letter to the president of the board of Northwest Child and Family Services that says that effective with the implementation of this new policy, which is resulting from lower funding, 75 percent of the shifts worked by night duty workers in these agencies will be worked by a single worker.

These people are working in the core area in very dangerous circumstances. I would ask the Minister of Family Services, is it his department's policy that people work alone on these shifts?

**Hon. Harold Gilleshammer (Minister of Family Services):** Mr. Speaker, the arrangements that the Member speaks about were arrangements arrived at by three of the Child and Family Services agencies. They have indicated to us that the service provided by night duty, rather than being handled by one agency would be handled by three agencies, and they would take advantage of some economies in that manner.

I expect the agencies are always concerned about their staff and will make the proper decisions to see that staff work in the safest conditions possible. Having said that however I have the utmost respect, as I indicated yesterday, for front line workers who work in conditions that are less than ideal. These are people who do a tremendous job for the agencies in our province.

\* (1345)

**Mr. Alcock:** Mr. Speaker, the Minister might demonstrate that respect by responding to a letter from those same front line workers who are expected to do a job that we do not expect the police to do, and that is go in alone to dangerous situations.

Will the Minister meet with the board of that agency, the agency responsible for this decision, to ensure that these workers are not placed alone in dangerous situations?

**Mr. Gilleshammer:** Mr. Speaker, I had the opportunity to visit with three of the Child and Family Services agencies in the province. We have met with many of the other agencies as well. I would be pleased to respond to any letter that the agencies forward to me, and we will endeavour to work co-operatively with the agencies.

When I met with the presidents of the agencies they indicated to me that they wanted to forge a partnership with Government. We would be very pleased to do that.

**Mr. Alcock:** Mr. Speaker, I will send the Minister a copy of this letter.

I would ask him, given that the workers who are expected to work these shifts are expecting fears for their own safety, will he take action today to ensure, until such time as he has had an opportunity to review this policy, they are not forced to go into dangerous situations alone?

**Mr. Gilleshammer:** I would be pleased to respond to the letter when I receive it from the agencies. I perhaps misunderstood, I think he said the letter was addressed to me. I have not received it as yet.

The agencies are in constant contact with the department. I will see that staff of the department make some contact with the responsible boards later today if possible. We will do everything we can to facilitate a very difficult job that these front line workers do.

### Landfill Sites Government Policy

**Ms. Marianne Cerlill (Radlsson):** My question is for the Minister of Urban Affairs.

This morning his colleague the Minister of Environment (Mr. Cummings) said on CBC radio that the Manitoba Government is looking at increasing use of landfill sites to handle garbage instead of recycling, since in his view it may be more economical to continue burying garbage.

Considering that this Government's refusal to support the Resource Recovery Institute is leading to the closure of that facility and the only curbside recycling program, I wanted to ask the Minister if his department is going back to the solutions of 30 years ago in advocating that we continue to poison our land and bury our garbage, or will his department pursue the necessary steps to encourage recycling?

**Hon. Gerald Ducharme (Minister of Urban Affairs):** No, Mr. Speaker.

### Resource Recovery Institute Meeting Request

**Ms. Marianne Cerlill (Radlsson):** My second question is for the same Minister.

Can he elaborate on that, and can the Minister then tell the House if he has yet set a date for a meeting between the City of Winnipeg and the Resource Recovery Institute and officials of this Government to encourage the institute to remain open so that Winnipeg residents who are wanting recycling programs in increased numbers can continue to have their garbage recycled?

**Hon. Gerald Ducharme (Minister of Urban Affairs):** Mr. Speaker, the City of Winnipeg has a means to approach the province under capital grants that are spread over the past six years, to come forward to the Urban Affairs and to the provincial Government to make usage of that, to share those capital grants. We are in an ongoing meeting with the City of Winnipeg every two or three months in regard to official delegation, and the City of Winnipeg likely will probably bring that up at one of our official delegation meetings.

\* (1350)

### Recycling Programs Government Initiatives

**Ms. Marianne Cerlill (Radlsson):** Since our city has one of the most limited recycling efforts of any major city in Canada, I want to ask the Minister of Urban Affairs what other initiatives he will be undertaking with the City of Winnipeg to improve our recycling capability, or are we going to be waiting for recycling programs until the spring, as the Minister of Environment (Mr. Cummings) said on the radio this morning?

**Hon. Gerald Ducharme (Minister of Urban Affairs):** There have been counts of studies done

by the City of Winnipeg. They have looked at it through their Works and Ops Department, and again these proposals that they have ready, they share with the province to come forward and ask for combined funding. They have that alternate through their urban capital grants that are set up between the province and the City of Winnipeg.

### **Aboriginal Tribal Councils Health Services Administration**

**Mr. Oscar Lathlin (The Pas):** My question is directed to the Acting Minister of Health.

The Canadian public is becoming increasingly supportive of aboriginal people obtaining control over their affairs in their communities. The Health ministry is aware that for some 10 months now, senior staff of that department have been meeting with the Swampy Cree Tribal Council regarding the transfer of health services to local boards.

My question is: What is the time frame for transferring control of those services that this ministry has been proposing to the tribal council?

**Hon. Leonard Derkach (Acting Minister of Health):** Mr. Speaker, I would be happy to take that question as notice for the Minister of Health (Mr. Orchard), and he will get back to the Member with the answer.

**Mr. Lathlin:** I have a supplementary question to the same Acting Minister.

Will that ministry release today its position on recognizing the authority of those local tribal health boards?

**Mr. Derkach:** Again, Mr. Speaker, I am sure that the Minister of Health will be happy to get back with his response, and I will take that question as notice.

**Mr. Lathlin:** My final question is again to the same Acting Minister.

When will the communities of Grand Rapids, Easterville, Shoal River and Indian Birch be hearing from this Government of its position on transferring control of those health services to those communities?

**Mr. Derkach:** Mr. Speaker, I will take that question as notice.

### **Energy Conservation Government Role**

**Mr. James Carr (Crescentwood):** Mr. Speaker, the 1980s represented a sorry chapter for energy

conservation in the Province of Manitoba. While other provincial Governments were taking aggressive steps between 1981 and 1986, the NDP Government did nothing to set targets for energy conservation. Neither did the board of Manitoba Hydro, a member of whom was the Member for Thompson. Things are a little better but not very much better four years later.

We would like to ask the Premier if he agrees with the chairperson of Manitoba Hydro that this Legislature and this Government has no role to play in the setting of policy for energy conservation for Manitoba.

**Hon. Gary Filmon (Premier):** Mr. Speaker, the Member for Crescentwood I think would probably acknowledge that when people are making decisions about important issues such as whether or not we will have sufficient capacity to ensure that we do not have power shortages, brownouts and all sorts of disruptions in our energy service to the province that we ought to have those decisions being made by those who have all of the information when they make those decisions, that they ought to be made on the basis of expert information, advice from engineers, from scientists, from economists, from those who have a full and complete knowledge when they are making that.

The consequence of making a political decision by a committee of the Legislature and cutting short the available electrical energy that is needed is that we would have severe disruption to our industries, to our energy consuming sector, indeed to all citizens of this province.

I believe that is the issue that was being debated when the chairman of Manitoba Hydro said in a very forthright manner that it was his responsibility to ensure under The Manitoba Hydro Act that we could indeed give the assurances to the ratepayers, to the consumers of electrical energy for the decade to come, that we would not encounter those kinds of shortages and that if indeed a political decision was being made on the basis of somebody trying to get some cheap political points, that would not be in the best interests of the operations of Manitoba Hydro.

\* (1355)

**Mr. Carr:** Mr. Speaker, I have a supplementary question to the Premier.

In 1979 the Conservative Government of Sterling Lyon, of which the Premier was a part, established the Tritschler report on Hydro, which was very

specific on the role of the Government vis-a-vis accountability of Crown corporations in general and Hydro in particular.

Is the Premier now saying that his Government has no role to set energy policy in this province and he is going to leave that exclusively to the chairperson of Manitoba Hydro?

**Mr. Filmon:** Mr. Speaker, what we are saying is that we have a role to ensure that Manitoba Hydro is run on an arm's-length basis, on a non-political basis, so that they do not make judgments such as was made by the former NDP Government to artificially move ahead the construction of Limestone so that it was constructed two years before we had any contracts for the sale of that electricity that was being produced, so that we in fact drove up the rates of electricity in this province and we in fact caused two years—two years—of interest on a \$2 billion investment to be loaded on to the base rate of Manitoba Hydro, that those kinds of politically motivated decisions would not take place, that in fact it goes before the Public Utilities Board to have its capital plans approved and that in fact it is always at the scrutiny of the committees of this Legislature to ensure that it is keeping on its mandate—

**Mr. Speaker:** Order, please.

### Conawapa Dam Project Final Approval

**Mr. James Carr (Crescentwood):** Mr. Speaker, I have a final supplementary to the Premier.

Yesterday in committee, Mr. Ransom, the chairman of Manitoba Hydro, said it was not the Public Utilities Board that had the final say on the approval of the Conawapa project.

My question is very simple to the Premier. Who has the final word? Is it the Public Utilities Board? Is it the Crown Corporations Council? Is it the chair of Manitoba Hydro, or is it the Government?

**Hon. Gary Filmon (Premier):** That answer has been made time and time and time again. The Public Utilities Board scrutiny of the capital plans of Manitoba Hydro is being done for the first time in history, because this Government wants to be open and accountable to the people of this province.

After a thorough scrutiny in public has been made of those capital plans, they will make a recommendation to this Government. This Government, with the full knowledge of the people of Manitoba as to the whys and wherefores that

those decisions have been made and those recommendations have been made, will then take the final decision to ensure that in responsibility to the people of this province the decisions that are made have been made with full and open public consultation and scrutiny, but ultimately this Government will be responsible to the taxpayers and the ratepayers.

### Farming Industry Fuel Tax Rebate

**Mr. John Plohman (Dauphin):** Mr. Speaker, I have a question for the Minister of Agriculture.

Last week the Minister met with his counterparts in Winnipeg and had precious little to report as a result of that meeting, which was bridged as one that would deal with some very important issues facing Manitoba farmers. It of course did not result in major action.

I would ask the Minister: As a result of information that we have recently from a federal study that says and confirms that our input costs for our farmers are indeed higher than they are in the U.S. and that although Conservatives have said our farmers can be competitive with any farmers in the world, their own policies are causing difficulties and problems—

**An Honourable Member:** You do not believe it? You do not believe it? It is only Conservatives, eh?

**Mr. Plohman:** The Premier is saying we do not believe it. Mr. Speaker, the fact is that our fuel costs are higher.

I ask the Minister if he has taken any action at the Ministers' meeting and his counterparts with the federal Government to have the federal Government once again restore the excise tax rebate so our farmers will not have to face the additional costs of some up to \$300 million in additional fuel costs because of the federal Government's policies.

**Hon. Glen Findlay (Minister of Agriculture):** Mr. Speaker, Ministers of Agriculture traditionally meet once a year. Over the past year and a half, we met about every three or four months because of the number of issues in front of us. Clearly the cost of producing crops in western Canada is an issue. We have asked for the reinstatement of the interest-free cash advance. We have asked for consideration in GST of limitation that the farmers not have to pay it and ask for a rebate. We have asked for the reinstatement of the interest-free cash advance, which

the federal Government has done, which has put \$1.3 billion worth of cash into the hands of farmers, into the economy of western Canada.

Mr. Speaker, the Member clearly fails to realize what the real issue in front of agriculture is, and that is a fair return for the grain that they sell on the export market plus access to markets around the world. The GATT process has been under constant discussion by Ministers of Agriculture as it was last week. The safety net process to get the farmers through the next period of three or four years while GATT resolution does occur was on the agenda, very actively discussed, and some very major movements have been made on it.

\* (1400)

### Debt Restructuring

**Mr. John Plohman (Dauphin):** Mr. Speaker, the Minister says that we fail to recognize the problem. We have been asking for cost-of-production pricing for months. We are the ones who called for a return of the interest-free cash advances.

Mr. Speaker, I asked the Minister a specific question, and it was asked in this House on a couple of occasions by my Leader and by myself. The Premier (Mr. Filmon) did not know the answer and sat down in disgrace.

I ask the Minister whether the specific issue of debt restructuring was dealt with at the Ministers' meeting last week? Was it identified as a major problem facing agriculture? What specific action was agreed to be taken on this serious issue?

**Hon. Glen Findlay (Minister of Agriculture):** I mean, you talk about a person disgracing himself, he does not even read the press releases that came out of the meeting. It is rather unfortunate if he does not take that pro-active move to know what is going on.

Yes, the issue was discussed at some considerable length. Yes, some action will probably occur on it in the interests of the farmers of Manitoba and western Canada.

### Deficiency Payments

**Mr. John Plohman (Dauphin):** Mr. Speaker, the Ministers could not even get together enough to have a press release ready when the meeting was over.

Mr. Speaker, I ask the Minister, was there agreement regarding an immediate payment next

spring, a deficiency payment and, if so, how large a payment? Who would be making that payment? Who would be paying for that payment for farmers, which is so desperately needed immediately so they can get on with their work next spring?

**Hon. Glen Findlay (Minister of Agriculture):** Mr. Speaker, the Member asked a question. I presume he is interested in hearing the answer. If he would just let me have a chance and keep his mouth shut, I will give him an answer.

Mr. Speaker, clearly, we did discuss it. If the Member would like to re-ask the question, now with all this I have forgotten what the question was.

**Mr. Plohman:** I did not forget it, Mr. Speaker. It was a serious issue and that is the issue of an immediate payment, a deficiency payment for next spring, so that the farmers of Manitoba and western Canada can get on with the operations, the money that is so desperately needed for the next crop year.

**Mr. Findlay:** There really is a need for injection of cash flow into the grain economy of western Canada. The cash advance process of \$1.3 billion has done it for the intermediate term between now and next spring. Clearly, there was discussion on an ad hoc process to be used next spring. The federal Government is going to come back with some proposals to us, but there has been a very clear statement that the safety net process has to be the mechanism through which that can be done so there is some predictability for the call upon the federal Treasury this year and years to come. So it is part of the overall package and process that is being further developed.

### Winnipeg Police Force Shooting Inquiry

**Mr. Elijah Harper (Rupert's Land):** Mr. Speaker, my question is to the Minister of Justice.

On Monday the Minister said he was meeting with the officials over the police shooting of Dan DeLaronde. Has the Minister finished his consultations? Will he be recommending an independent inquiry into the incident?

**Hon. James McCrae (Minister of Justice and Attorney General):** I dealt with the issue on Monday when the Honourable Member raised the question first of an independent public inquiry and spoke of the difficulties that particular approach creates.

I was pleased this morning to learn that City of Winnipeg Police Department Chief Stephen has

written to the assistant commissioner of the RCMP to ask that there be a review by the RCMP of the incident.

I support that approach by the City of Winnipeg Police in this matter.

**Mr. Harper:** I know there have been other people who have been calling for an independent inquiry into this incident. Will he follow the advice of the civic protection commissioner and the Winnipeg civic protection parks and cultural committee, in which they have said that public interest—and also it would improve public confidence if such an inquiry, an independent inquiry, were made? Would he follow the advice of these people—and there are other people who are calling for an independent inquiry?

**Mr. McCrae:** I invited and received a visit yesterday from Mayor Bill Norrie of the City of Winnipeg. We discussed the matters relating to reviews of incidents that occur involving the use of deadly force everywhere in our province.

The comments made by Commissioner Reynolds recently about an independent—or some mechanism of review regarding the use of deadly force I think is certainly welcomed by me. The discussions that Mayor Norrie and I had yesterday more or less lead us in that direction.

Now the City of Winnipeg is looking at possible mechanisms. We will be doing this in consultation, because I am concerned not only that there be some kind of mechanism in the City of Winnipeg but also in other jurisdictions throughout our province that are governed by municipal police departments.

**Mr. Harper:** Mr. Speaker, I know the Minister has indicated a review, and the recommendation or suggestion has been an independent inquiry. Will he follow the example of Ontario, where a police shooting was involved an independent inquiry is done by the Ontario—in that province? Will he be following that procedure or recommending a change in the procedures of how police shootings are handled?

**Mr. McCrae:** Well, I cannot say today I know that is the model that would be used for a review of incidents involving deadly force. That is one that is there that can be examined, but every jurisdiction has its own particular dynamics.

I think rather than announcing today in the House a particular model that will be followed it would be useful to consult with the people who have something to say about this, for example, police

authorities—in this I do not mean police forces, but police authorities like City Councils and Departments of Justice and so on—may have some light to shed on the whole issue so that rather than announce today in Question Period a model that might be used to provide some kind of independent review, I think it is a good idea to look at the options that are available to us.

### Department of Transportation Rail Car Inspections

**Mr. Daryl Reid (Transcona):** Today we have learned that there are serious breaches in the way that safety procedures are implemented by the CP Rail company relating to the inspection of rail cars. When defective loaded cars are detected, these loads are being allowed to continue to the unloading destination point before repairs are undertaken.

Since these rail cars run through many communities and cities of this province and put at risk the lives of many Manitobans, my question is to the Minister of Highways and Transportation. What measures is this Minister and his department undertaking to ensure that the Transportation Department is adequately staffed and are indeed inspecting rail cars for safety violations?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, I will take that question as notice.

**Mr. Reid:** Since one defective car is too many, can this Minister indicate to this House how many defective rail cars are allowed to continue between service points in this province?

**Mr. Driedger:** Mr. Speaker, I will take that question as notice as well, and I will get all the information related to the issue back to the Member.

\* (1410)

### Railway Disaster Plan

**Mr. Daryl Reid (Transcona):** If we are to avoid another MacGregor or Mississauga disaster, what safety procedures does this Minister and his department have in place to deal with potential disasters?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, as I indicated before in my previous answer, I will take the whole issue under consideration and I will report back to the Member.

### **Citizens Forum on the Constitution Manitoba Meeting**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, my question is to the First Minister.

The Citizens Forum on the Constitution is giving very mixed signals and very disturbing signals to the Canadian nation. They have indicated, for example, that they are not prepared at this time to go into the Province of Quebec, because they do not want to be in conflict, they have said, with a Quebec commission presently conducting an inquiry in that province.

Can the First Minister tell us if the same standard will apply in the Province of Manitoba, i.e., if we begin our task force, will the Spicer forum also refuse at this time to come to the Province of Manitoba?

**Hon. Gary Filmon (Premier):** I hesitate to say this, Mr. Speaker, because I do not want to imply that I am on the same wavelength as the Leader of the Liberal Party, but I had exactly the same reaction when I saw the story and the news reports of the Spicer commission's feelings about not going into Quebec. Obviously when we announce the appointment of our commission, or at least our task force, to go throughout the province and hear Manitobans, we will have to await the response of the Spicer commission to see whether or not they will show the same concern and deference to Manitoba during that period of time.

### **Mandate**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** I think it would be deeply regrettable if they refused to come to the Province of Manitoba, just as I think it is deeply regrettable that they are not going to the Province of Quebec.

Can the Premier tell us if he has had any consultations with Mr. Spicer or any members of the committee because of, again, the disturbing signals that they seem to think their mandate is to explain Quebec to Canada, when I think most of us think their mandate is to explain Canada to Canadians?

**Hon. Gary Filmon (Premier):** No, Mr. Speaker.

### **Belanger-Campeau Commission Manitoba Meeting**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, since the Province of Quebec will be making decisions based on its commission's report, will the First Minister give any consideration to inviting the Quebec commission to find out a little bit more about Manitoba and come and have a sitting in this province, since the Spicer committee will not go to them?

**Hon. Gary Filmon (Premier):** What I think is appropriate is for Manitobans to speak to the Manitoba task force.

That is why we indicated last spring that was our intention. That is why the throne speech confirmed that we are holding such an all-Party task force, to canvass opinion on constitutional priorities throughout the province. That is why I will be speaking very shortly with the Leader of the Liberal Party (Mrs. Carstairs) and the Leader of the Opposition (Mr. Doer) to try and set in motion the process to get under way with that all-Party task force.

**Mr. Speaker:** Time for Oral Questions has expired.

### **NON-POLITICAL STATEMENT**

**Mr. Dave Chomlak (Kildonan):** Mr. Speaker, might I have leave to make a non-political statement?

**Mr. Speaker:** Does the Honourable Member have unanimous consent to make a non-political statement?

**An Honourable Member:** Leave.

**Mr. Chomlak:** Mr. Speaker, on November 20 the Ontario Institute for Studies in Education, associated with the University of Toronto, honoured Lionel Orlikow with its Distinguished Education Award.

Dr. Orlikow, now Director of the Winnipeg Education Centre, has been a prominent, innovative educator in Manitoba for decades. He has served as teacher, university professor, Deputy Minister of Education, consultant and member and vice-chairperson of Winnipeg School Division No. 1.

Dr. Orlikow has been instrumental in introducing programs to include the broadest spectrum of Manitobans in the education system. Therefore, we have programs like New Careers, special ACCESS, Brandon University Northern Teacher Education Program and others.

I know that all Members of this House will join me in congratulating Dr. Orlikow on this important award.

Thank you, Mr. Speaker.

## ORDERS OF THE DAY

### House Business

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, I would ask you to call second reading of Bills 13 and 20. Then we will follow that with debate on Bills 6 and 12, in that order.

If there is time remaining before five o'clock—because it is my understanding we will be in private Members' hour today—if there is time remaining of a significant nature we then would move into Interim Supply.

## SECOND READINGS

### BILL 13—THE RESIDENTIAL TENANCIES AND CONSEQUENTIAL AMENDMENTS ACT

**Hon. Gerald Ducharme (Minister of Housing):** Mr. Speaker, I move, seconded by the Minister of Justice (Mr. McCrae), that Bill 13, The Residential Tenancies and Consequential Amendments Act; (Loi sur la location à usage d'habitation et modifiant diverses dispositions législatives), be now read a second time and be referred to a committee of this House.

#### Motion presented.

**Mr. Ducharme:** Mr. Speaker, I am pleased to introduce for second reading, Bill 13, The Residential Tenancies Act. However the number, I am still pleased to introduce such a Bill. This Bill represents a major overhaul and amalgamation of two existing pieces of legislation, The Residential Rent Regulation Act and The Landlord and Tenant Act.

The introduction of Bill 42 at the last Session of the House drew comments from various parties affected by the legislation from landlords, tenants and the real estate industry. The Government decided that because of the far-reaching implications of the provisions in this Bill, the Government would withdraw the Bill and reconsider the issues that were raised by these various groups. We have done so.

Over the last several months, we have met and explained with this Minister and staff the provisions and listened to the concerns and suggestions of both landlords and tenants and the real estate industry. Today I am proud to present this Bill before the House, representing the first major overhaul of landlord and tenant laws in this province in the past 20 years.

We are talking about a significant piece of legislation, Mr. Speaker. It affects about 125,000 residential tenancies in this province, affecting approximately 250,000 people. It is only reasonable and fair to expect the Government to think very seriously and very soberly about the implications some of the provisions that this legislation would have on the citizens in this province. We have had the benefit or in the effect having, I would say, would call a White Paper on this legislation.

The Landlord and Tenant Review Committee touched on a number of issues. As far as possible, these issues were addressed in Bill 42. The public saw the first time how these issues would be addressed in the Bill. From the time Bill 42 was presented to the House almost a year ago, we have had the benefit of comments from Members of the Opposition and citizens of this province. It is therefore with a significant amount of pride and confidence that I present this Bill to the House today.

Mr. Speaker, Members of the Opposition would have had an opportunity to review the provisions of Bill 13. They have had the opportunity. They will now recognize the Bill has been substantially rewritten in both style and organization, but not in content. This is of significant importance.

This piece of legislation is not designed for a few members of the legal profession to read and study in law offices. It is a working document that is used by lay people every day in conducting their business, whether as landlords or tenants. It is only reasonable, therefore, that the Act be written in language and set up in an organizational form that is easy to read and simply one that is easy to administer.

\* (1420)

Also in conjunction with that, the way the Bill has been written, I have distributed to the critics on the other side of the House and to other Members of the Assembly, who so wish, a guide to understanding The Residential Tenancies Act and dealing with this particular Bill. The guide is in the vicinity of about 75

pages. However, I felt that with the confusion—and not only with the confusion of the Opposition, but of Government Members and of this Minister through the whole program of what has been happening over the last probably five years—there has been much confusion in regard to what the different groups put forward and what the Bills have put forward.

Mr. Speaker, Members of the Opposition will see that the fundamental provisions of Bill 42 have not been altered in any way. The provisions relating to security deposits, which is one of the important items flagged for the first time in Bill 42, have been kept. Some of the details that showed up in Bill 42 have now been moved over into regulations.

Mr. Speaker, that is not to avoid the issue, that was done for very good administrative reasons, and upon the advice of the Justice Department.

These draft regulations have been distributed, and we are certainly open to comments from the Members opposite and I look forward to them.

Bill 13, Mr. Speaker, continues to recommend the establishment of a tripartite Residential Tenancies Commission consisting of members of the landlord community and the tenant community. This is a significant provision because it means that the people who are affected by the regulations, as provided for in this Bill, will continue to have a role in the administration of the legislation.

In the same vein, the advisory committee to the Minister, consisting of landlords and tenants, has been made mandatory. Mr. Speaker, this is a further indication of the Government's commitment to this legislation and the process of continuing review.

I acknowledge that no amount of changes will ever satisfy everyone. I do not expect everyone affected by the legislation will be happy in all respects. However, I do hope that by bringing in this new draft, we will have a better informed, more focused legislative debate and Law Amendments discussion than we would have been in the case of Bill 42.

I emphasize that most of the changes made have been more to the tone than to the substance of the legislation. The intention is to encourage a more co-operative type of approach, Mr. Speaker. Certainly most landlords and tenants in Manitoba acknowledge and abide by their obligations and the laws should reflect that, while at the same time

dealing as clearly and expeditiously as possible with the minority of those who do not.

Mr. Speaker, measures have been taken to ensure that sufficient powers are vested in administrators to adequately enforce this new legislation. The new Residential Tenancies Commission will be empowered to render decisions on security deposits and other money disputes previously in Small Claims Court's jurisdiction.

Health safety related repair matters, previously under the by-laws and orders for possession and eviction currently under the jurisdiction of the Court of Queen's Bench.

Mr. Speaker, in view of the magnitude of the changes in authorities represented in this Act, an advisory committee will be established with representation from all interest groups, including both landlords and tenants. This will provide ongoing monitoring to make recommendations for possible improvements from the users point of view. This will be particularly valuable in the early years of the administration of this very large new Act.

Therefore, Mr. Speaker, all disputes will be, in the first instance, handled by the Residential Tenancies Branch. This branch would have the authority to deal with virtually any landlord and tenant matter, including evictions and monetary claims up to any amount.

Mr. Speaker, I would like to bring this to the attention of the Members opposite that this Bill 13 provides for all claims arising out of landlord and tenant matters to be handled by the branch and by the commission. Further, this provision does not relate to claims arising out of personal and bodily injuries that will continue to rest with the courts.

Mr. Speaker, all the decisions made by the branch will be appealable to the commission guaranteeing that all members of the public would have an opportunity to appeal the initial decisions.

Throughout this Bill, emphasis is placed on solving problems, and I would like to bring this to the attention of the Members opposite. It is not the intent of the legislation to find ways to punish people, but to resolve problems quickly and where necessary to compensate those who had the right to compensation.

As such, for every issue that arises, I believe there is a remedy. Ultimately orders of the director and the commission can be filed in the courts and become judgments of the courts, and be enforced as such.

We will not be relying, as we do now, upon the process of prosecution to enforce provisions of the law. Remedies are spelled out in each instance in the Bill, which can be applied in all instances against landlords or tenants.

Hearings by the commission will normally be open to the public. We are providing a single comprehensive forum that specializes in residential tenancy matters between the landlord and the tenants. We are providing for a simple, quick and inexpensive forum to resolve disputes.

The second major area of concern and addressed in this Bill, Mr. Speaker, deals with the repair and the repair provisions in Bill 13. Under Bill 13, a landlord who ignores a work order issued by the city or municipality will find that the order can be filed with the branch.

The remedy then will be put into place. The remedy is not simply taking the landlord to the courts and have him prosecuted, paying a small fine while the repairs remain undone. The remedy lies in finding a way of actually making the repair. The legislation provides that rents from the premises can be collected and the money used to carry out the needed repairs. Where necessary, access to the Capital Fund will provide emergency funds to carry out repair on the premises.

(Mr. Marcel Laurendeau, Acting Speaker, in the Chair)

Tenancies can be terminated. The landlord can be prohibited from re-renting the suite unless the repairs are done. In cases where extensive repairs and renovations are needed, the court will be asked to provide for the appointment of a receiver manager. The receiver manager would be responsible for ensuring that all necessary repairs are carried out using both the rent monies and funds obtained from the repair fund.

Mr. Acting Speaker, where any funds are expended by the Government, a lien will be placed on the property with priority equivalent to taxes. You will also note that the process for initiating the appointment of a receiver manager has also been delegated to the majority of the tenants in the building.

Other significant changes in Bill 13 include making unit condition reports mandatory at the request of either the landlord or the tenant, and a provision for the department to use surplus monies from unreturned security deposits to promote the

educational programming for both landlord and tenants.

In summation we, the Government, believe that Bill 13 will go a long way in terms of improving the existing legislation. With legislation that is more meaningful to the people it affects, it promotes the prevention of disputes through a more clearly written statute. It provides for increased opportunities for the education of landlord and tenant and requires significant changes in the handling of security deposits and repairs.

Bill 13 enhances the protection of landlord and tenant rights by expanding and more clearly defining the obligation of each. It improves the quality of rental housing through the tougher requirements of repairs and maintenance. It does, in the long run, provide a greater service to the public and accountability by removing a number of layers of decision-making and by getting both the landlord and the tenant to be involved in the process.

Mr. Acting Speaker, I recommend Bill 13, The Residential Tenancies Act, to the Honourable Members of this Legislature and I look forward to their support. Thank you.

**Mr. Doug Martindale (Burrows):** It is a pleasure for me to speak on Bill 13 today on behalf of my caucus.

The Residential Tenancies Act, Bill 13, has interesting parentage. I suppose the Honourable Minister of Housing (Mr. Ducharme) could consider that he is the father of this legislation. However, since this is really the offspring of Bill 42, he might consider that he is the grandfather of this Bill.

This Bill also has two grandmothers, the Honourable Muriel Smith and the Honourable Maureen Hemphill; and it has another grandfather as well, in addition to the Minister of Housing, and that is the former Minister of Housing from Gimli, Mr. Bucklaschuk.

\* (1430)

In my mind, the history of this legislation really goes back to 1984 when I was part of the Housing Concerns Group. The Housing Concerns Group organized a demonstration outside the Rentalsman's office to draw attention to the fact that there were serious problems with the Rentalsman.

Tenants had the perception that the Rentalsman was biased against tenants and, similarly, landlords were convinced that the Rentalsman was biased against landlords. We had this demonstration to

draw attention to the problems inherent in the Rentalsman and the Rentalsman office. The next day, we met with the Minister of Housing, and we followed that up with a press conference, because the tenants were fed up with the Rentalsman office and wanted something done about it.

It was not very much longer after that the Landlord and Tenant Review Committee was appointed by the Minister of Housing. I had the pleasure of serving on that committee as an alternate representative for low-income tenants. It was a very interesting committee, it was a very interesting process. In fact, it was quite different from previous processes. For example, I remember being in the Legislature and appearing before a committee when The Rent Regulation Act was brought in and it was that committee in July 1982. Also, there were amendments to The Landlord and Tenant Act.

At that time, it was a very adversarial system, where the Government brought in their legislation with very little consultation. The result was that at the committee, there were three people supporting the Government's legislation, including myself, and there were about 22 landlords and property managers and their lawyers opposing the Government's legislation at that time.

The process of consulting and involving various parts of the housing sector was very significantly different with the Landlord and Tenant Review Committee. There were representatives from low-income tenants, of whom I was one; there were representatives of middle-income tenants; there were representatives of professional property managers, of the Manitoba Landlords Association; of civil servants; and a representative of the handicapped community.

The process was very slow, I think that committee took over a year and a half to issue its final report. However, in spite of the fact that the final report was very thick, 139 recommendations, almost all of these recommendations were made with consensus or near consensus.

In the process of debate and discussion on the recommendations, there were things, of course, that tenants wanted that they did not get, and there were things that they wanted that they did get. There were things that landlords wanted that they did not get, and conversely, things that landlords wanted that they did get. There was some horse trading that

resulted in the consensus and near consensus on 139 recommendations.

The result was that the New Democratic Party drafted new legislation, and it was an excellent Bill. In fact, it went much further than Bill 13 in the number of respects, especially in regard to protecting tenants. Then after that, the Bill unfortunately never saw the light of day due to the Government falling.

Next, after a lengthy delay—I believe it was introduced in the Session after it was promised—we finally got Bill 42 and there were some significant changes, but we will not go into those changes right now, instead we will ask, what happened to Bill 42?

Well, it has a very interesting history. As the Honourable Minister of Housing (Mr. Ducharme) knows, they ran into some heavy duty lobbying from a Tory land developer, from a Tory fund raiser, from the executive of the Winnipeg Real Estate Board, from the Professional Property Managers, and from the Landlords' Association. They also were lobbied by the Housing Concerns Group and by myself. They were lobbied by the Manitoba Anti-Poverty Organization; the Social Assistance Coalition of Manitoba, staff of the Social Planning Council and staff of CEDA—Community Education Development Association.

The Minister has reminded me of the fact that I was one of those people who lobbied him on Bill 42, he has mentioned that several times in the House, but what is the difference between those who are lobbying?

Well, there is a fundamental difference. The propertied interests said, withdraw Bill 42, throw it out, redraft it, we do not like it. What did they do? They listened to their friends and they withdrew it.

Whereas the tenants' groups, including myself, and the low-income groups and the people from the inner city were saying, we like your Bill, Mr. Minister, Bill 42 is a good Bill, go ahead with it, send it to committee.

Did they send it to committee? No, they withdrew it. We said, send it to committee. We put some pressure on the Liberal Caucus. We put some pressure on the NDP Caucus, and they said that they would send it to committee.

In the dying days of Bill 42, they said they would pass it with no amendments. The Member for Osborne (Mr. Alcock) was part of our strategy session—imagine me meeting with the Member for Osborne—and he agreed that this was the best way

to go in order to get Bill 42 through because we knew it was in serious trouble.

However, they listened to their propertied friends and they withdrew Bill 42.

The Minister today in his remarks on Bill 13 said that they withdrew it to reconsider. Well, what evidence is there that they reconsidered? Well, did they make changes, did they reconsider the things that tenants and tenant groups were asking for?

There is very little evidence that they reconsidered in favour of tenants. In fact, there is some evidence that they reconsidered in favour of their other friends.

Well, now I have reviewed the history of Bill 13, very interesting history. Why was new legislation with more sweeping powers—power given to a Tenancies Commission and a Residential Tenancies Commission are necessary?

Well, I would like to relate some stories from my work on the staff of North End Community Ministry and from involvement with the Housing Concerns Group.

In response to the Member for Portage la Prairie (Mr. Connery), these are true stories, these are things that happened to me in the community in the last 10 years.

For example, I can tell you that I went to visit a family at the corner of McGregor and Magnus in the north end, living in a suite. The home visitor from North End Community Ministry asked me to go with her. She was the translator and she talked to this family. This family were living in a downstairs suite where the stove did not work for a month, and this family were forced to cook on the stove upstairs and the family did not speak English. So my friend went and translated for me and interpreted what the people were saying.

We were successful in getting the name of the landlord and we got the phone number of the landlord. We called the landlord; all we got was an answering machine; we did not get our calls returned.

The landlord happened to live in the north end so we went to the north end to see the landlord, but the landlord's front yard had a fence around it and it was full of guard dogs so we could not get hold of the landlord in person. We could not get hold of the landlord on the phone and we could not get the stove repaired for the family so they could cook their own

food. As a result they moved. We cannot blame them for moving when they could not get any response from the landlord.

Frequently over the last 10 years, I have had people come to me with a problem and the problem is they had no food in the house. They came to North End Community Ministry seeking food. At that time, we used to interview people. We would ask people, well, why do you have no food in your house? Why are you coming to us? We wanted to know, and frequently the reason was that they had used their food allowance to pay for their next security deposit because the landlord had not returned the last security deposit. This happens to tenants over and over and over again.

Mr. Acting Speaker, if there is any doubt about the need for sweeping legislation with sweeping powers, which are much needed, all we have to do is look at headlines from the newspaper in the last ten years, and see the kind of housing conditions in the inner city that people have been forced to live in.

Here is January 1981. The headline is: Unsanitary Housing Plagues Inner City. Here is an editorial from the Free Press: Loophole for Landlords. Here is a story from the Free Press, also in April, 1981: Two Move In, Out Same Day, Several families forced to relocate after health inspectors check suites. Those are only a few examples, and I could go on. I have newspaper clippings here from 1985, 1986, 1987, 1988, 1989, 1990, and in that period of time there has been very little change or very little improvement in housing conditions in the inner city.

\* (1440)

The proof, Mr. Acting Speaker, is there that serious problems exist. If we need more proof, let us look at city by-law court. I would like to tell you another story. Since the Member for Portage la Prairie (Mr. Connery) likes my stories so well, we will give him another illustration.

We went to observe city by-law court, an educational process for anyone to go and watch the city by-law court at work. We had tenants there, and we watched as all kinds of cases came up, stray dog cases, noise by-law violations, maintenance, occupancy by-law violations and health violations.

The Minister of Housing (Mr. Ducharme) is familiar with City Hall; he remembers his days there. I hope that he has been to city by-law court and observed it.

Well, during the coffee break the judge called some of the tenants over and sat them down, this is Judge Johnston, and he said, I would be interested in knowing, what do you think of my court? You have to understand that this is a very informal court, where people can go and speak on their own behalf. Judge Johnston sort of prides himself on running a very informal court where people are not intimidated, and they can tell their stories. So he said to the tenants, now, what do you think of my court and what you saw and heard here today?

This tenant being a rather timid chap, said, Your Honour, you promise that I will not be charged with contempt of court if I am honest with you? He said, no, it is okay, go ahead, tell me what you really think. The tenant said, well, I noticed, Your Honour, the people who were there with dog violations received the same fines that landlords did for having slum housing, and that is exactly the case.

People can be there and have their stray dog charged on a number of different violations of city by-laws, and they might be fined \$125.00. Meanwhile, some family can be living in the most atrocious kinds of housing with violations of city by-laws, violations of the health Act. The landlord is issued a repair order and the landlord has 90 days to do the repairs. On the 91st day the city building inspector goes back and reinspects. If it has not been done, they put it on the docket for by-law court. It can take three or four months to get on the docket of by-law court. Then when the person does get on the docket, they can choose to plead not guilty and go to trial which can take three or four more months to get on the docket and have a trial. Then they can get remands, because their lawyer will say that they are not available, they are busy, and so it can take a year or two years before a landlord is charged for violations of City of Winnipeg by-laws. Meanwhile, one family after another, after another, continues to live in the most deplorable of housing conditions.

I think there are many reasons why we need new tough housing legislation to protect tenants, and the newspaper stories tell part of the story. My illustrations from my work in the north end provide further evidence, and the examples of city by-law court and what a farce it is provide further examples.

What do we need in legislation to protect tenants? We need better protection for security deposits. We need to follow up on recommendations and suggestions by tenant representatives and tenant groups that all security deposits be held in trust by

the Residential Tenancies Commission. There are a number of reasons why this needs to be mandatory. Now the Minister has said that it is mandatory if anybody requests it, which is quite different from making it mandatory for everyone. There are good reasons why it should be. I believe that it would stop abuse of security deposits by landlords. For years we have been claiming that many landlords make their profit margin on the non-return of security deposits. Secondly, another reason, which the Member for Morris (Mr. Manness) will be very pleased to hear, and that is that it would save the taxpayers money.

When we were sitting in the committee of the Landlord and Tenant Review Committee, the civil servants told us that a third of all the time in settling security deposit disputes was in tracking down the security deposit, and departments like Landlord and Tenant Affairs deal with thousands of requests in a year. So we are talking about a considerable cost to the taxpayers just to track down the security deposit that the landlord is supposed to have in the bank, but probably spent already.

The advantage of having security deposits held in trust by the Residential Tenancies Commission is that the civil servants do not have to waste their time trying to track down a security deposit. It will be in a trust account, administered by the commission, and it will be available for adjudication in disputes.

**The Acting Speaker (Mr. Laurendeau):** Order, please.

**Mr. Martindale:** I helped a former tenant in Winnipeg to track down their security deposit after they moved to Vancouver, and it took two years to get a \$60 security deposit returned to the tenant, two years to track down a security deposit in the City of Winnipeg.

Third, security deposits in a trust fund or in a housing fund could be very helpful in a number of ways. It could be like an unsatisfied judgment fund. This fund could be used to compensate landlords. I admit that from time to time tenants cause damage to a suite, and the costs are not recoverable from the security deposit. That money, the interest on that money, could be used to compensate landlords. Similarly, if a tenant is aggrieved, for example, the landlord might have sold their possessions before the date that they were allowed to, then the tenant could claim compensation from the interest in this housing fund. The housing fund, of course, would

be used to pay out the security deposits that it collected. It could also be used to pay for emergency repairs, and the Member for Morris (Mr. Manness) would be happy to hear this once again. It would be used to help defray costs of the department.

Now, why would the Minister of Housing (Mr. Ducharme) not want to have a fund with millions and millions of dollars in it, earning interest, some of which interest could be used to defray expenses in the department? Sounds like a good idea to me.

There is another related problem, and that is condition reports on the condition of a suite upon entering or leaving, or in the beginning or ending of a tenancy. The problem now is that tenants move out, the landlord blames the damage on the tenant, and the tenant has no proof.

All they have is their word. It becomes the landlord's word against the tenant's word. The landlord has the security deposit, they have the money, and they are usually better informed, they know what the law is, and inevitably they win.

Frequently, tenants do not know the law; they are not well informed. They do not have a lawyer. They do not fight; they give up and they move. Their money comes out of welfare for the next security deposit at a cost to the taxpayers, and subsequently comes out of their own pocket, frequently taken from food money, and forces people to use food bank outlets.

There is a way of resolving this, and that is to make unit condition reports compulsory so that when a tenant moves in, the tenant and the landlord fill out the condition report, and they keep a copy. When the tenant moves out, they fill out the report again, and note any differences in the condition of the suite between the beginning of the tenancy and the end of the tenancy.

I have been involved in some of these disputes. For example, I was involved in helping a tenant recently. I helped fill out the condition report. I helped the tenant by signing the report. I went through the suite, helped the tenant to write down all the defects, all the problems, with the suite that she was living in before she moved in.

This was a rather interesting example. I will not use the tenant's name, but this tenant has been quoted in the media a number of times, and there have been stories on TV news broadcasts illustrating the inside of this suite and numerous problems.

The reason the media liked this particular example so well was that the landlord was a City of Winnipeg housing inspector. Rather a disgraceful example, to be a housing inspector and to be an owner of slum properties.

When the tenant said to the landlord, here, I have a condition report. It has been filled out, and Doug Martindale from the Housing Concerns Group signed it for me. Would you like to go through the suite and verify this information, and sign it as well? The landlord said, no, I will not sign your condition report. I will give you my own. Did the landlord give her a condition report of his own? No, he did not.

When the tenant moved out recently, the landlord refused to return the security deposit. The tenant went to Landlord and Tenant Affairs, submitted the condition report, and the condition report was used as proof of the condition of the suite at the beginning of tenancy in, I believe, September of last year, and the tenant was successful in getting all of her security deposit back again from the landlord.

Making condition reports compulsory would be a major improvement in this legislation, and we could tie it to security deposits. In fact, I believe that is what Bill 42 did. I am sorry, not Bill 42, the NDP Bill on housing did. -(interjection)-

\* (1450)

I have seen it, it is quite interesting. You might want to read it someday, Member for Inkster (Mr. Lamoureux), because I have a major advantage. I can compare the NDP legislation with Bill 42, and Bill 13, and we can see what they took out. It is very obvious to see what they took out, and it is fairly easy to conclude why they took it out and at whose request they took it out. -(interjection)-

Well, here it is, Member for Inkster. It is right here. This is it. It does exist.

What we could do, Mr. Acting Speaker, is if the Minister of Housing (Mr. Ducharme) wanted to improve this Bill to provide further protection to tenants, what he would do is this: He would tie condition reports to security deposits and say the landlord does not get a security deposit until a condition report has been filled out and each side has a signed copy. When that happens, then the landlord gets the security deposit. -(interjection)-

Mr. Acting Speaker, I am just getting started. Not only was the use of condition reports and conditions on security deposits in the NDP draft legislation, but

it was also in the Landlord and Tenant Review Committee.

It was recommended, and it was recommended for a number of reasons, so why did they say that this would be a good idea? They said it would help prevent disputes from arising.

The problem now is that there is no evidence, and so it is the tenant's word against the landlord's word, but if condition reports on suites were compulsory, it would eliminate disputes from arising and going to the Residential Tenancies Commission and tying up a lot of staff time and staff dollars.

It would reduce the likelihood that tenants would be taken advantage of because frequently tenants, as I have said, are in a disadvantaged situation compared to landlords in terms of knowing their rights and of having access to legal counsel, et cetera.

It would enable disputes to be resolved fairly and quickly because there would be a document that could be examined to settle disputes, and it would improve relations between landlords and tenants.

In fact, the use of condition reports is very widespread in parts of the housing sector. For example, in housing co-ops there is almost always the use of a condition report. In fact, in those housing co-ops, where condition reports are used, it is usually a part of the regulations or the by-laws of the housing co-op, and then the board of directors insist that the condition report be used or people do not move in.

Similarly, property managers insist on using condition reports. It is rather interesting to note, Mr. Acting Speaker, that when the committee was having its meetings, the Landlord and Tenant Review Committee, who opposed these kinds of moves? Was it the property managers? No, it was not the property managers because they were already using them. Was it the civil servants? No, the civil servants, as I recall, were in favour of it. Was it the middle-income tenants? No, they were familiar with condition reports. Was it the low-income tenants? No, it was not the low-income tenants?

**An Honourable Member:** Who was it?

**Mr. Martindale:** It was the slum landlords, represented by the Manitoba Landlords Association. The same people who have been in the newspaper this past week. Mr. Sid Silverman, the past chairperson of the Manitoba Landlords

Association. It was the slum landlords who were opposed to condition reports.

Well, I am very sorry that we could not get this into this otherwise somewhat progressive piece of legislation, Bill 13. It is a change from the committee recommendations, and it is a change from the NDP draft Bill. Another example of how it has been watered down.

Now, Mr. Acting Speaker, I have some comments that the Minister of Housing (Mr. Ducharme) will be particularly interested to hear. Perhaps, I should have put them at the beginning of my speech instead of at the end. However, he can read them in Hansard.

To the credit of the Minister of Housing, I would have to admit that Bill 13 compared to Bill 42 has not been substantially changed although it could have been improved. I would even admit that there are many good things about Bill 13.

Bill 13 is the result of years of study and consultation and finally, at last, action. Both landlords and tenants wanted major changes and improvements. Tenants wanted enforceable standards of repair orders. Landlords wanted speedier evictions of problem tenants. Major changes were endorsed by both sides on the Landlord and Tenant Review Committee and the result is the Residential Tenancies Commission and the Residential Tenancies Commissioner.

The intent of these major changes is to provide a system which is fair, a system which is accessible, a system which is fast, a system which has the capacity to enforce orders and to enforce the orders that it makes.

There are a number of things that I would like to address in the remaining minutes that I have, and this has to do with things that are not in Bill 13, but should be in Bill 13, and could be in Bill 13 if they wanted to improve it in order to provide greater protection for tenants.

For example, the habitability section of the Bill should be and could be strengthened. What is needed is a definition in the Act of what constitutes a habitable suite or house at the time of occupancy. I think this is one example, and the Minister referred to this in his speech, of things that were in the Act in Bill 42 and removed from the Act to regulations.

I am always concerned when I see this, because it means the regulations can be changed very easily

whereas an Act is much more difficult to change. It is an example of watering down.

Another example is the state of repair. What we need is a good definition of what is an acceptable state of repair at the beginning of occupancy. There is also a need for tenant information and tenant education, and this should have been a much stronger part of the Act. There are lengthy recommendations by the review committee on tenant information and tenant education.

One of the points that we made and the Housing Concerns Group made when we were making representation to the Minister was that if they spent half as much time and effort and money advertising education and information about their Tenancies Commission, and the new rules and regulations governing tenancies, as they do on rent regulation or rent control, we would have tenants who are much better informed and probably have fewer problems, fewer calls to the branch, and a much improved situation for tenants. This is an area in which I think the Minister could improve his legislation.

Another change, and a disappointing one—the fact that it has not been made, I guess, has to do with final orders. Bill 13 says that the Residential Tenancies Commission can act on final orders of say the City of Winnipeg by-laws or the health Act regulations. That is orders coming from another jurisdiction. There is a problem with waiting until you get to a final order and that is that it might be months or even a year or more before you get to a final order and that is really not acceptable.

We have a new system coming into place with Bill 13 with stronger powers, but they needed to go this one step further and change the section on final orders. There should be provision for an inspection to be made by someone from the Tenancies Commission to do a fast and fair inspection and issue an order or remedy immediately, rather than having to wait for a final order from another level of jurisdiction.

Finally, Mr. Acting Speaker, I would like to address a serious problem and omission, and a change, I believe, from NDP draft legislation. This is another example where the Minister from Morris would be very interested in my comments because it has to do with an area that could save the taxpayers of Manitoba millions of dollars.

I know he is always challenging us on this side to suggest ways to save money, rather than suggesting ways to spend money. So the Honourable Member for Morris (Mr. Manness) will be interested in these suggestions.

It has to do with the fact that millions of dollars—I believe now it is approximately \$60 million a year—go from the taxpayers of Manitoba. Basically it is a tax transfer from you and I as taxpayers to the Minister of Finance, to Family Services, from Family Services to tenants or in many cases directly to landlords and into the pocket of landlords. The amount of money in the City of Winnipeg annually, most of it in the inner city, is \$60 million from the budget of the Minister for Family Services (Mr. Gilleshammer).

What is that money going to purchase? Well, it is going to pay rent for tenants on social assistance. What are they getting for that money? Well, many of them and, therefore, the taxpayers of Manitoba, are not getting good value for their money. They are paying considerable money for substandard accommodation that does not meet city by-laws, does not meet health standards and regulations, and that is in violation of work orders. That is what it is going to pay for.

\* (1500)

What I would like to suggest, and what I would like to see as an improvement, is a mechanism whereby the staff of the Minister of Family Services are able to check through, say, a computer listing of houses that have work orders against them, and thereby determine for tenants, for the taxpayers of Manitoba, and for their department whether or not a tenant should be living in a house that has outstanding work orders against it. If not, to put the tenant in a different and more suitable kind of accommodation.

An even better idea, Mr. Acting Speaker, would be to prohibit the spending of any rental money on any place that has a work order or repair order against it in order to protect the investment of the taxpayers of Manitoba, to provide protection for tenants, and to make sure that they get into suitable, decent, as well as affordable, accommodation.

So that is another area in which an improvement could be made, an improvement which would be beneficial to both the renters and the taxpayers of Manitoba—

**The Acting Speaker (Mr. Laurendeau):** Order, please. The Honourable Member is well aware of

the fact that he is not to debate any issues pertaining to just one specific section of the Act. If he will refrain from that and get back to discussing the Act as a whole.

**Mr. Martindale:** Mr. Acting Speaker, as far as I know I have covered about 15 sections of the Act, but without referring to the sections, I realize I must direct my comments only to the principle of the Bill, and with those remarks I am going to conclude.

Of course, you will hear much more detailed comment from the third reading.

**Mr. Reg Alcock (Osborne):** Mr. Acting Speaker, I move, seconded by the Member for Inkster (Mr. Lamoureux), that this debate be now adjourned.

**Motion agreed to.**

### **BILL 20—THE STATUTE LAW AMENDMENT (TAXATION) ACT, 1990**

**Hon. Clayton Manness (Minister of Finance):** Mr. Acting Speaker, I move, seconded by the Minister of Northern and Native Affairs (Mr. Downey), that Bill 20, The Statute Law Amendment (Taxation) Act, 1990, (Loi de 1990 modifiant diverses dispositions législatives en matière de fiscalité), be now read a second time and be referred to a committee of this House.

**Motion presented.**

**Mr. Manness:** Mr. Acting Speaker, Bill 20 provides the legislative basis for the measures introduced in the 1990 Manitoba budget. It also contains technical amendments to improve the administration of certain taxation statutes. As we all know, the federal goods and services tax is scheduled to be implemented on January 1, 1991, maybe. Who knows where the GST is today?

Though there still remains some uncertainty as to the future of the GST, our Government has decided that if the GST is implemented, Manitoba's retail sales tax will be applied alongside the selling price before the GST is added. This decision helps both consumers and retailers in Manitoba by simplifying compliance with the GST.

Mr. Acting Speaker, at this time, I want to pull out of my notes something that has been bothering me for a long period of time with respect to this element. It was the day or two days after the election and, of course, those of us on this side were euphoric in many respects. I went to my favourite hobby, my

favourite pastime, and that is sitting on my tractor and doing some work away from a telephone.

I turned the radio on in the piece of machinery that I was in, and I happened to bring in the radio station from Brandon. Is that CKLQ? I had the delightful experience of listening to the Member for Brandon East (Mr. Leonard Evans), the newly elected Member for Brandon East, being interviewed at that particular time. If there was ever a time that I wished I had a telephone in the tractor, if there was ever a time that I could have instant logistical movement from where I was to Brandon, I would have taken it.

Here, the Member for Brandon East said that he did not know anything about the provincial Government with certainty, being prepared to apply the retail sales tax as alongside the federal GST. Mr. Acting Speaker, the Member knew when he uttered those statements that the First Minister (Mr. Filmon) and myself on four occasions at least had indicated it was the Government's intention.

Now the commentator said that to this Member. He said, yes, but the Government it seems to me had indicated it was their intention to put this alongside and the Member says, well, if that was their intention, why did they not in the spring legislation Session of 1990 bring it in at that time?

Mr. Acting Speaker, the GST is not law today, and it certainly was not law in the spring of 1990. How do you write legislation that says—

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

**The Acting Speaker (Mr. Laurendeau):** Order, please; order, please.

### **Point of Order**

**The Acting Speaker (Mr. Laurendeau):** The Honourable Member for Brandon East, on a point of order.

**Mr. Leonard Evans (Brandon East):** Mr. Acting Speaker, on a point of order. The Minister is inferring certain things that may not be correct, and I just want to point out to him the federal Government was already collecting the GST last summer, and there was every indication that it was going to be passed, and there is nothing wrong with the Government being prudent and protecting the interests of the taxpayers of Manitoba last spring.

**The Acting Speaker (Mr. Laurendeau):** Order, please; order, please. The Honourable Member for

Brandon East did not have a point of order. It is a dispute over facts.

\* \* \*

**Mr. Manness:** Mr. Acting Speaker, what is patently obvious is that the Member for Brandon East, indeed the New Democratic Party, had given in. They accepted the fact that the GST was coming.

I am a member of a number of organizations. One of them, as recently as in July, asked me to pay the GST for services rendered in 1990. I refused. Yet the Member here had the gall on a radio station to say, why did this Minister of Finance, the Filmon Government, bring in this legislation as if the GST was going to be in place. How do you write that legislation? So you bring in the law and say, if this happens, and this does not happen, and that might happen, therefore, we will apply the tax in this fashion. Nonsense, Mr. Acting Speaker. I think the Member, if he wanted to be honest and he wanted to correct the record, he would stand in his place when he has an opportunity to debate Bill 20, he will stand in his place and he will publicly apologize to Manitobans. I encourage him to do so.

It is amazing what you will hear when you listen to the radio in the morning time. -(interjection)- That is right. The field was crooked after that. It took me three hours to correct the errors of what I—

\* (1510)

Mr. Acting Speaker, Manitoba retailers will be required to show the goods and services tax and the provincial retail sales tax separately. This will help ensure maximum visibility for the new federal tax. Let me say, and I digress again, the first Government in Canada that indicated they were going to force visibility was this one here, and it had nothing to do with whether we were a minority Government or not, absolutely nothing.

The Members have chastised me before saying that I am a supporter of consumption taxes. I have always been prepared to enter in dialogue on that comment, but I have always said that Governments have to be held accountable for whatever taxes they levy, and they have to be prepared to make those levies visible.

Our retail sales tax is visible, and there should be no lesser expectation of the federal Government that the GST should also be made visible.

The Retail Sales Tax Act is also to be amended to include the removal of a provision, whereby an

individual can refuse to pay the retail sales tax by providing the vendor with a declaration to that effect, effective November 19, 1990. This provision of the Act—again I indicate to Members opposite becomes in effect as of November 19, Monday of this week.

This provision has existed since 1967. All provinces, excepting the provinces of Saskatchewan, New Brunswick and Prince Edward Island have removed such a provision from their retail sales tax statute as it is impractical and creates confusion for retailers who face demands from certain taxpayers that they are not required to pay the retail sales tax.

Vendors will now be required to collect the tax from all persons, other than on tax-exempt products such as food and children's clothing and other exempt products and services. A notice will be sent to all vendors under The Retail Sales Tax Act informing them of the proposed amendments. I understand that is happening probably sometime this week.

Mr. Acting Speaker, there are three proposed changes to the health and second post-secondary education tax levy, in other words known as the infamous payroll tax contained in Bill 20. First, the October 11, 1990 Speech from the Throne announced a new skills training strategy called the Workforce 2000 plan to improve the basic skills and training of Manitobans. -(interjection)-

I digress again. The Members are saying to us that, you know, the proceeds of the payroll tax are helping us. I acknowledge that. The problem is even though we keep slicing away at—economic growth is such in this province that more and more people are paying the tax and ultimately we are having difficulty driving down the \$200 million thereabout total figure. While we keep slicing at it, it keeps building because of the economic growth within the province. I hope, again, the Member acknowledges that.

As part of this initiative, and I am talking about the Workforce 2000 plan, I announced in our Government's 1990 budget that Manitoba firms will be eligible for a maximum 0.3 percent payroll tax credit to offset training and development costs. -(interjection)-

Mr. Acting Speaker, I am glad the Leader of the Opposition is here. He says shame. If you have seen his commentary in the last few days, what he is

trying to build is the myth, the corporate welfare bum myth that we indeed are again are trying to help the large corporations. These large corporations, including the provincial Government, because a significant portion of the \$200 million or the \$180 of the payroll tax is a transfer from one pocket of the Government to the other to the other, a significant portion is also paid by the federal Government. Indeed, after that there are only many, many, dozen large firms that pay this payroll tax but that amount totals \$180 million, \$190 million.

The Member opposite is criticizing us for trying to put into place, and we have not developed them fully yet, very strict criteria in support of training. Training that will better prepare the work force within those sectors to better prepare them to meet the challenges of globalization as we move into the decade of the '90s and into the next century. What could be a better use of a firm's own money, rather than having it come to the tax coffers, but indeed be specifically directed towards retraining of the employees?

Mr. Acting Speaker, we are going to try and focus that within the manufacturing industry. We are going to try our best to do that. How successful we will be, time will tell.

For the Member opposite to try and portray that this offset is against tax, is somehow a giving of yet more Government funding to corporations to try and build on the corporate welfare bum myth, to me, is reprehensible and unfair indeed to those good corporate citizens who do so much for our economy.

Firms will continue to pay the payroll tax in 1991, with eligible firms to receive the credit early in 1992. The Government will be consulting with the business community over the next few months to finalize details of the payroll tax credit. Further information on the program and the method of reimbursement will be forthcoming in 1991.

The second point under the payroll tax, our Government recognizes the increasing competitive pressures on Manitoba's trucking industry and the importance of out-of-province business on two trucking operations.

Effective January 1, 1991, remuneration paid by an employer to a person engaged in interprovincial and international travel will be exempt from the payroll tax. This exemption does not apply to trips within the province.

**An Honourable Member:** How much is that, Clayton?

**Mr. Manness:** I will answer that, Mr. Acting Speaker. It is very hard to estimate, but we feel it will be around a million dollars at this point in time.

Finally, the majority of employers exempt from the payroll tax will no longer be required to file an annual form affirming their payroll tax exemption status. Only employers with yearly payrolls close to the threshold exemption of \$600,000 will be required to file. This measure is to be effective for the 1990 and subsequent calendar years.

This change will eliminate the need for approximately 38,000 Manitoba employers to file unnecessarily and will be a time and cost-saving measure for both the employers and the taxation staff.

Even within my own farm, and I have an employer number, I was required by law, by our provincial law, every year, every January, to file an exemption notice with the department. So myself and 38,000 other Manitoba employers will no longer have to file this declaration.

The Manitoba new small business tax reduction introduced in our Government's inaugural 1988 budget will be extended by one year to December 31, 1991. This program provides tax relief to new enterprises during the first critical five years of operation.

In the first year eligible, new small businesses will be exempt from Manitoba corporate income taxation on the first \$200,000 of active business income.

For the next four years, they pay at a reduced rate. Let me say, Mr. Acting Speaker, with respect to this program, it is encouraging to see the number of businesses. Of course, I do not expect the Member for Brandon East (Mr. Leonard Evans), or indeed the Small Business Critic for the Liberal Party, to stand and congratulate the Government. Indeed, the Government should not be congratulated for this. I mean, this is what happens when you have a healthy economy. Businesses should begin to aspire to come into being, ultimately to profit and to take advantage of the small business tax reduction.

\* (1520)

I signed first hand the exemption forms, the certificates, that provide the tax relief, and I can tell the Members opposite, there are a goodly number of Manitoba businesses that have come into being

over the last two years. They are employing Manitobans. I am not so sure that they are focused purely within the wealth creation industries, in the initial wealth creation sectors, as I might like to see. There seems to be a very heavy incidence within the service sector, and I would like to watch that more closely. Nevertheless, I want to report to Members of the House there are a significant number of new businesses being established in the province at this point in time.

The one-and-a-half percent tax on mining profits introduced in the 1989 Manitoba budget is extended to December 31, 1991. The Government had anticipated a solution to the shortcomings in the allocation of provincial income tax with the mining industry by this time. Obtaining a solution has taken longer than expected, and the tax will be rescinded if the problem is resolved before the end of the next tax year.

To this end, Mr. Acting Speaker, let me say that the mining industry and, more specifically, Inco have worked very closely with us to try to find measures around this tax allocation problem that we have between ourselves, the federal Government, and more specifically, the Province of Ontario. Everybody is trying to work toward a solution, but the fact that Ontario corporate taxation is outside of Ottawa—and indeed they collect their corporation taxes within their own province—makes the situation somewhat more difficult.

I want to assure Members of the House, though, that Inco, being the good corporate citizen that it is, is trying to work with us to find methods by which they could allocate a greater portion of their income to Manitoba such that we can have fairer claim to our fair share.

(Mr. Speaker in the Chair)

Mr. Speaker, the only tax increase by the Government for this year is a one-half cent for cigarettes increase in the tobacco tax effective midnight, December 2, 1990. I might add the only criticism that I have received to date with respect to this tax measure has been a couple of letters asking us to have also increased the rate on fine cut tobacco, which we did not do this time around.

Let me say, in closing, these measures continue our Government's agenda for improving Manitoba's competitiveness with other jurisdictions' tax regimes. It contains important initiatives to help Manitoba strengthen our economy over the long

run. The future of Manitoba is promising. We have the ingredients to make it bright and prosperous. Bill 20 helps lay the groundwork for that future.

**Mr. Leonard Evans:** I move, seconded by the Member for Elmwood (Mr. Maloway), that debate be adjourned.

**Motion agreed to.**

## DEBATE ON SECOND READINGS

### BILL 6—THE BUSINESS PRACTICES ACT

**Mr. Speaker:** Debate on second readings on the proposed motion of the Honourable Minister of Co-operative, Consumer and Corporate Affairs (Mr. Connerly), Bill 6, The Business Practices Act; Loi sur les pratiques commerciales, standing in the name of the Honourable Member for Point Douglas (Mr. Hickes).

**An Honourable Member:** Stand.

**Mr. Speaker:** Is there leave that this matter remain standing? Leave. Agreed.

**Mr. Nell Gaudry (St. Boniface):** Mr. Speaker, it gives me great pleasure to speak on a very important Bill, Bill 6, The Business Practices Act.

Firstly, I would like to say thank you to the Minister for briefing us on Consumer and Corporate Affairs, as it is the first time in this Session and this Legislature that I have had the opportunity to be a critic on Consumer and Corporate Affairs.

I appreciate it very much when he received us to give us the breakdown on the Consumer and Corporate Affairs. It does not mean that I will be nice to him all through my comments, but I will try. I will try.

**An Honourable Member:** They do not come any nicer.

**Mr. Gaudry:** I have to be careful with that. It is an in-house joke between the Member for Crescentwood (Mr. Carr). The fact that it deals with deceiving and misleading the public defines what unfair business practice is. The examples that are used in the Act are important for the protection of the public and the consumer. The examples that are used, I could relate to one personally.

Ten, 15 years ago, when I was going to go away on holidays and I took my car in to get it checked, I decided before taking a long trip that I was going to get the transmission checked. As I took it into one of the transmission dealers here in town, after about

15 minutes he said I needed a new transmission, that it would cost me \$300 to \$400.00. At that time I could not afford that; either I went on holidays or stayed at home and repaired the car. I decided I would take it to a garage where I knew someone who would tell me if I really needed the transmission. It turned out that it was not, and I drove the car for another 80,000 miles on the same transmission after that.

So -(interjection)- Exactly, but I think with this kind of legislation coming out, Mr. Speaker, the consumer will be protected. Is it because maybe it was presented by the NDP and they had never done anything in the last 17 years that they were in power? -(interjection)-

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

**Mr. Gaudry:** I had no intentions of doing that because I think the Minister had done that in his speech. In reading over his speech, I feel that I have got to point it out again today. In dealing with the NDP in what they had done in the last years that they were in power—and of course our Minister of Consumer and Corporate Affairs tells us how the Tories were very wonderful. I am glad he is clapping hands alone because I am glad he has presented this piece of legislation for the consumer, but what have they done in the last two and a half years? They were in power for four years through the Sterling Lyon years also. What did they do? Same thing as the NDP, nothing.

**An Honourable Member:** What about the last two and a half years? Last year and a half? What did they do?

**Mr. Gaudry:** Well, we will see. We will debate that later and we will ask questions in Estimates to see what you have done and -(interjection)- I have to agree with you. Mr. Paterson, the former MLA for Radisson was a great man, a fine man.

The examples given in that section I think are examples that we can use to illustrate how important it is that the consumer can be protected. After all, the consumer should be protected against unscrupulous business persons. You can have it that business people are not unscrupulous or bad, but, of course, like the Minister called them bad apples, there are some. We cannot say all businessmen are like that, no, because there are good businessmen in Manitoba, but we require that legislation to protect our consumers.

We ought to impose obligations on suppliers to be honest and truthful about their merchandise that they sell and place high standards on the business world. This legislation, I believe, will do that. Employees of suppliers are also prohibited from unfair business practices, and this should be. Employees should be taught and regulated by their bosses to respect those and not to be misrepresented.

The advertising—there I have some caution maybe, because it says: "A person who, on behalf of a supplier, prints, publishes, distributes, broadcasts or telecasts an advertisement in good faith and in the ordinary course of business is not responsible under this Act for the truth or accuracy of any representation in the advertisement." It states that someone who advertises in good faith should not be responsible for the truth or accuracy of the advertising. I think the consumer should be protected, and the legislation should specifically prohibit or impose an obligation on advertisers to look at the content of what they are advertising and be alert to the obvious or brazen misrepresentations.

\* (1530)

Surely the advertiser, Mr. Speaker, should not be able to turn a blind eye if something is obviously false and misleading. An obligation on advertisers to question the honesty and truthfulness of all the materials they advertise, it is not reasonable to expect advertisers to question every ad that comes about, especially if, on the face of it, it claims to be reasonable, but there is legislative language that can be used, can be drafted, to prevent advertisers from using, they simply publish and advertise what the supplier told them to advertise. Surely, they cannot wilfully or recklessly turn a blind eye to an ad that is obviously false and dishonest.

The "Appointment of experts," Mr. Speaker. "The minister, with the approval of the Lieutenant-Governor-in-Council, may appoint, engage or employ, and may fix the remuneration of, such part-time or full-time experts and other qualified persons, in addition to the persons appointed under section 10, as the minister deems necessary for the administration of this Act." How many will be employed? How many part time? I think, Mr. Speaker, it is important that we specify these.

"Refusal to mediate." It states very clearly: "The director may refuse to mediate or investigate a complaint . . ." How can the director refuse? It provides for a mediation, a quick and efficient way to solve a dispute—can be a very positive thing; but it allows the director to refuse, seems to belong to another authority or "for any other reason." Why should the director be allowed to refuse to investigate for any reason?

Certainly, if there is a reasonable base to the complaint, if the complaint is made on malicious grounds, Mr. Speaker, or if the matter belongs to another jurisdiction, the director then should be allowed to refuse to proceed, but surely the director must in all cases, except where the complaint properly should be made to another authority, be required to make at least a preliminary investigation.

Mr. Speaker, does this mean that if the director does not like the complainant that the director can refuse to investigate or mediate? It should not be.

This section sets the stage for subjective decisions that may reflect personal bias of the director. Note, the director would be acting in good faith, but even so the director's bias may be a factor in refusing to investigate.

Is not every consumer with a valid complaint entitled to have that complaint investigated? I think legislation prevails so that the consumer can be protected. That is right.

In another section, Mr. Speaker, the Bill seems to advance consumer protection. All in all, this Bill sees that the obligations should not change anything for honest business people and dishonest ones should be penalized. -(interjection)- Yes, and as I said before, there are good business people and they will be protected.

In an ideal world the consumer may be able to limit their own losses and may be able to negotiate a solution with a supplier, but there should be great caution in imposing too high a standard, because the ordinary person on the street may not realize until much later that they have been had. The ordinary person may not realize until much later that they are entitled to have the supplier remedy the situation.

Even if the consumer is another business person, that business person is not necessarily highly sophisticated and knowledgeable about legislated consumer protection. We might say that we must remember that the intent of this legislation is to

protect a consumer who generally is disadvantaged in not having all the information that the supplier has. For this reason and because this Act is about the protection, we must be certain that we do not expect too much of the duped consumer.

Mr. Speaker, like I said, I will be brief. We will be going into committee, and we will be asking questions in committee. The Liberal Party, generally, will support this Bill with amendments. I am pleased to say that we are generally pleased for what the Minister has done with this Bill, and we look forward to going to committee and debating the Bill.

Thank you, Mr. Speaker.

**Mr. Speaker:** As previously agreed, this matter will remain standing in the name of the Honourable Member for Point Douglas (Mr. Hickes).

## BILL 12—THE LABOUR RELATIONS AMENDMENT ACT

**Mr. Speaker:** On the proposed motion of the Honourable Minister of Labour (Mr. Praznik), Bill 12, The Labour Relations Amendment Act; Loi modifiant la Loi sur les relations du travail, standing in the name of the Honourable Member for Point Douglas (Mr. Hickes). Stand. Is there leave that this matter remain standing? Leave. Agreed.

\* (1540)

**Mr. Jim Maloway (Elmwood):** Mr. Speaker, this Bill, the repeal of the FOS has become somewhat of an annual affair it seems, that we are into a rerun. This is the third time now that many of us have spoken to this Bill. In fact, the current Member for Broadway (Mr. Santos) must feel some sense of security here, must feel right at home, because when he left the Chamber in 1988, we were discussing this Bill. He comes back two years later, and we are still on the same Bill.

I do not know how much time we have spent, in terms of hours of the Legislature, discussing this particular Bill. I do not know how much money has been spent on this, but this Government seems to have a death wish when it comes to final offer selection. You would have thought by now, after two unsuccessful attempts at the repeal of this Bill, that in fact they would have given it up and gone on to something else.

I think that it is only a matter of time, if they get their way in repealing the final offer selection Bill, Mr. Speaker, that first contract legislation and other

labour legislation are sure to follow. That is why I feel it is important for people in our Party to voice our opposition and fight as hard as possible to derail this legislation one more time.

In terms of the history of the Bill, and the history of the idea, this particular idea has been around for a long, long time. In fact as early as the early 1900s, final offer selection was used in the resolution of British coal trade disputes, and it has been used sporadically over the last few decades.

In fact, at the University of Manitoba, final offer selection has been used as a common method of dispute resolution there with the faculty association for a number of years now. I can recall back 15 years ago, that it was something that was being used at the time.

The idea has been painted as something that is foreign to this province and the labour environment, and that is entirely unfair. That is something that this Government has been trying to do. They have made the assertion, they have made the suggestion that somehow this is a new idea that was thought up in some radical think tank and had not been tried anymore and was in fact giving the province a bad name in terms of the business climate.

In fact, as we know, this particular idea has been used for a lot of years under a number of different type of circumstances. As a result it does have a track record. There is evidence that we can point to, to demonstrate that this is a worthwhile concept, and in fact later on I will get into the history of the Bill and run through a number of the disputes that have been settled in fact by final offer selection, which I think prove the point that final offer selection is an actual working idea and in fact has been very, very helpful in terms of the labour and business climate in this province.

The Government wants to paint the picture that final offer selection is in fact detrimental to the business climate in Manitoba and somehow that when they make their trips to Mexico and Alabama and other far off places that they travel to, that this is one of the pressing issues that the legislators in Alabama point out to the Minister when he goes there, when the Government Members are trying to make their case for business to locate in Canada, that they are told, my God, if you would only get rid of that final offer selection, we will be moving our truckloads of money in here.

Well, Mr. Speaker, I would predict to you that if and when this Government ever gets this Act repealed, that is if the five-year sunset clause does not take effect first, I would suggest to you, that we are not going to see any overnight change in the business climate—for the better that is—we are not going to see truckloads of money pouring into this province and new businesses setting up here as a result of that particular change in The Labour Act.

In fact what we are likely to see happen is this Government will at that point decide that we have to go further, that we have to repeal first contract legislation, and we will go through this whole argument again. They will never be satisfied, because there are people over there who want to take us back to the old days of child labour and beyond. I do not know how many of them are there right now, because the composition of the Legislature changes every couple of years with every election that we have had recently. Certainly the old Conservative Party had its share of dinosaurs who did not like any type of progressive labour legislation, and they still exist over there.

There is still the business lobby here in this province, in this country and internationally who work very actively and put a lot of money behind efforts to reduce the effects of any type of labour legislation which helps the workers. It is incorrect to think that somehow if this Bill is passed, that somehow a whole lot of businesses are going to come in from outside and set up shop here, because somehow the climate has changed.

The real reason for the Government's persistence in wanting this Bill defeated goes back to what the Member for Lakeside (Mr. Enns) talked about the other day when he said that pure and simple it is a campaign promise. It is something that we promised the business community that we would do, and now they want us to deliver.

They are very, very disappointed, because initially they were unsuccessful in repealing the law and once again rather than giving up and trying something else they decided to stick to this steadfastly, I mean to the point where it is really unreasonable, because they know how much it antagonizes our Members in the Opposition. They know that at this point it is largely symbolism, because in fact this particular legislation was passed, was proclaimed January 1, 1988, to last, it has a sunset clause after five years.

In fact, this legislation will automatically expire at the end of 1992. We are almost into 1991, and by the time this Bill passes, if it should pass, and by the time the Act is proclaimed, we are talking about little more than a year, maybe a year and a half, where the legislation will not be available to the workers of Manitoba, Mr. Speaker.

It is a bit of—I suppose it will be a bit of a hollow victory for the Government if they are able to get this passed, but in fact they will be able to go back to their backers, their financial backers, and the Member for Lakeside (Mr. Enns) will be able to proudly proclaim to his big business backers that we produced. We promised we would produce for you, and look Mr. President of Exxon or Mr. President, whoever the company is, we produced for you. We told you we would repeal final offer selection, and we have done it. Now, of course, if the president of Exxon is smart he will wonder what all the fuss has been about, because he will say, well, it would have expired in a year and a few months anyway.

\* (1550)

We have been successful, I guess, in Opposition, in keeping this legislation on the books in spite of the attempts by the Liberals last year to cloudy the issue, in spite of the Liberal attempts last year to keep this legislation on the books until at least, I would suggest, a year and a half before it was going to expire anyway.

The Liberals, Mr. Speaker, claim to have had a better idea. I believe it was Ford who had the new idea. Well, the Liberals were the people last year who had the new idea. They thought, well, if you take a little bit of this and a little bit of that and shake it up, a little bit of hocus-pocus, you are going to come with a solution.

I reread the articles where the Member for St. James (Mr. Edwards), I think the former critic now for the Liberal Party, had a Chinese dinner in the Liberal Caucus the night of the big debacle. He was proudly proclaiming that while he had the NDP, who were willing to support the amended resolution, that he was going to get the Conservative support on the final Bill regardless of how we voted, and that somehow the Liberals were going to be seen to be the big policy makers in Manitoba, and that would kind of lead on to that great time when they would form a Government in this province. It did not lead very far. He did not even get to digest his Chinese food before the whole thing exploded.

I recall the debate in the Legislature here, it was three or four in the morning. The Liberal Members—mind you all of the Members or most of the Members were rather stunned at that hour in the morning and not fully functioning, but on the other hand the Member for St. James was in a state of shock. I mean, he could not admit—even to the reporters he admitted initially that he really did not know what had happened, and what had hit him. Then he admitted that he had known all along what was going on. Even in the death throes of this initiative, while he was digesting his Chinese food, he still could not manage this crisis, what had developed into a crisis for them.

They sent the former MLA for St. Vital on a mission through enemy lines out to make a secret deal with the Federation of Labour, suggesting to the Federation of Labour that they were really on the Federation of Labour's side. They had their other emissaries out in the business community letting the business know that they were buddies of the business groups. The Liberal Party bag persons were out collecting their \$15,000 from Westfair and their \$1,000 from Parkside Ford, letting these people know that it is okay, it is all right, we deliver, but they were also carrying that same message over to the Federation of Labour suggesting that they were going to help to come up with a solution here that was going to prolong the life of this Bill.

## INTRODUCTION OF GUESTS

**Mr. Speaker:** Order, please, order, please. I am interrupting the Honourable Member to acknowledge the fact today that we have in our Speaker's Gallery this afternoon His Worship Rick Borotsik, along with his city manager, Earl Backman, from the City of Brandon.

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

\* \* \*

**Mr. Jim Maloway (Elmwood):** Once again that was a very, very good example of the Liberals practising the former Member for Niakwa's policy of having it both ways while you are in Opposition, trying to be on both sides of the issue, trying to develop this issue as something that would be positive for them, but not only did none of that happen, but the whole issue blew up in their face, did them an incredible amount of damage in the process. In fact, under their

plan we would not have had FOS as long as we have now.

So the Member for Inkster (Mr. Lamoureux) says, well, what is going to happen to FOS now? Well, we know what is going to happen to FOS now is that they, now having cleared their minds a little bit and having been straightened up a bit because of their election results, have now decided that they are going to be clearly opposed to FOS. They are going to stand and vote this legislation out of existence with the Conservatives. That is what they are going to do if and when this Bill gets to a vote.

The fact of the matter is that in the process we will delay this legislation as long as possible. The people of Manitoba will have this legislation in effect for a longer period, I believe, than they would have under the Liberal amendment. Regardless of that, I am not concerned about that. I think that business and labour are happier when the issues are more black and white in this province. I think that is the case. I think the electorate are more comfortable and happy when the issues are more black and white. I think the electorate showed us in the last election that gray is not where they are at right now. (interjection)-

Well, the Member for Brandon West (Mr. McCrae) wants to digress a little bit. I suppose we can for the sake of argument. The Member would like to deal with the 1986 election, but the Minister should recognize that he was the Member who, when things got rough with the federal Party a couple of years ago over the CF-18, wanted to disassociate himself completely with the federal Party and make a run for cover.

There is a group over there who wish to do the same thing now, to get as far away from the federal Government as possible, because it is not going to be able to hold in the next election. The arguments they use in this election will not necessarily hold in the next election. They may lose a lot of seats. The Member for Brandon West may not have the time to spend in Elmwood as he did last time. He may have to spend a little more time closer to home.

Well, Mr. Speaker, I know you want me to deal more specifically with the Bill, but I could not resist the opportunity to respond to the Member for Brandon West. I would not want him to feel that he was being ignored in any sense.

So, Mr. Speaker, we know that this Bill is merely a sop to business. The Member for Lakeside (Mr. Enns) made it very clear when he made his speech

the other day emphasizing that it was a campaign promise. It was something that they had to do regardless of the outcome. They had to once again do what big business wanted.

Once again I would have thought that they would have been able to tell the business community, this is becoming embarrassing. This is our third time. We really should get on and try to repeal something else, try something else for a change, maybe come back to this when it has become dim, people have forgotten about it, but that is not the case. In any event, we are back on the FOS treadmill, it seems.

Now, Mr. Speaker, there has been some discussion about whether or not FOS reduces strikes in the province and whether or not it reduces the number of days lost in labour disputes. That is the reason why we put forth the legislation in the first place. It was because for many, many years there were a considerable amount of lost days due to strikes, and strikes do not benefit anybody. They do not benefit the management of the company, because companies occasionally will not open again, will actually go bankrupt and close their doors. The workers never recover what they lost in terms of lost wages. I mean all you have to do is look at the recent case of the casino workers, who were out for a couple of months and lost all of those wages. They are being blamed by this Government for being part of the excesses of the 1980s.

Well, I do not know of any casino workers who are out there driving BMWs. I know some company presidents who are out there driving BMWs and got big increases during the '80s and made enormous amounts of money, leveraging leveraged buyouts and so on and so forth. Some of them will be doing time in the state pens fairly soon, mind you, but I do not know many casino workers who spent the 1980s involved in leveraged takeovers and driving BMWs and living the yuppie lifestyle, the excesses of the 1980s.

No, those workers were working and they were getting their, in a lot of cases, below inflation increases in their pay packets during those years while Michael Milken and the other tycoons in the United States were making tons of money.

\* (1600)

In fact Donald Trump, it has been reported in the last week or two, actually has more liabilities than he has assets, and if Donald were to sell off everything today he would owe \$300 million more in

debts than he has in assets. Donald Trump—here is a guy who cannot even go bankrupt. The system cannot permit this guy to go bankrupt. So in fact his creditors have come in to prop him up until he can make his way through the recession back to when times are good again and the market rises and the value of his real estate holdings and airline and other investments get back to a positive position so the guy is actually worth something. Right now he owes \$300 million more than he is worth, and they cannot put him out of business. They will not put him out of business.

If that was a farmer in Manitoba or a worker in Elmwood or Brandon East, how long do you think that person would survive before they ran the farmer off the farm and kicked the Brandon East resident out of his or her home? It would not take long. In fact they are only too quick to take action in times like that.

When a person gets behind in their payments in a recession in this province, in their house, how long do you think they stay in their house before they get turfed out? How long will they stay on the farm before they get turfed off? Not Donald Trump. Donald Trump can be \$300 million negative worth and he still keeps running his businesses, but that is what happens when you have privilege and connections. This is the type of people that this Government represents, the people who have.

Well, Mr. Speaker, before you admonish me to get back to the Bill at hand here, I do want to—

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

### Point of Order

**Mr. Speaker:** The Honourable Minister of Natural Resources, on a point of order.

**Hon. Harry Enns (Minister of Natural Resources):** Mr. Speaker, on a point of order—occasionally I forget that I occupied the front bench for 10 or 12 years in this House.

The Honourable Member surely would not want to leave a deliberate misstatement or anything but the truth on the journals or on the House.

I want to assure the Honourable Member that Donald Trump never did support or vote for this Party.

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

\* \* \*

**Mr. Maloway:** Mr. Speaker, perhaps we could now take a look at the history of FOS in this province in terms of what have been the results of the three years that we have had FOS in this province.

First of all, the legislation was proclaimed January 1, 1988. As I mentioned earlier, there is a sunset clause which allows the legislation to lapse after five years. We will be less than two years away from that lapse period by the time this legislation passes.

In terms of the applications and the resolution we—my figures are from January 30 of this year. I had them updated as of a couple of hours ago, but they do not give me the specific cases. What I have is simply the total numbers, but we can deal with the total numbers and then look at some of the specific cases of FOS.

Currently there have been 99 applications received in the last three years of this Bill. Currently four have been decided for the union proposal and three for the employers.

It is interesting to note that back in January, for my original information that I had, at that time three decisions had been decided in favour of the union and two had been decided for the employer. So in the last few months what has happened was, one more decision has come out in favour of the union and one more has come out in favour of the employer. The balance now is four for the union and three for the employer. The balance then was three to two.

(Mrs. Louise Dacquay, Deputy Speaker, in the Chair)

You can see where Members of the Conservative Party argue that this particular piece of legislation was going to benefit only one side. You know the Liberal Critic of the day made statements to that effect; the Conservative Minister of Labour made statements to that effect, that in fact this Bill was going to be a one-sided Bill. It was going to be exclusively in favour of the unions and was not going to benefit the company at all. That is what they said, over and over and over again.

Well that has been proven totally false, because in fact as of today so far four proposals have gone in favour of the union and three have gone in favour of the employer. With a record like that, I do not know how any fair-minded individual can stand and say that this is one side of legislation that in fact the

results of it favour only the unions, because that is not in fact what has happened. We have added some more of a good track record, positive track record for FOS, added to the previously good track record that it had in Britain in the early 1900s in the coal trades and at the University of Manitoba and other places over the last number of decades.

Madam Deputy Speaker, what is also interesting about this though is not necessarily the amount of the number of settlements, because I mentioned that there were 99 applications made over the last three years and only seven of them have resulted in a resolution in favour of one side or the other.

You ask what happened to all of the others, are they still pending, and in fact they are not. In 74 cases the parties reached agreement prior to a decision being made. What that really shows is that once final offer selection has been applied for, that in fact the parties tend to bargain more earnestly to arrive at a solution.

We will get into that if I have time to get into some of the cases in a few minutes, and then you will be able to see that in fact very few, only seven out of 99 cases, have actually arrived at decisions under the FOS provisions. In fact 74 have had resolution on their own pending the decision of the selector.

The first case came about January 20, 1988, and involved the Rural Municipality of Springfield, and the Union of Operating Engineers. In this particular case, the decision went for the union. So that represents one of the four for the union.

In another case, No. 2, the second case was January 22, 1988, and that involved Blackwood Beverages and that was the Manitoba Food and Commercial Workers. You have two different companies, two different unions. In this particular case, the second case, the parties reached agreement prior to the selector making the decision. That particular case, case No. 2, falls into that group of 74 that reached agreement prior to the selector.

\* (1610)

The third case involved Hudson's Bay Company Northern Stores in Thompson, which was January 25, 1988, and the Food and Commercial Workers. In that case the parties reached agreement there as well prior to making a decision. Number four was also January 1988, that was Hudson's Bay Company in Lynn Lake. Once again they reached an agreement prior to the selector making a

decision. Number five was Modern Dairies in Flin Flon, and once again they reached a decision.

As we go through the examples of where final offer selection has been applied, what we find with various companies, with various unions, we have in the vast majority of the cases an agreement being reached before a selector has actually made a decision. It is fairly clear to us that given the track record, the evidence that we have here, the Government is wont to ignore it. They really do not care because they have made up their minds. That is really their attitude. They do not want to be confused by any of these facts that we present to them. We have presented them a track record. They do not want to hear it. They do not want to hear them because they have made up their minds. They have made up their minds, and that is the key to all of this.

The arguments that we use about it reducing strikes, that it actually will improve the labour climate in Manitoba, and that both parties will become reasonable in an FOS situation, the sunset clause—all of these have really no effect, because we are looking at sort of a higher goal here for this Government. That higher goal is that they have this promise that they have to keep. They have to get rid of this legislation, and as soon as they satisfy their big business friends on this one, there will be another one.

The phone will ring again. They have a direct line to the Member for Lakeside (Mr. Enns), a direct line to the Premier (Mr. Filmon) of the province, and that little red phone will be just ringing off the hook. It will be jumping. As a matter of fact, the president of Exxon may even fund a phone, a cellular phone, for the Premier, so he can get him at any time of the day or night—instant access, that is what they want.

Watch, the next repealed Bill will be first contract legislation, or it will be something else. God forbid, I do not want to give them any ideas as to where they are going to go next, but they know where they are going to go. If they have any trouble making up their minds, if they are a little bit confused, they have their friends over at the Chamber of Commerce to point the way, to show them that little light at the end of the tunnel, and we all know what is going to be at the end of the tunnel. It will be more repealed Bills on labour legislation, because the whole idea is try to harmonize the labour laws with Alabama.

We are trying to bring Manitoba down to the level of Alabama and Georgia and the southern states. In

fact, it has even gone further than that, Madam Deputy Speaker, because now we are talking about free trade with Mexico. I do not even think the Member for Lakeside (Mr. Enns) has really come to grips with that one, because his mind is still in Alabama. If you talk to him, he is still trying to get used to the idea that someday he might be a senator. He is not sure which country he is going to be a senator for, though, but he is prepared to run. He is prepared to try. Mulroney would not appoint him, so now he is thinking perhaps he will have a chance to run for senator; and if he does not get a chance to run here, maybe he will try the States. He is very comfortable with that—

**Madam Deputy Speaker:** Order, please; order, please. May I remind the Honourable Member for Elmwood (Mr. Maloway) that the Bill before the House is The Labour Relations Amendment Act, and perhaps his comments could be more relevant to the Bill under debate.

**Mr. Maloway:** Madam Deputy Speaker, perhaps you could tell me how many minutes I have left. -(interjection)- Thank you.

I am getting used to being called to order on relevance in this House. It seems that whenever I get up to make a speech on anything I have a whole coterie of attentive listeners over there who proceed to break up my speech every 10 minutes on some point of order and get a question of relevance brought in and so on. I appreciate those breaks, because it does give me time to find some papers and so on in this mess and get my notes sorted out. This particular time is no different.

The fact of the matter is that I have been talking about FOS. I always get back to FOS when I am asked specifically on the Bill, and we can do that. We can go through six more minutes of more cases on FOS. If I thought it would do any good, I would do it. I already said that it does not do any good, because they have made up their minds. I was trying to explain why I am convinced that they have made up their minds. The Member for Lakeside (Mr. Enns), yes, the Member for Lakeside understands of which I speak.

So it has a lot to do with FOS, right, because you have to draw the connection. You just cannot spend 40 minutes talking in isolation about a Bill and its implications. I could spend 40 minutes talking about the 99 cases that we have had, Mr. Speaker, but we would not get to the real problem. The real problem

is this Government, this Government's attitude. They do not care how this legislation is working. They do not care how good it is.

They have made a commitment to the Chamber of Commerce. The Chamber of Commerce is simply going along with what is decided by the federal Conservatives. That is tied in to the free trade deal. Now we get over to Alabama and the next step is Mexico. That is where I was when I was interrupted on the relevancy question. That is where we are headed, because the Government is in the process of looking at a free trade deal with Mexico. They are trying to get their foot in the door on Mexico.

I know that now it is not as popular subject, so the Minister of Trade and Tourism (Mr. Ernst) stood up and said, well, we still think this free trade deal with the States is a good idea, but we are not so sure about Mexico now. We are not so sure about it, but in reality that is the price you pay. You have to dance with them that bring you. This Party—provincially, federally—the Conservatives, dance with the big business community, and that is the way it is. It is an international organization. They are tied in with the Republicans in the United States.

Their leader in Britain right now is having significant troubles, but I am certain they are shedding a lot of tears for Margaret Thatcher today, because one of their big heroes is in real trouble. The Member for Lakeside (Mr. Enns) is shedding a few tears, because he may have to take Margaret Thatcher's picture off his wall. They work in concert.

So that is why it is important to note that final offer selection has a repeal procedure. It is just part of the overall grand strategy, the overall grand strategy of the Conservative Government to privatize anything they can get away with, anywhere in the world, to harmonize labour laws with the lowest common denominator, be it Alabama or whatever jurisdiction they are looking at, Taiwan or other parts of the world.

The GST is another prime example of that, where they have made a decision that the consumers of Canada are going to have to pay a consumption tax on things that they never paid tax on before. Why? So that the business community can become more competitive, so that the elderly person on Harbison Street in Winnipeg, in my constituency, is going to have to pay, assuming that they still have hair—7 percent more for a haircut in only 40 days from now. He is going to have this tax.

Why? So that Exxon can be more competitive, so that "Exxon Eddy" and the other Members across will be able to satisfy the companies in this country that they are in fact delivering the goods, because they want to be more competitive with those lowest common denominators, with those companies that are operating in Taiwan with a dollar an hour labour and less, with the Mexican workers and so on.

That is really why this whole FOS argument can and should be brought into the larger context of the country and in fact the world economy, because that is what is motivating ultimately the Government to do what it is doing.

Madam Deputy Speaker, I believe that my time is up. Perhaps we will engage in this discussion again.

\* (1620)

**Mr. Dave Chomlak (Kildonan):** Madam Deputy Speaker -(interjection)- I feel like I am being set up.

I just want to begin by indicating to the Members on the opposite side of the House, and particularly the Member for Lakeside (Mr. Enns), that I in fact know a business person who has moved to Alabama. In fact, I can indicate to Members on that side of the House, and contrary to what my friend from Elmwood indicated, he will not come back even though FOS has been repealed. In fact, he went to Alabama and all the jobs went to Alabama because of the free trade agreement, Madam Deputy Speaker.

I welcome the opportunity of engaging in this particular debate, because in some respects, I have had a unique view of the FOS process. Prior to its implementation, I was in private practice dealing with labour law to a certain extent. I watch with interest the debate, in this House and otherwise, with respect to FOS.

Of course, I had the opportunity of dealing with it more directly during the election campaign and observing the discussion, the debate, in the House and otherwise during the minority Government.

Finally now, I have an opportunity to directly put my own principles and some of my own thoughts on the record with respect to FOS.

As a newcomer in this House, Madam Deputy Speaker, I am quite interested by the passion of the debate with respect to FOS. I guess it should not be surprising, given the rather large philosophical approaches and differences taken by Members on all sides of this House with respect to this matter,

although in my humble opinion we are really talking about both sides, two sides to this particular question, two sides to the view of FOS and its application in Manitoba.

We have the one side, which I have to say with all due respect, of big business and the Conservative Party and quite frankly the Liberal Party, and on the other side we have the average person, the average Manitoban, the Manitoban and the NDP.

With respect to this FOS question, part of the problem that I attribute to the differences in this debate rose out of the way that the change was announced in this particular Session and in the prior Session. When I had a chance to review the press release of the Minister in regard to FOS I am struck by some of the wording that is used in the particular press release. I am particularly struck by the use of the words, Manitoba will become a more attractive place for business as a result of the repeal of FOS.

One of the problems with FOS according to the Minister is that it allows only employees to—and it is an interesting use of words, Madam Deputy Speaker—to compel its use, as if there is some kind of coercion or force in the particular application of this democratic process.

Finally, the notion that is throughout the speeches from Members on the opposite side of the House that somehow the repeal of FOS will restore balance to the labour bargaining system that exists in this province, as if there was no balance in the first place or as if there is balance in the first place—I ask Members opposite, does making Manitoba a more attractive place for business mean that we have to have labour laws like Alabama?

I have already indicated earlier in my remarks that my friend who moved his establishment down to Alabama will not come back no matter what we do in labour laws. He has gone down there, the investment is lost in this province; the jobs are lost in this province not because of labour laws, but because of the Free Trade Agreement and the devastating effect it is going to have on the Province of Manitoba and on our economy.

I am quite struck by the use of the words compel, as if the application of FOS and the particular procedure that has been adopted is somehow undemocratic. It is not. In fact it is the contrary, Madam Deputy Speaker. It exhibits characteristics that are far more attractive than some of the other options that are available to parties in a labour

dispute. There are no compelling aspects whatsoever to the application of FOS in this process. The very climate and the context in which this amendment and this matter was introduced in the House were certain to generate very heated debate. That is after a long history of debate on this particular matter, and much has been said and done in this House and outside and elsewhere with respect to the FOS debate.

As I indicated earlier, I recall some of the earlier discussion that took place in this Chamber when the matter was initially introduced. I get the distinct impression that the Party on that side of the House, the present Government, who lost that particular fight, just never gave up and, without reviewing the facts, without reviewing any of the evidence and any of the statistics with respect to FOS, simply sat back and said, when we get an opportunity, as soon as we get an opportunity, as inevitably happens in a democratic system, we will repeal that Bill no matter what happens, no matter how effective it is. In fact their actions have indicated that is in fact what they have done.

I earlier indicated that I thought that the Bill was illustrative of basically two separate approaches and two chasms, as it were, in our labour negotiation strategy. In some respects that is slightly inaccurate, because while the Tories are clearly lined up on the side of their large corporate friends, Madam Deputy Speaker, on this and all the other issues, the Liberal position is quite unclear to me or to any objective observer of this process. It is a flip-flop position, and I can say that quite categorically, because I have had an opportunity to read the comments of the Member for St. James (Mr. Edwards) both in the last debate that occurred in this House and in the present debate. Quite frankly, the only words that I can utilize with any justification to describe the Liberal Party position is one of flip-flop and indecisiveness. I have to indicate that frankly, obviously, my objective position and objective view of our position on this particular matter, is that it is innovative and an attempt to deal logically with a process that has been built up over years. The whole FOS question was—the whole FOS application was a logical approach to deal with labour bargaining in the 1980s, in the 1990s and into future.

I would also like to make some reference to the comments, Madam Deputy Speaker, and references made by the Minister in his opening

remarks with respect to FOS in this Chamber. I was very pleased to see that the Minister took the opportunity to quote from two rather prominent Manitobans and Canadians in terms of his discussion of FOS. I note that he quoted the comments of the Right Honourable Edward Schreyer and also Russell Paulley.

I was quite pleased to see that the Member for Lac du Bonnet (Mr. Praznik) was perhaps reviewing his records and was perhaps educating himself with respect to how a decent and caring Government can deal with the problems of the Province of Manitoba. Unfortunately, I was surprised to find out that the comments were, of course, taken quite out of context, and I noted that somehow he used the comments of both of these very prominent Manitobans and Canadians to somehow justify his position, which I find somewhat logically inconsistent. Frankly, I thought better of the Member for Lac du Bonnet for using this.

I myself have had the occasion to utilize comments of former Members. In fact, I used the comments of the present Member for Tuxedo (Mr. Filmon) on several occasions during my throne speech debate and during the budget debate and, in fact, during the Estimates process, in order to illustrate how the present Member for Tuxedo had one comment when he was a Member of the Opposition and had another comment when he was a Member of the Government, but I tried very, very carefully, Madam Deputy Speaker, in utilizing the comments of the Member for Tuxedo, our present First Minister. I tried to draw parallel situations. I tried not to take his comments out of context and not just use partial aspects of his particular comments and speech.

\* (1630)

I get the distinct impression that—well, not the distinct impression. It is a point of fact the comments that the Member for Lac du Bonnet (Mr. Praznik) referred to were quite out of context and, frankly, quite inappropriate. The only suggestion I would add, if the Member for Lac du Bonnet is going to use the comments of the Right Honourable Edward Schreyer and Russell Paulley, then I think he should go full board and perhaps use their comments and their approaches to Government and to dealing with people in the full context, in which case, he would probably be sitting on this side of the House. I only add that as illustration.

Now, Madam Deputy Speaker, the most insidious thing about this Bill, and one of the things that really bothers me with respect to this Bill, is the context of its introduction and the way it was introduced in this House. It strikes me as very, very interesting that Members opposite should introduce a measure designed to change labour law and labour bargaining in the Province of Manitoba and follow that up with a labour law review. That strikes me as not only logically inconsistent, but dangerous. Frankly, it goes quite in tandem with the other activities and endeavours undertaken by this particular Government.

It is a reaction. It is a move to pacify and to assuage their particular friends, and it is not done with any forethought. It is followed up by a labour law review. That strikes me as somewhat bizarre for, in fact, if they were truly looking at this particular aspect of labour bargaining legislation with any kind of logic and any kind of openmindedness, they would perhaps introduce the amendments after a labour law review, a labour law review which frankly is not necessary in the first instance.

Nonetheless, Members opposite have announced it and are apparently going to proceed on it, but they are going to change a fundamental aspect of labour legislation in this province, and then they are going to have a labour law review. It strikes me as illogical, but I have no understanding as to why they would carry out such a practice, except that it is consistent with other measures and other undertakings of this particular Government. It is react, then do something, then announce a study, and then put the study on the shelf. It goes on and on and on.

The negotiation of a collective agreement is not a tea party. It is a give and take. Of course, the more equal the parties, the fairer the process. In my estimation, the beauty, and I hesitate to use the word "genius," but I will use the word "genius," of FOS is that it requires both parties to put forward a reasonable position, one that will stand the tests of the Act and the judgment of the selector. This is in contrast to so many other things that we do in the adversarial system, so many of the things that take place in the bargaining system, and yes, so many of the things that happen in debates that occur in this House.

The parties are required to put forward a reasonable position, because, frankly, they will be faced, if the selector chooses that position within the

confines of the Act and within the direction that is given to him, they are required to stand. The parties are going to be required to live with one or the other provision.

That is one of the reasons why we are very supportive on this side of the House of this particular piece of legislation. The parties must put forward a reasonable position. It stands the tests. Rather than the traditional methodology of, say, the arbitration process, which we are quite familiar with and which happens every day in the system, in the adversarial system, where one party puts out an extreme position and the other side puts out an extreme position in the hope that the selector, or in that case, the arbitrator will split it down the middle. -(interjection)-

I note the Member for Lac du Bonnet (Mr. Praznik) is offering me advice in this particular matter. He should be full aware as I understand he spent some time at the bar. The fact remains that parties in arbitration matters, parties in labour disputes, and parties in the court system often put together extreme positions in the hope that the arbitrator or the selector of the parties standing there will cut the matter down the middle.

The genius and the strength of the FOS process, as I understand it, is that the parties are forced to put a reasonable position on the table, a table that they might be forced to live with, and one that the parties have to deal with forethought, not in the context of, well, we are going to do this, and we know the other side is going to do that. It is going to come somewhere down the middle.

Philosophically, I also have some grave concerns, because every single piece of innovative labour legislation introduced in this country and in this province has been brought in over the objections of the Party, for the Members opposite. In this case, FOS, the Members opposite and the Liberal Party are opposed, always have been opposed. They are opposed on the basis of what? Of a knee-jerk reaction, no force, no forethought. It is simply that it is somehow labour legislation. It gives somehow some rights and some benefits in their estimation to some segments of society. That goes against their basic grain, and that is tragic.

Where is the problem in FOS, Madam Deputy Speaker? Is it unfair to employers? Not in practice, which I will refer to later. The employer, in a labour dispute, controls many aspects of the process. They

control the hours; they control the right to hire and fire; they control many conditions in the labour process. The employer has the right to apply in FOS.

The only aspect that the employer does not directly participate in, to quote the Minister, is to compel the operation of FOS. That is to compel, and I do not like using those words. As I earlier indicated, they are completely contrary to the spirit of The Labour Relations Act, and they are quite contrary to the spirit and the direction of the FOS as we understand it, as it was introduced, and as it operates in our province.

But, Madam Deputy Speaker, the unions in FOS cannot compel it either. The unions cannot compel it, and that is where I have problems with the Minister's comments. It must be via vote—a vote. Probably the most democratic, the most fundamental right that we in this society possess. The vote is fundamental. It is fundamental to the successful resolution of many labour problems that we have in this country in labour resolutions. The vote is fundamental to virtually everything that we in this Chamber, and we in this province, attempt to do in labour relations. It is fundamental to democracy itself.

It is not a system of lockouts, Madam Deputy Speaker. It is not a system of arbitrariness; it is not a system of one-sidedness, where an employee can lock out somebody. It is a question of the democratic right of individuals to vote on a process.

How much fairer can a system be than this in the context of our labour relations? So, claims by Members on the opposite side of the House that it is one-sided simply do not stand up to the test. Because they do not stand the test, one must look to the rationale and the reason behind the arguments from Members on all opposite sides of the House and from the Liberal Party. One can only conclude, based on the context in which this particular legislation was introduced, both the last time in this present Session of the House and from the comments of Members opposite, that it is an ideological decision, Madam Deputy Speaker.

It is a fight that they lost in the late '70s in this Chamber. It is something they said, if and when we get back into power. As I said earlier, in the inevitable workings of this democratic system, that day comes and the other side will also come. I remind Members opposite. They simply said, when we get back in. We lost that battle, we are going to,

no matter what corporate friends, we will make sure that FOS is repealed. It does not matter what the statistics say; it does not matter what the record shows; it does not matter if it has been successful, we will just take out our old speeches that we had in this House several years ago. We will just dust them off, and we will repeal that FOS, and make sure that we get rid of this labour practice because we are opposed. Why are we opposed? We are opposed because our friends have told us that we should be opposed.

Madam Deputy Speaker, this type of labour legislation is not limited to Manitoba at all, because it has been a vehicle for arbitration and negotiation in many places and in many jurisdictions.

\* (1640)

The Member for Elmwood (Mr. Maloway) alluded earlier to its practice in the British coal mines and in other jurisdictions and when I noted some of the speeches made in this Chamber with respect to FOS, I have noted that there is a long-standing history of this process.

So, Madam Deputy Speaker, I want to indicate that the whole concept and the whole procedure of FOS simply was not pulled out of a hat; it was introduced after much study and discussion in this Chamber and in other locations. It was not simply something brought in on the spur of the moment, contrary, I might add, to the position now of Members opposite, who are simply repealing it with no forethought and no actual studies involved in it.

As well, Madam Deputy Speaker, there is a heated debate with respect to FOS, and, further, there was a provision put in the legislation which has been referred to by my friend, the Member for Elmwood (Mr. Maloway). That was a type of provision, the sunset provision, put in to deal with the operation and with the process of FOS to allow a sufficient period of time in order to demonstrate the effectiveness of FOS and this particular procedure in our Labour Relations Act.

I have to indicate that the legislation itself was well thought out. The legislation was put in with much forethought, and it is quite tragic that we are faced with a situation of a Government, in a knee-jerk reaction and for ideological reasons, frankly, because no other reasons have been cited that I can see, asking that this innovative legislation be repealed and be removed from the record books.

Of course, the Minister also indicated in his comments, which I referred to earlier, that the parties have the right to both request FOS in terms of negotiations. The Minister full well knows that in labour relations and in labour dealings the right of one party to do that simply makes it non-existent, and he knows full well that such a provision is not effective.

As I indicated, there was a heated debate in this Legislature amongst all Members when this Bill was introduced.

**Mr. Ben Sveinson (La Verendrye):** Madam Deputy Speaker, I was wondering if the Honourable Member for Kildonan (Mr. Chomiak) would be open to a question.

My question to the Honourable Member is: Have you ever worked in the labour force or been involved in negotiations, and if you have, where?

**Mr. Chomiak:** Madam Deputy Speaker, the Member for La Verendrye (Mr. Sveinson) anticipated actually some further discussion that I was going to indicate in my speech, but I will answer the question. This is a remarkable and unique opportunity for me, and I am tempted to do as Members opposite often to do in Question Period and go back to the years of Conservative Government. I will not do that and I will not blame anybody for anything.

I will indicate I have negotiated agreements in a management capacity when I headed up a personnel department, and I have been a card-carrying member of several unions in a labour capacity. I have been on both sides of union disputes, representing both management in labour disputes and labour in labour disputes. I do not feel this is the appropriate time for me to discuss my particular past or background, but I can indicate I have experience.

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

**Madam Deputy Speaker:** Order please; order, please.

**Mr. Chomiak:** Like so many Members on this side of the House, I have a wide range of experience, representing not only labour but business and the average Manitoban in general. My friends opposite will be happy to know that I have participated in business, both as an owner and a shareholder in many other capacities. So that is the short answer.

**An Honourable Member:** Which way are the Liberals going to vote, Dave? We know which way the Tories are going.

**Mr. Chomiak:** It depends which. As indicated earlier, there was a heated debate in this Chamber with respect to FOS and the provision was put in to deal with it to allow for sufficient time.

I think that provision put in the sunset clause was a very wise and a very well-thought-out and reasoned position to be put in. As the Member for Elmwood (Mr. Maloway) indicated earlier, it was something that Members opposite perhaps should have considered before their knee-jerk reaction in response to their large corporate friends, and perhaps the matter could have been considered in a more rationale and proper manner. Nonetheless, we are now in a position where it is all or nothing. Unfortunately, Members on that side of the House have the numbers, and unfortunately the Liberal Party does not know where it stands on this particular matter.

As I said earlier, Madam Deputy Speaker, I had the opportunity when I was preparing for this particular debate to review the comments of the Member for St. James (Mr. Edwards) previously and most recently. Quite frankly, I could probably spend the rest of my speech looking at the inconsistencies involved in that particular position for the Member for St. James, other than to summarize my understanding of the particular position of the Member for St. James. Initially he opposed it, then he did not oppose it. Now, I think he opposed it, but I am not sure if he opposed it, but enough said about that.

His only salvation, the only out for the Member for St. James (Mr. Edwards), is to call for a review or study. I only ask him in a rhetorical sense: Why does he think a sunset type of provision was put into this legislation in the first place? It does not make any sense.

The only rationale, and the only reason I could find for the Member adopting that position, in fact for the Liberal Party adopting that particular position, was that it allows them an out when they saw the folly of their ways as a result of the fiasco last Session.

(Mr. Speaker in the Chair)

Mr. Speaker, the Government feels that by repealing the legislation, it will return the fairness back into this system. I guess, frankly, what more can we ask for from a Party of this status quo? As I

indicated earlier, this Party has fought every progressive change in bargaining and labour relations for the last 50 years.

I think what the Conservative Party would judge as fair in a labour legislation would be that similar to the good old State of Alabama, something that has been referred to quite frequently in the last hour in this particular Chamber. That is one of the reasons why I fear so much the so-called labour law review that is pending and has been announced by this particular Government.

As I said, why a review when the Government's own statistics in the budget indicate, Mr. Speaker, that labour legislation is working well? If my memory serves me correctly, and I quoted these particular statistics during the budget speech debate, we are third lowest in terms of time lost in this province, and I see no reason why a labour law review is necessary when the system is working well.

That is one of the reasons why I am very fearful of this labour law review that takes place after they fundamentally change an aspect of our labour law, of our Labour Relations Act.

It is logically inconsistent, and as I indicated earlier, the context with which it is introduced lends one to question the motivation of Members opposite for introducing this repeal of FOS at this time.

You repeal something in labour legislation, and then you study it. So typical of the workings of this Chamber, and unfortunately the workings of this particular Government. As I said earlier, why is a review necessary when the Government's own statistics in the budget indicates that labour relations are working well here? Certainly, in terms of time loss, that is the fact.

There is another particular reason, Mr. Speaker, why the true colours of this particular Government are showing through on this issue. Where is the demand for the review of labour law other than their ideological bent? Where is the need for a repeal of the change of labour law when you look at the statistics in the Government's own budget, which indicate time lost as a result of labour disputes is the third lowest in the country?

That is why Members on this side of the House are being vigilant, and are so concerned about the reactive way this Government deals with labour legislation and, of course, with the FOS provision. Their own statistics indicate we are third lowest in days lost, yet they call for a study of labour law. A

study after they have fundamentally changed one aspect of our labour legislation which has been working.

\* (1650)

The Government starts on the premise that somehow the system in this province was fair, and the introduction of FOS made it unfair. They say that FOS is divisive on the labour movement. I note that the Member for Lac du Bonnet (Mr. Praznik) in his speech was very concerned about the divisiveness of this particular aspect on the Manitoba Federation of Labour. That must be a first in this province, a first when the Member for Lac du Bonnet and Members on that side of the House are concerned about divisiveness of a particular issue on the Manitoba Federation of Labour.

The truth is, frankly, they really do not care. The truth is they are simply using that as a political tool, and as a political point, in order to try to change the view of their community and their constituents.

If they really cared about labour law, and if they really cared about working people in this province, they would give up the nonsense of a labour law review, deal with some of the real issues facing real people in this province, and they would certainly not proceed with a repeal of the FOS.

Mr. Speaker, the former Member for Churchill, in this Chamber, in his remarks in Hansard, which I had occasion to review, pointed out that meaningful debate on an issue like this, an issue dealing with labour relations, should be based on factual assessments, not rhetoric. At that time the Member discussed an article which he had reviewed entitled, Final Offer Selections: Two Canadian Case Studies and an American Digression. He cited some facts, and he indicated that, and I think with good sense, in labour relations we should deal with matters where we can on a factual basis. He indicated that this study concluded a number of very interesting things about the FOS experience, some of which he cited in his speech on that occasion, and some of which I am going to cite here today.

He indicated, firstly, that as a result of FOS, this academic study, this well-reasoned study, this totally accepted study indicated both parties have a chance to vote. It is far less intrusive than a lockout, where one party can arbitrarily lock out another party. Both parties have a chance to apply to FOS, and that is not only the experience in this particular

study, but that has been the experience of Manitoba. How more democratic can one get?

The second point made by the Member for Churchill, that was made in this particular study was it is not a winner take all. In fact, the FOS process is a win-win situation because, as I indicated earlier, each side puts out a realistic viewpoint; therefore, compromise is encouraged. Is that not something that is fundamental to labour negotiations and to the entire process?

I think this may be the most significant aspect, Mr. Speaker, of FOS. By virtue of its very nature, the possibility, the fact of an FOS settlement hanging over a decision focuses individuals' minds on the resolution of the particular dispute. Talks proceed with the possibility of an FOS settlement looming over them. The Member for Elmwood (Mr. Maloway) introduced statistics, and I will introduce statistics later on in my discussion in this regard.

Thirdly, the Member for Churchill indicated that this study indicated—and I think quite logically, both parties felt they had a greater measure of control through this process than did conventional arbitration. In other words, Mr. Speaker, they both felt they had a part to play. They both felt that they could participate in the process.

Are these not values we should be encouraging, not discouraging? Are these not benefits that all Members should be encouraging? This is FOS. This is not some airy, fairy principle. It is in fact the reality of FOS. We here in this province and FOS have an opportunity to encourage those values.

Labour relations is not an actuarial science. That is because human beings are involved in a varying degree on some very, very fundamental issues, when they are involved in labour disputes and in labour matters. Labour relations deal with so many bread-and-butter fundamental issues, that it is difficult to cite statistical evidence to adequately reflect what has happened in a labour dispute.

That is quite understandable, and is one of the reasons why emotion and argument play such a large part in labour matters. Because often the issues at stake or whether a person stays in this province or whether a person is able to put bread on the table or on the converse side, whether a company is going to be able to continue operations for another year.

Mr. Speaker, labour relations are not always a matter that can easily be discussed or dealt with

from a statistical basis. Yet I will cite statistics in this regard, because it is one component. It is striking how effective, when you look at the statistical analysis and the number of disputes that have taken place under FOS, how well the system has worked.

I want to indicate, as the Member for Elmwood (Mr. Maloway) indicated earlier, there have been 99 applications. Seven ultimately went to the final settlement, four on the side of the union, three on the side of the employer; and 74 parties reached agreement prior to the decision making having to take place. Those statistics—and I have other statistics which I am not going to cite, because they have already been cited in this House, the study done by the University of Manitoba and others, and I will not bore Members with statistics—indicate that the process actually is working.

Of those that finally went to resolution and finally had to be determined by the selector, in fact they were resolved surprisingly equally on one side and the other side, which runs contrary and runs in the face of arguments on the other side, that somehow this is a one-sided process, that this democratic process is somehow weighted in favour of one or the other.

I would also like to indicate that I have had occasion in fact on a personal basis to deal with disputes regarding FOS. The one factor that I can cite, and it is objective, is that the parties that I was dealing with in the FOS matter in my opinion reached a settlement on the matter and were negotiating far more effectively than they would have if FOS had not been looming ahead. It indicated to me that the process is working, and I will not bore Members opposite with statistics. I have already introduced a statistic, Mr. Speaker.

My experience, as I indicated to the Member for La Verendrye (Mr. Sveinson) earlier, both as someone who has been on the side of management and someone who has been on the side of labour, someone who has been involved in business, someone who has spent a good part of his life working like everyone else in this province, someone who has been involved in politics, in labour relations both on management side and on an employee side, indicates that this is a very, very useful process. FOS was designed to improve the climate of labour relations in this province, and I dare say that the statistics and the evidence clearly indicate solidly that in fact it has done so and it has worked in this regard.

Studies show, the statistics show, the objective and subjective evidence show that it works. The other aspect of it which I alluded to and made reference to earlier is the addition of the fact that there was a sunset clause included in this piece of legislation which should have allowed Members opposite to let it run its course and then deal with the matter, but, of course, as I indicated earlier, they reacted to their corporate friends. They knew they had to respond and they did so.

The repeal is required in fact by their large corporate friends, the same ones I might add that they have given tax breaks to in this particular budget. I will not draw conclusions. At least they are consistent; at least they are consistent, Mr. Speaker.

The Liberals I certainly do not understand, as I indicated earlier. I read speeches from the Member for St. James (Mr. Edwards) both prior to the last election and now post this election, and I do not understand what the Liberal position is, other than somehow that they are going to review it, which says nothing to me, because the statistics are there, there is a sunset provision there. They say they are going to do it, they call for study, but unfortunately, as a result of actions of this Government and as a result of the actions of the Liberal Party, labour relations in this province are going to suffer.

I fear, as the Member for Elmwood (Mr. Maloway) indicated earlier, that labour relations will suffer even more as a result of this generic labour review that is going to be undertaken, the labour review again that, I might add, is taking place after they have dealt with some labour relations.

In conclusion, I should indicate that, as I say, I am quite surprised and could not believe that the Member for Lac du Bonnet (Mr. Praznik) would introduce out of context statements of past leaders of this particular Party in his speech. If the Minister was truly inclined to believe what those Members stated—

**Mr. Speaker:** Order, please.

\* (1700)

The Honourable Member's time has expired. The hour being 5 p.m., time for Private Members' Business.

## PRIVATE MEMBERS' BUSINESS

### PROPOSED RESOLUTIONS

#### RES. 5—SCHOOL DIVISION BOUNDARY REVIEW

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, I move:

WHEREAS patterns of population distribution have compelled some Manitoba school divisions to close schools, while other divisions have embarked on new school construction, resulting in anomalies respecting facility utilization; and

WHEREAS there exist a number of inequities for ratepayers between school divisions, particularly with respect to the scope of education services offered by school divisions compared to special levies paid by division residents; and

WHEREAS there are benefits to be gained in the development of amalgamated and shared services among school divisions; and

WHEREAS until reciprocity arrangements between school divisions meet with greater success than has hereto been experienced, especially with respect to student out-of-division registrations, it would be desirable to determine if present school division boundaries are optimally located; and

WHEREAS the Manitoba Association of School Trustees and the Manitoba Teachers' Society have discussed the issue of school boundaries and have determined that a review of existing boundaries would be advantageous.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba call on the Minister of Education and Training to exercise his authority under Section 5(2) of The Public Schools Act and direct the Board of Reference to undertake a review of school boundaries in Manitoba; and

BE IT FURTHER RESOLVED that this Assembly request the Minister to instruct the Board of Reference to specifically review:

(a) the continuing worth of maintaining small school divisions;

(b) the number of Manitoba trustees consistent with good elector representation, economy and, if recommended, boundary adjustments;

(c) special levy and service equity; and

BE IT FURTHER RESOLVED that this Assembly also request the Minister to instruct the Board of

Reference to actively solicit public comment, as part of its required hearings, from interested citizens, the Manitoba Association of School Trustees, the Manitoba Teachers' Society, the Manitoba Association of School Business Officials, the Manitoba Association of School Superintendents, and individual school divisions.

That has been seconded by the Member for Crescentwood (Mr. Carr).

**Motion presented.**

**Mrs. Carstairs:** Mr. Speaker, it has been long overdue in terms of the re-evaluation and the study of school division boundaries in the Province of Manitoba, and I think the question has to be asked first, why? Why is the time now to conduct that review? Firstly, of course, it has been many years, almost two decades, since the last review of school division boundaries, and there have been many shifts in population since that time.

We have watched the shift from rural to urban population. We have also seen the shifts within the rural population itself. Certainly, within the City of Winnipeg, we have seen older areas with schools facing closure, with newer areas very hard pressed to open new schools. Frequently, because of arrangements between the province and individual school divisions, school construction has not taken place in adequate numbers to meet those burgeoning needs, particularly in subdivisions that are growing with great rapidity. In addition, the schools, since the last review of school division boundaries, have taken on functions not envisaged by school divisions at the time of the last review.

To give one very specific example, in the area of special needs, 20 years ago special needs students were not in our school system. If they were, they were of limited special needs. Some children who unfortunately 20 years ago were not even identified as learning disabled were indeed in the school system, but children who suffered from hearing disabilities tended to be isolated in schools for the hearing impaired and not mainstreamed, which has become the function today. We also know that children with quite substantial mental and physical handicaps, who are now mainstreamed in our schools, were not mainstreamed 20 years ago.

The question therefore comes, are the present division boundaries adequate to address the very serious needs of those children within the school system? The question that follows from that is, are

the school divisions able to meet that need, particularly in smaller divisions? The cost of having children of this nature, particularly those with multi and severe handicaps, within the school system can be extremely expensive. The problem therefore becomes, can the small division find its way to allow those children to function within the school division as easy as perhaps a larger school division?

That is not the only new social need which the school has had to absorb over the last 20 years. We now have a whole new variety of curriculum which we are asking the schools to teach, because we have discovered that is the most effective way of getting the information to our young people.

We know that for many children now in Grade 5 and Grade 6 smoking is a habit. In Grades 7 and 8 it is not unusual to find a child with a severe drinking habit. Pregnancies of 12-year-olds are not uncommon any more.

It is therefore imperative that our children be given the educational opportunities to learn how to protect themselves, how to make value decisions about whether they will smoke or whether they will not smoke, whether they will take drugs or whether they will not take drugs, whether they will engage in premarital sex or whether they will not. Those value decisions have to be discussed with our young people, and we have discovered that the most logical place for that kind of discussion to go on is within the classroom setting.

Unfortunately again, often our smaller school divisions are hampered. The larger school divisions find that because of their numbers they are able to hire experts. The smaller school divisions simply do not have the financial tax base in order to hire the expert in a particular field.

Another issue which unfortunately affects many of the relationships between school divisions is an unwillingness for many of the boards to work together, so there has been little sharing of programming. Each division feels that they have to be all things to all of the people that they serve in that division. Well, realistically, that is not possible. We have watched the proliferation of programs, sometimes in this city five or six programs when perhaps one or two would do, but one or two cannot do, because the children are not allowed to move back and forth between the divisions.

This Government chose, I think in its wisdom, to recognize last year the International Baccalaureate

Program, to remove it from pilot status, where it had existed for some seven years. That at least made it possible for students to get funded when they moved out of one school division into another division in order to take advantage of that particular program. While it maintained its pilot status, there were school divisions that simply would not accept that it was an acceptable program and therefore had to be funded.

The question is: Do we need five or six of those programs in the City of Winnipeg? I think that the answer is probably no, that there are probably not enough children who, No. 1, have the academic talent and, No. 2, want to spend the time and energy that is required by that program in order to make it work in every single division. The result is that in many of those schools, although they may start with 30 or 35 students in Grade 10, they often have graduation rates of eight or nine or 10 by the end of Grade 12. It is a very expensive program that we are offering in fact many of the children choose to drop out of it as they go through the program. For those children who remain in it, it is an extremely successful program.

\* (1710)

In my own family alone, I had one child who went all the way through it and one child who dropped out at the end of Grade 10 simply because, for her, it was not the best program. If she was going to ride her horse three hours a day, she simply did not have the time to put into the academic pursuit that was required by the International Baccalaureate Program. Therefore, if we are going to run a program like that, we have to be able to pull in the children who must most need that program and, if necessary, either allow them to cross boundaries or provide a manner by which we reduce the number of boundaries, and therefore, the students have those kinds of programs available in each particular subject area. But that is just one program for the gifted.

There are other programs for the gifted which we are offering in our school systems. Some of them are looking at advanced placement programs. Again, there has been the unwillingness to allow children to move from boundary to boundary. Some of the French Immersion Programs suffer from the same kind of experience. Children who could access easily a French Immersion Program in another school division are refused admission and yet, at the same time, are denied the opportunity.

There are many who would say that one of the major gains to be made out of reducing the number of school division boundaries would be the administrative cost savings that would be made. Well, no one has ever evaluated that, to my knowledge, in any significant way.

We know, for example, that Calgary and Edmonton, cities of a comparable size to the City of Winnipeg, function very well with two school divisions. By law, they have the public system, and they also have the separate school system. Interestingly enough, although the separate school system in Alberta is often considered to be the Catholic school system, in the city of Calgary, the Jewish school system happens to fall under the Catholic or the separate school division. So it is not strictly a Catholic school division any longer, but they do manage with administrative responsibilities of just two school divisions. In our city, and I repeat of comparable size, we have 11 school divisions, or 12 school divisions if one considers Seine River either a Winnipeg school division or a rural school division, and in fact, it is both.

If we look at the number of trustees, we are looking at many, many more than we presently have of City Council members. People say, 29 council members are far too many. Well, if 29 council members are far too many, perhaps they should rethink numbers well into the 70s as far as the school trustees are concerned, serving the same geographic area, but it is far too simplistic to say, here are the administrative costs in Calgary and here are the administrative costs in Winnipeg, therefore, we are going to save that money. What we must do is evaluate program for program. Only that way can we learn whether in fact there is going to be any administrative saving, but it is not administrative saving which should be the primary goal of any boundary review.

If monies can be saved on administration and passed on to programming, all well and good. If that means that more teachers are able to function at the same dollars within our school system and we can in fact provide better educational opportunities, then that is a valuable goal, but the primary goal of any review of school division boundaries should be, will this provide better educational opportunities for our children?

Now, there is not a great deal of disagreement, I do not think, between the Government and certainly the Liberal Party with respect to the need for school

boundary review. The only question remains, when should this school boundary review take place? The Minister of Education (Mr. Derkach), indeed the Premier (Mr. Filmon), have all indicated that it should take place some time within the mandate of this Government, but we need to, I think, seriously consider that it should begin very, very soon. The reason for that is, it is not going to be a short-term project, at least not if it is to have the magnitude which it should have in order to thoroughly investigate the school division boundary question.

There is going to have to be a task force which travels this province and elicits opinions from a great and broad variety of people. It is not just the Manitoba Association of School Trustees who should be interested in this. It is not just the Manitoba Teachers Society, it is not just the urban and rural municipalities, it is also parents and indeed it is also students who should take an active interest in this review in order to maximize its advantages in eliciting opinion and in establishing whether such a review, and what kind of new boundaries, would be envisaged by any group which conducted the investigation, in this case, the Board of Reference.

We are also going to have to arm the Board of Reference with a great deal of information that is not readily available in order to learn if indeed there are to be administrative savings. Then it is going to be necessary to examine how school division boundaries affect other provinces and what kind of programming they can offer by having fewer numbers of school divisions.

We also have to examine whether our school divisions, as presently drawn, are the right ones, or minor changes can be made. We must go into this without any preconceived ideas of whether small is beautiful or large is better. What we must go in with is an open mind to achieve for the young people of this province the best and most quality educational opportunity available to them that we can possibly provide. This is simply one avenue. The Minister has already moved in the direction of school finance review, which is also an integral part of providing better education. This is another step, and I urge the Government to proceed with it as quickly and as soon as possible.

**Hon. Leonard Derkach (Minister of Education and Training):** I would like to, first of all, acknowledge the Honourable Member for River Heights (Mrs. Carstairs) for presenting this

resolution today, and it is indeed a pleasure for me to rise and to be able to respond to this resolution.

I know that this subject is one which the Leader of the Third Party has taken some considerable interest in and one that she has made many public comments on over the past few months.

Indeed, this is a subject that has been talked about for some number of years, I must say, by a variety of people who are either involved in local municipal politics, school board politics, or even at the provincial political level.

The last review, as we all know, was done way back in 1959 under the Manitoba Royal Commission, and the last reorganization of a few of the boundaries within the province occurred in 1967. Since that point, Mr. Speaker, very little has happened with regard to school boundaries and changing school boundaries, and indeed society has changed significantly since that point.

The population of this province, we have all acknowledged, has become increasingly concentrated in Winnipeg, and our rural areas have experienced significant depopulation. Indeed, in the rural areas, there has also been a shift of community interests as some of our very tiny communities have faded away and populations have moved into some of the growth centers, so communities of interest have changed over the last 20 or 30 years. Therefore, there is indeed a need to take a look at how we serve the needs of the students that are out there both in rural and urban Manitoba.

I think we have acknowledged the fact that there are divisions out there which are having difficulty in trying to provide the kinds of services that our students require. I can relate back to some of the school divisions that I know fairly well and indicate, although at one time there may have been an east-west connection in a particular division, that now has changed to a north-south kind of traffic area. Therefore, it makes it very awkward for school divisions to try and provide the kind of educational service that is needed.

\* (1720)

In some instances, school divisions have expressed that it would be easier, probably more effective and more efficient costwise, and they could probably provide a better service if they could be attached to another school division.

For that reason, Mr. Speaker, last year, I brought together the municipal organizations, The Manitoba

Association of Urban Municipalities and also the rural municipalities, along with the superintendents' association, the trustees' association and the teachers' association to try and get some discussion going with regard to perhaps the interest and support that might be out there in terms of looking at school boundaries and perhaps getting some input into the way that we might begin to address this particular challenge.

I have to say that I was not at all impressed with the amount of support that was coming forth, because it seemed that there was some considerable apprehension on some of the groups' parts to support this wholeheartedly. I can understand some of the reservation. For example, superintendents are very nervous about a boundaries review, because that signals that there may be fewer school divisions and it may signal the fact that some superintendents would then wind up without positions that they can work at. In the minds of municipalities and in the minds of school divisions, some are indeed afraid that because of the small population within their areas they may lose a school division and may become a part of another school division.

I think that when we approach this whole question of school boundaries review we have to be careful that we approach it with the right attitude, with one which says that we need to look at the services that we provide for our students. The Leader of the Third Party (Mrs. Carstairs) brought a very good point forward in her address a moment ago when she said that in the whole area of trying to provide services we sometimes allow school boundaries to become barriers and do not allow students to cross those boundaries and we do not allow the funding to go with the students.

In the High School Review, the Strategies for Success, we address that very issue where we assure students that they will be allowed to cross boundaries, and that indeed funding will be allowed to follow with the student so that students can get the appropriate kind of education without incurring great expense, or without having that expense sort of foisted on the province.

So there is need for revision, not perhaps only in boundaries, but perhaps we have to take a look at the whole question of governance and how the school divisions can co-operate among each other to provide a better form of education for the people within their jurisdictions. It is true, we have to keep

in mind that we must provide the best possible educational opportunities that we possibly can in this province for our students, and for adults as well. For that reason we should not approach school boundaries review with a preconceived idea that we are going to amalgamate a lot of school divisions and make fewer school divisions, bigger school divisions, and that way we will be more efficient. In some areas that in fact may be necessary in order to provide services in a better way.

I think that we have to take a look at the geographic areas and see whether or not it is at all practical to extend school division boundaries to such an extent where students are not going to be able to attend school in a practical way. I can use an example here where I know in some parts of this province students are getting on a school bus at 7:30 in the morning or earlier and are arriving at school at just a few minutes to nine. When they leave school, at this time of the year, they are leaving school at twenty to four or quarter to four, and they are not returning home till it is dark. Mr. Speaker, we have to ask ourselves whether that is the best approach to education as well, if indeed our objective is going to be to simply enlarge the school division boundaries that we have in this province. I do not think that is what I heard from the Leader of the Third Party. Indeed, I think, she was saying that we need to address it in a practical way.

The teachers association, yes, they are supportive of a school boundaries review, and I think they have made that expression public in that they believe it is time for a school boundaries review. The trustees association is a little more cautious about approaching this question right at this time. A couple of years ago I know they were not in favour of it, but indeed they are coming to realize that it is time to deal with this question soon.

I agree with the principle that you cannot rush a process like this, and that there must be meaningful input by all parties that indeed have something to say about education. Yes, the trustees, the teachers, the superintendents, we need to hear from the municipal councils to ensure that they have adequate input. I think it also is important that we hear from the people who send their children to these institutions and those are the parents of the children of these schools. So it is a process that will have to take a considerable amount of time, and a lot of thought will have to go into it. I think we also have to keep in mind that the urban structure is

much different. The question has to be addressed in a much different way than it does in our greater Manitoba setting if you like because the demographics are changing.

So, Mr. Speaker, yes, I am glad that we have addressed the question with the officials of municipalities and the trustees. More dialogue is required, and that will come. It is for that reason that I am not opposed to this resolution, but I would like to propose an amendment to it.

The amendment reads thus:

THAT the resolution be amended by striking all the words after "THEREFORE BE IT RESOLVED" and replacing them with the following:

"... that the Legislative Assembly of Manitoba do congratulate the Government of Manitoba for its foresight into looking at the issue of school division boundary review; and

BE IT FURTHER RESOLVED that any review of school boundary divisions that may take place will study all vital issues associated with such a review; and

BE IT FURTHER RESOLVED that this assembly do congratulate this Government for its co-operation with interested citizens, the Manitoba Association of School Trustees, the Manitoba Teachers' Society, the Manitoba Association of School Business Officials, the Manitoba Association of School Superintendents, and individual school divisions".

### Point of Order

**Mr. Kevin Lamoureux (Inkster):** This is the first that I have heard of the particular proposed amendment. In what I understand and what I heard, it seemed to change the intent of the resolution.

**Mr. Speaker:** Order, please. I will decide that now.

On the point of order raised by the Honourable Member for Inkster, Beauchesne's Citation 567: The object of an amendment may be either to modify a question in such a way as to increase its acceptability or to present to the House a different proposition as an alternative to the original question.

Therefore, the Honourable Member did not have a point of order. I am satisfied that the amendment falls within the normal practices of this House respecting the relevancy of amendments in private Members' hour and complies with the commonly referred to Beauchesne's citations respecting amendments.

\* \* \*

\* (1730)

**Mr. Speaker:** It was moved by the Honourable Member of Education (Mr. Derkach), seconded by the Honourable Minister of Highways and Transportation (Mr. Driedger),

THAT the resolution be amended by striking all the words after "THEREFORE BE IT RESOLVED" and replacing them with the following:

"... that the Legislative Assembly of Manitoba do congratulate the Government of Manitoba for its foresight into looking at the issue of school division boundary review; and

BE IT FURTHER RESOLVED that any review of school boundary divisions that may take place will study all vital issues associated with such a review; and

BE IT FURTHER RESOLVED that this assembly do congratulate this Government for its co-operation with interested citizens, the Manitoba Association of School Trustees, the Manitoba Teachers' Society, the Manitoba Association of School Business Officials, the Manitoba Association of School Superintendents, and individual school divisions".

**Mr. Dave Chomlak (Kildonan):** Mr. Speaker, I have not had an opportunity to see the amended version of the resolution, so my comments will be largely generic. Not only had I not seen the contents of the amended resolution, but I do not see how the Minister's comments necessarily dealt with those aspects of the amended resolution, because I did not pick up a lot of points in his comments—and I could be wrong—that dealt with what the Government has done in this area in the past few years. So I am not sure why we would be commending the Government for its approach insofar as he did not make a lot of comments indicating what they had done.

In any event, Mr. Speaker, I do have some general comments that we on this side of this House would like to add to this debate.

In some respects this resolution is—and I will use this word—a motherhood issue, and logic dictates that at the very least a review must be undertaken.

As I understand it in terms of the statistics, Mr. Speaker, enrollment in this province peaked somewhere around the year 1972. As I understand it, between 1972 to 1990, of the 53 jurisdictions, school divisions in operation, one-half have

experienced enrollment declines of 25 percent or more.

The reality in terms of the demographics is that there is no further baby boom coming and Manitobans—presently 195,000 students enrolled in the public system is down from the high of almost 20 years ago of 230,000. Clearly the demographics have changed and, as I indicated, the result is that some school divisions are experiencing declines in enrollment of 25 percent, 30 percent and 50 percent in various areas.

As well, Mr. Speaker, many school divisions have not kept up and have been unable to keep up with the changes in demographics and with the changes in the system. It is not only in the rural areas that changes have been experienced, but as well in the suburban areas and in the areas of the inner city there has been profound changes in the demographics, in the switches. In some areas of the city we are experiencing situations where there is not apparently enough schools being built, while in other areas there is an oversupply of schools, and that is only the reality of changes.

I should tell you, Mr. Speaker, that this process actually began—has not begun today, it began I guess fundamentally 20 years ago when the enrollments did start to decline when the province changed significantly.

I should now note for the record, that I now have a copy of the amended resolution provided, and I thank the Minister for that.

Of course, as the Member for River Heights (Mrs. Carstairs) indicated, there has been a change in demands in the school system, in the needs and requirements of the education system, so logic dictates that it makes no sense for us not to consider a review of the school boundaries.

Logic dictates, Mr. Speaker, that it makes no sense that some kids in rural Manitoba who are 12 miles from a high school have to go much further away as a result of boundaries that have been drawn a long time ago. In the city there are some school divisions which have far more students than their counterparts in other areas of the city, that is the City of Winnipeg. We are in a situation where MTS, MAST and most of the organizations have called for a review, and as I indicated several times in my comments, logic dictates that such a review take place.

Clearly the fundamental issue in this that requires the attention of all of us in this House and the attention of all individuals involved in such a review is the question of access, access of the kids, Mr. Speaker. There is no reason why a child in Duck Mountain or Evergreen should not have the same access to quality education as a child in the city, nor is there any reason why a child in the city should not have access at the same cost to a particular program in a school division than another child in the city. The decision on boundaries should and must be based on—to use a term that we often use in the legal profession—what is best for the child.

My only concern about a boundary review, Mr. Speaker, and a concern expressed by us on this side of the House, is that it might be sold as solely a cost-saving or somehow a cost-cutting measure that this is being done to save money. While we have no objection to saving money, and clearly it is a concern in this area, I do not see how necessarily rationalized school boundaries will save money and will somehow result in a reduction of the presently very high ESL.

We just add our caution in this regard, Mr. Speaker, because there is some concern, and there is some expectation in the public I believe, that somehow a review of the boundaries will result in a saving to the local taxpayer. Studies, I believe, do not indicate that is necessarily the case. Also logic would dictate that is not the case. If that was the case we would have saved a good deal of money from the proliferation of school borders and boundaries that were existent in the province before the last study that took place.

We on this side of the House fundamentally believe that the overriding factor and the overriding consideration in any review of school boundaries must be what is in the best interest of the children in this province, and keeping in mind always the overriding consideration of access to education throughout the province, Mr. Speaker.

We would also like to add to some of the concerns expressed by the Member for River Heights (Mrs. Carstairs) and the comments of the Minister some of our suggestions with respect to this particular review. First, as I indicated earlier, this process must be part of a larger process. It must tie in, Mr. Speaker, to the review being undertaken by the Department of Education with respect to education finance. I have on many occasions advanced our position to the Minister that it must be part of an

overall strategic plan and direction taking place in this province if it is to be effective.

Secondly, clearly in the process we must consider the ultimate resolution of the French governance question, Mr. Speaker, and the ultimate resolution of the Gallant Commission. That cannot be lost in the context of this boundary review and how it will play in this particular area.

Thirdly, we must come to grips—and we may as well use this as an opportunity perhaps with our aboriginal people and how they fit into the education system and how will they participate in the education system given their geographic location throughout the province. We ask that somehow in the context of a review that this matter be considered.

\* (1740)

Fourthly, we must consider the changes and special needs, and not just special needs that we are familiar with, but the needs of all children in the system, not just those who are categorized as special needs, but those who perhaps require assistance in terms of English as a second language, those requiring assistance from other social services agencies. Perhaps in the context of our overall review we should consider the overall input, the overall benefit that we as a society are providing to children and tying in the whole question of education which cannot be isolated from the question of whether a child is adequately cared for, and whether other social concerns are dealt with. In the context of this review, we must keep this in mind because that is part of reality in the 1990.

Fifthly, Mr. Speaker, we must consider undoubtedly the question of representation and the effect that any kind of change will have. As the Minister indicated, it does not necessarily mean there will be less, but one must speculate that is the probable result. We must consider the effect of representation and the input of the local community on any change and how local groups, local citizens and parents, in particular, who are after all clearly the second most important individuals involved in this system, how they can have input into this system, and how they can feel that they are participating in the system.

Finally, Mr. Speaker, in the overall review we must consider the question of what is the structure required to deal with the education needs of our children in the next century because clearly all of this has to be geared toward where we see

ourselves as a society in the next 20 or 25 years. How we want our children to be educated is probably the most fundamental question that we as legislators have in this House.

In the context of all of those suggestions, Mr. Speaker, and in light of my earlier comments, that is the position of this Party on this particular resolution. Thank you, Mr. Speaker.

**Mr. Lamoureux:** Mr. Speaker, the Minister of Education (Mr. Derkach) was just over trying to convince me to support this particular amendment. I must say from the onset, I have a bit of a tough time trying to understand why it is that I should congratulate this Government on something that it really has not done. Its intentions are quite clear by the actions that it takes, and the actions have been very lacking when it comes to the whole question of reviewing our school boards and school divisions and so forth.

The biggest word that I take exception to in the amendment is the word "may." This is of course the hook that the Government is using to get out of once again having any action or taking any action. Next to the word "may," I have a tough time handling the word "congratulate" this particular Government. Mr. Speaker, this Government should not be congratulated on its performance when it comes to school divisions and reforming our educational system.

We all know very well the importance and the need to have our educational system looked at and to come up with some positive ideas that will ensure that the school divisions will be brought in tune into the '90s.

The Leader of the Liberal Party (Mrs. Carstairs) in her opening remarks made reference to, it has been 20 years since we have had the last change in our school divisions and many things have changed. She had alluded to quite a few of those changes.

I wanted to bring the question more so on my own constituency. Mr. Speaker, we have had a considerable number of problems in my constituency when it comes to schools. The root of the problem has really been the school division versus the school board versus urban or suburban growth. I believe that this is primarily the reason why we need to have the reform or the reason why we are requesting that some action be taken now.

If we take a look at different areas, whether it is in my area or in areas in rural Manitoba, you will find

out in fact that what was good 20 years ago is not good and is not doing the job it could be doing today, into the '90s.

Mr. Speaker, I have brought up on numerous occasions some of the problems that I have encountered. One of the original comments that I had regarding the school divisions was, in fact, a student who lived very close to one school but lived outside of the school division in the Brooklands area, because they lived so close to the school that they would have liked to have gone to, they were unable to because they lived outside of that school division.

That seems to me not to be the most efficient way of providing education to our children, because in some senses we can have a relatively underutilized school in one school division, while at the same time have capacity, or schools that are over capacity in another school division, but because of the division line that you are not able to solve the two problems which could be very easily resolved, Mr. Speaker.

In fact we had some type of reform, and the resolution makes reference to having public hearings, and the public hearing is crucial. It is most important. We have seen what type of results we had on the Meech Lake when we went to the public, and I do not think we can underestimate the knowledge that is out there in Manitoba that want to be able to contribute to reforming our educational system.

I visited one of my constituent's home who had a rather, some would say, radical position when it comes to reforming our school boards. His suggestion was that we do not need to have more than one school division and that this one school division, Mr. Speaker, would be elected separately from your municipal elections. That in fact you would have one central point in which elections would be called for that day and those that are interested in our educational system or in the school board would in fact attend. For example, you could have it at the Convention Centre, or arena, or something to this effect. He went further to say that the board members should not receive a salary. I have had some constituents of mine that were quite content to have 10 school divisions or 11 school divisions in the City of Winnipeg and went on to say that the current system that we currently have is in fact meeting our needs.

What I am trying to say is the fact that there are a wide range of opinions that are out there, and I have always argued that the greatest resource any elected official has is the constituents that they represent, because that is really where you have the mind power and the ability to be able to tap into expertise that we as individuals or even as a caucus because your own research departments are somewhat limited that we need to tap into. I have always encouraged elected officials to do just that, to stay in touch with their constituents so that they find out what their constituents are thinking and what they feel is in their or our best interest overall.

Mr. Speaker, between the two extremes, I believe that there is a compromise. Before we can achieve that compromise what we need is a commitment from this Government, the Government of the Day, to go out there and solicit that opinion. That commitment has not been there. We have seen the commitment in terms of City Hall. They felt that was a popular enough issue back two years ago in which they thought, well, if they reduce it down to 23—and where they got the number of 23, I have absolutely no idea, but they felt the issue was a popular one. So they were willing to do that.

\* (1750)

Mr. Speaker, I would suggest to the Government that this issue too, education or reforming our educational system, is just as popular as reforming our City Hall. I would be willing to take any Member of the Government to a town hall or public forum to argue that point in terms of the need to have real educational reform starting right from the school board to the Department of Education, to what is being taught in terms of the curriculum. I do not think we need to have any boundaries, that we should be going into public meetings very open-mindedly.

We have seen in the past where, whether it is committee meetings where the two extreme Parties, the New Democrats and the Conservatives, have already made up their mind in terms of what approach they are going to be taking, to some degree that has really put a damper on many people who would have normally made a presentation and hoped that it would make a change or it could possibly change their minds.

I think it is important that when we do go into public hearings on educational reform, and I feel confident that we will go into public meetings, because I am sure that this resolution is an issue that the Liberal

Party will not let rest, that it has to be addressed and we will continue to fight for it to be addressed.

We have pointed out in the resolution, and I was pleased to hear that the Minister of Education (Mr. Derkach) has in fact been consulting with different organizations, and the amendment has referred to a few of those organizations but, Mr. Speaker, as he himself pointed out in his remarks, these people have an apparent conflict of interest or a bias in terms of how they would like to see the reform take place.

That is all the more reason why I believe that this Government should make a stronger commitment, and I do not see that stronger commitment being made in the resolution or the amendment that the Minister of Education brought forward today in terms of bringing it on the top of the agenda or making it a high priority. When you read through the amendment, one could be of the opinion that this could be priority No. 101 with this Government. They have not said what type of a priority. Is it going to be in the next Session, in their third Session? When can we expect to see real reform brought in in the throne speech?

If the Minister of Education (Mr. Derkach) is unable to convince the Premier (Mr. Filmon) or his Government to include it in their agenda, I would be interested in knowing what his personal agenda is. After all, the acting Minister of Culture and Heritage came forward with his personal opinion. I would be interested in knowing what the Minister of Education's personal opinion is on the importance of reforming our educational system. That is really lacking in the amendment.

There is no indication, and in that sense, Mr. Speaker, I have to ask why it is that he would move an amendment of that nature when he had an opportunity to vote on a resolution that would have at least allowed the Opposition Parties to judge in terms of what type of priority his Government is giving to reforming our school boards and our school divisions in the Province of Manitoba?

Mr. Speaker, I look at Winnipeg School Division No. 1. We have over 33,000 students, from what I understand. We look at other school divisions that have less than 3,000 students, and that is all in the City of Winnipeg. You have to ask how it is that these school divisions can have so many inequities, because there are more demands on some school divisions than there are on other school divisions.

Yet we are electing presently a school board that really has to operate on a part-time basis, much like City Council. I believe, as a result of the current system we now have, that we have many problems in our educational system that would not be here today if we would have had reform a number of years ago.

Again I would cite some of the issues that I have raised with the Minister of Education (Mr. Derkach), through my grievances, through Estimates, through Question Period, in respect to overcrowding of the schools in my area, while at the same time we have schools that are well below capacity that are being closed down.

The main reason for that, Mr. Speaker, is that there is no overall plan. This is really what has led to the problems in my constituency. Now we are in a situation where if we do not start acting fast we are going to be in a serious crisis.

That is why I believe that the Minister of Education does have a responsibility overall in the Province of Manitoba to ensure that the educational facilities are there.

We have seen the Minister of Education (Mr. Derkach) make policy decisions, even though he denies that it is in fact him that is making the policy decisions, because we see that we have requests from the school divisions that are turned down through the Public Schools Finance Board, which is created from the Minister of Education.

At times of convenience the Minister of Education will say that he has nothing to do with it. Then, at other times, it is quite apparent that the Minister of Education, through the Public Schools Finance Board, has a lot to do with it, because ultimately if the Public Schools Finance Board says, no to the funds, they are, in fact, dictating policy.

This is one of the reasons why it is crucial that we do have overall reform our educational system.

**Mr. Speaker:** The Honourable Member's time has expired.

**Mr. Nell Gaudry (St. Boniface):** Mr. Speaker, I have not had a chance to look over the amendment that was proposed by the Minister of Education, but it gives me a great pleasure -(interjection)-

**Mr. Speaker:** Order, please.

**Mr. Gaudry:** No, it is the words—when he read his amendment and said he had to congratulate the Government.

**An Honourable Member:** Congratulate for what?

**Mr. Gaudry:** Exactly. That is what I was going to say. That is the reason. Otherwise, I would not have spoken. Today I got up once and again also, and I was going to congratulate the Minister. I did to a certain point for what he had done, but you cannot always congratulate because they do not do their job properly. A Tory is a Tory, like they say.

Speaking on school division boundaries, I think it is very important. I think it has been mentioned before. It is over 20 years that there has not been a review, long overdue.

I can speak, for example, in my constituency, in St. Boniface. The Norwood School Division, where there has been a decline -(interjection)- I know he is good at doing that because the Leader of the Opposition is confused anyway, but that is beside the point. -(interjection)- I know we have a good

councillor in there right now. We always had, and we will continue to have a good councillor.

Like I was saying, in my constituency, St. Boniface, the Norwood School Division has had a decline and should be looked at. We have had to close a school, for example, the King George School that closed a couple years ago and the students who have gone to different school -(interjection)- Pardon? No, they would not do that. Maybe they came from your constituency. -(interjection)- Well, I think the Leader of the Opposition is doing the same thing also, but that is okay. I am not concerned. I will continue—

**Mr. Speaker:** Order, please. When this matter is again before the House, the Honourable Member will have 13 minutes remaining.

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

# Legislative Assembly of Manitoba

Wednesday, November 21, 1990

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