



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

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**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

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39-40 Elizabeth II

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

**Members, Constituencies and Political Affiliation**

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NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHEEMA, Guizar	The Maples	Liberal
CHOMIAK, Dave	Kildonan	NDP
CONNERY, Edward	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, Clif	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, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack	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, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary, Hon.	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	NDP
WOWCHUK, Rosann	Swan River	NDP

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 18, 1992

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**Mrs. Louise Dacquay (Chairperson of Committees):** Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report progress 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 gallery, where we have with us this afternoon from the Tyndall Park School twenty-four Grade 4 students. They are under the direction of Mr. Colin Stark. This school is located in the constituency of the honourable member for Inkster (Mr. Lamoureux).

On behalf of all honourable members, I would like to welcome you here this afternoon.

### ORAL QUESTION PERIOD

#### North American Free Trade Agreement Impact on Supply Management

**Mr. Gary Doer (Leader of the Opposition):** On Tuesday night, Gordon Richie, the former negotiator for free trade, acknowledged that there were risks involved for Canada in dealing with textiles and the supply management system of Canada, Mr. Speaker, in terms of the proposals for a free trade agreement with Canada, U.S.A. and Mexico.

Yesterday, thankfully, the minister admitted that the proposals that were before the three governments were detrimental to workers and businesses in Manitoba because of the transformation programs and proposals on the

table. He said yesterday in the House that he opposed, and the government opposed, the proposals that were before the governments of Canada, United States and Mexico. We have since had concurrence on that issue from business, labour and others that this is indeed a risk.

Mr. Richie's comments included another risk and that is supply management. I would like to ask the Premier (Mr. Filmon): Are they in favour or opposed to the supply management sections contained within the Canada-U.S.A.-Mexico trade proposals? Do they concur with Mr. Richie that we are indeed at risk in these areas as well?

\* (1335)

**Hon. Eric Stefanson (Minister of Industry, Trade and Tourism):** Our position is consistent, as it is with the GATT negotiations where we are supporting the inclusion of provisions for supply management. We are supporting at the federal level the strengthening and clarification of Article 11, which is the Canadian position, as part of the GATT discussions.

We have the same position with the federal government in terms of agriculture. I did allude yesterday that agriculture is another area of concern within the negotiations, but the Canada position, I believe, is consistent with our position in GATT and that is part of the negotiations that are currently taking place. There is no agreement in that area, I understand, of agriculture.

Our position is supportive of supply management. We have conveyed that again at Trade ministers' meetings and in writing to the federal government. I believe that is their position, remains their position, but it is an issue that is still part of ongoing discussion and debate in the formulation of a final agreement between the three countries, Mr. Speaker.

**Mr. Doer:** Mr. Speaker, this is another very, very major industry in Manitoba. Sixteen hundred people work in the supply management area of our province. It is close to a half-a-billion-dollar industry in this province. It is the second industry that is

potentially negatively affected by the proposals, and I am glad to hear the minister admit that.

I would like to ask the minister: Will he share with us, with the people of Manitoba and with the people of this province, the specific impacts of the supply management proposals that he now is opposing in the Canada-U.S.A. Free Trade Agreement with Mexico? Will he share with us the response he has made to the federal government, the potential risk that this proposal has and the impact on Manitoba industry and Manitoba people impacted by the supply management side of these negotiations?

**Mr. Stefanson:** Mr. Speaker, it is a difficult issue to quantify in terms of the impact because every time you make a different assumption, it produces a different result. The major source of our position on this issue is the industry itself and the negotiations that we have had with the industry and with the supply management sector.

We do support the inclusion of protection for supply management. One suggestion that has been made is not to change the Canada-U.S. agreement as it relates to supply management and to have a separate bilateral agreement between Canada and Mexico that can still provide protection and different market access provisions and so on, but it is a position that we do support.

We support the supply management sector of our economy. The Canadian government is publicly supporting that. They are supporting it at GATT, and they are supporting it at these negotiations. We will continue to do so, Mr. Speaker.

**Mr. Doer:** Mr. Speaker, I would ask the minister to share with the House and with the people of Manitoba the specifics of the question we raised with him. Let us all join in together on the negative impacts and the risks for Manitoba families, Manitoba workers, and Manitoba farmers of these various proposals, so that we can have a public response, not just a technical response to these issues that affect us very dramatically.

Today, Mr. Speaker, a natural resources defence council in the United States, made up of 16 environmental organizations, including the Sierra Club and other prominent organizations in the United States, has stated that the deal and their review of the deal does not provide enough safeguards for the environment.

Given that this was a condition of this government in their discussions and involvement in the free trade

negotiations with the Canadian government, will the minister responsible for these negotiations share with Manitobans, the people of this province, our concerns about the environment and the impact on our environment with the Canada-U.S.A.-Mexico negotiations and proposals?

**Mr. Stefanson:** Mr. Speaker, just in terms of the honourable member's preamble on agriculture, another major source of information, as I believe I mentioned yesterday, I think there are 15 sectoral advisory groups. One of them is agriculture. It is chaired, I believe, by a Manitoban, Mr. Vaags, and their position is consistent with the position that Canada and Manitoba are taking in GATT in terms of protection for supply management.

In terms of the area of environment, the honourable Leader of the Opposition knows that this is one of our six conditions, in large part because of the fact that provinces like Manitoba have continued to press on the issue of the environment.

Discussions are ongoing right now in terms of provisions for protection of the environment. That will ultimately form either part of a final agreement or part of a parallel agreement. It remains to be seen what is in all aspects of that. Negotiations are ongoing. We are continuing to press the federal government on the importance of the protection of the environment, the importance of not decreasing standards in any way, that this is unacceptable, that provisions have to provide for bringing everything up to the highest common denominator, the standards that are currently in place in Canada.

We will continue to be a part of the discussions at the federal level in terms of ensuring that this condition, which is one of our six conditions, is in fact met before we would support any final agreement.

\* (1340)

### **Mental Health Care Facilities Bed Closures**

**Ms. Judy Wasylycia-Lels (St. Johns):** I would like today to ask the Premier to intervene in the Minister of Health's (Mr. Orchard) health care reform plans or lack thereof.

Increasingly, we are concerned about lack of planning and indeed disjointed bed-cutting proposals, particularly in the field of psychiatry. Last week, we raised the issues of a St. Boniface proposal for 24 beds, then at least 17 beds at Health

Sciences Centre. Now we have learned that there is a proposal for a bed cut of five beds at Victoria, and nurses at Seven Oaks General Hospital have told us that the board may be meeting this evening to discuss a proposal to eliminate 20 beds or the entire psychiatric unit at this hospital.

I would like the Premier to give us some assurances that he will involve himself in this growing mess and assure us that no beds will be cut without the necessary planning, co-ordination and community alternatives in place.

**Hon. Gary Filmon (Premier):** Mr. Speaker, I believe that those assurances were given at the time that the minister unveiled his health reform plan. I will take any other specifics of that question as notice on behalf of the minister.

**Ms. Wasylycia-Lels:** That is the problem, Mr. Speaker. There is a big contradiction between the minister's stated objectives and what is actually happening.

I want to ask the Premier, since we are talking now about 30 percent of all psychiatric beds on the table to be cut, will he give us assurances that the objectives of the stated health care plan, the replacement of acute care psychiatric beds, will not occur until any array of community oriented services are in place? Can he give us those assurances and give some assurances to boards that are meeting as early as this evening to discuss cost-cutting measures?

**Mr. Filmon:** Mr. Speaker, I can assure the member for St. Johns that the information that is contained within that report represents the policy of the minister and this government.

**Ms. Wasylycia-Lels:** I want to ask the Premier again to get involved because he knows that his Minister of Health brought forward a report from the Urban Hospital Council recommending only beds at Misericordia be cut.

**Mr. Speaker:** Order, please. Kindly put your question now, please.

**Ms. Wasylycia-Lels:** I want to ask him if he can explain to us, why is almost 30 percent of psychiatric beds on the table for cutting, and will he give us some assurances that there will be a planned approach to mental health care reform?

**Mr. Filmon:** Yes, Mr. Speaker.

### **Port of Churchill Shipment Statistics**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** My question is to the Minister of Highways and Transportation.

Mr. Speaker, can the Minister of Highways and Transportation give us an update on the activity of the Port of Churchill for the summer of 1992?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, I have no good news at the present time regarding grain movement through the Port of Churchill. We are continuing our efforts in terms of trying to see whether we can get grain to be designated to move through the Port of Churchill.

Not only myself and my colleagues, but the Premier (Mr. Filmon) himself has taken a very active part in terms of trying to promote activity and for the Wheat Board to ship grain through the Port of Churchill. At the present time, we have no commitment to that extent.

### **Future Status**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** But, in fact, there appears to be some very bad news. The Port of Churchill manager from Ottawa visited the port yesterday and according to our sources, informed staff at the Port of Churchill that the Wheat Board had informed them that there would be no grain for the Port of Churchill this summer and that they were slating to close the port down by the end of July of 1992.

He went on to state that the provincial government had been informed of this. Will the Minister of Highways and Transportation now tell us exactly what they have been informed of by the manager of the Port of Churchill?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, I cannot confirm that this kind of statement has been made or that it has come forward to my office.

I want to indicate that the last time that I had direct dialogue with the federal Minister of Transport, Mr. Corbeil, as well as the junior Minister of Transport, Shirley Martin, they gave the undertaking that the port would be open this year, it would be ready for grain, that they were amassing information and figures and that before any decision was made regarding the future of Churchill, we would be able

to communicate and we would be able to consult with them.

I am waiting for that information and invitation from the federal government to see whether we can get into that debate.

\* (1345)

**Mrs. Carstairs:** But the information we received was that the Port of Churchill is "broke," will not be able to meet its payroll, and that the port will therefore have to be closed by July of 1992.

Will the Minister of Highways and Transportation immediately make contact with his counterpart in the federal government in order to inform us as soon as possible as to exactly what the events are to be faced by those people who find employment with the Port of Churchill?

**Mr. Driedger:** Yes, Mr. Speaker, I am prepared to do that.

I also want to indicate that the latest information that I had was that the port lost \$2.9 million last year because of a lack of grain movement through there which need not have been the case, and had we gotten the requested amount, anywhere from 600,000 tonnes per year up, there would have been no losses for the port.

It is my understanding that this year, in order to open the port, there was going to be money allocated from other ports. I think that is justifiably so because they did not move enough grain through there, that there would be money to operate the port for this year. However, based on the information that the member has brought forward, I am prepared to follow that up, to try and get all the information I can and report back to the House.

### Law Enforcement Review Agency Civilian Participation

**Mr. Dave Chomlak (Kildonan):** Mr. Speaker, my question is for the Minister of Justice.

Mr. Speaker, LERA is basically a civilian-oriented body that hears complaints about police difficulties. Most jurisdictions are moving toward civilian bodies, over 30 American jurisdictions and many Canadian jurisdictions, yet the Province of Manitoba in legislation now is moving in exactly the opposite direction to have the complaints heard by judges, not by a civilian body.

Will the minister reconsider the decision to move from a civilian body to judges on the amendments regarding LERA?

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Speaker, I believe judges are civilians. I believe judges are trained in dispute resolution. I believe they are also trained in interpreting the law. They are also trained in weighing evidence, applying the appropriate tests to decide, on the evidence, the facts of a particular case.

In that sense, as the honourable member says, others are moving in some other direction. You could turn that around I suppose and say that Manitoba is the leader in the sense that we are asking judges to adjudicate these extremely important matters.

It is important to the public, I believe, that there be a strong perception that there is fairness involved in these proceedings. I do not speak poorly in any sense of the word about civilian participation, but there is nothing wrong at all and everything right, I suggest, with the people who are trained in the law, like judges, to adjudicate these matters.

**Mr. Chomlak:** Mr. Speaker, my supplementary to the minister is: Is the minister not concerned that the public may feel left out of the process, in light of the many, many difficulties we have had in the city of Winnipeg and in the province recently?

Is the minister not concerned that the public may be left out of the process at a time when the public should be more involved?

**Mr. McCrae:** Every time something questionable comes up, we are asked by honourable members opposite to bring the public into this, to make sure the public knows that what is going on is right. Call a public inquiry. Get a judge or somebody legally trained to weigh matters on one side and the other so that the public perception can be that things are being handled fairly.

I think the bill that is before the House responds to that, that not only should justice be done but justice ought to be seen to be done as well. I believe that everything we are doing comes right under that general principle.

**Mr. Chomlak:** Mr. Speaker, my final supplementary to the same minister is: Can the minister confirm that he has received a letter from the City of Winnipeg, and specifically from the

mayor, requesting that the province put this decision on hold until they have had consultation with the City of Winnipeg which is most affected, in the person of the City of Winnipeg Police Department, by this decision?

\* (1350)

**Mr. McCrae:** Yes, I have received that letter from His Worship, the Mayor of the City of Winnipeg, and consultations have been held with police authorities in this province—[interjection]

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

**Mr. McCrae:** Consultations have indeed been had with law enforcement authorities in this province. I am not sure what it is that is the concern with respect to this legislation, but as the honourable member knows, there are changes in the evidentiary rules as well.

In the past, the perception has been that the evidentiary rules have been weighed against the public in their approaches to LERA and in the hearing of matters before LERA. We believe that the test of the balance of probabilities is a better test when you consider that the sanctions that are in that legislation do not include the depriving of a person's liberty, so that the civil law standard of proof ought to be the one that is applied here.

So that might be what is on the minds of some people, but perhaps police authorities themselves have concerns about that. On the other hand, the public's protection is foremost in our minds, and the perception that this protection is there is also extremely important.

### **Ashern, Manitoba Environmental Concerns**

**Mr. Clif Evans (Interlake):** Mr. Speaker, the town of Ashern has been struggling to deal with a severe water pollution problem that has affected, up to this point, at least 20 wells.

The residents in a local committee, trying to find solutions to this potable water shortage, are frustrated and upset with the lack of a speedy solution to their very serious problem.

I would like to ask the Minister of Environment: Can the Minister of Environment tell the House today why none of his department's officials attended a very important meeting last Monday in Ashern, as the community had requested?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, the meeting in question was a meeting in which the residents of the community were to have an opportunity, as I understand it, to take a look at what options were available to them.

They were being allowed to consider that and make their decision in a manner that was consistent with their own priorities and their own desires, and I believe that it was appropriate that there would not be interference from my department in that respect.

### **Soil/Water Sampling**

**Mr. Clif Evans (Interlake):** Mr. Speaker, seeing the fact that the department official in question had indicated that they did not want to attend this meeting but wanted to attend on a one-to-one basis at a later date, why did they not consider this serious on Monday?

Will the minister and his department address this issue by identifying all of the levels of contamination affecting the town's water through further soil and water sampling?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, there are two issues at play here—one is the obvious problem with water contamination, but the other issue, as well, is what alternatives are there for providing potable water in the community.

As far as the identification of the sources of pollution and dealing with that problem, we certainly see that as an ongoing and continuing problem and will work with the community to deal with it, but we know, and I am sure that the member knows, that once an aquifer becomes polluted, it cannot very readily and quickly be remedied, so the options to the community immediately become limited.

### **Alternate Water Source**

**Mr. Clif Evans (Interlake):** Given the fact that the community has continuously requested assistance on this issue, will this minister identify Ashern as a priority site, so his department's expertise can fully assist the community in obtaining a new drinking water system which is desperately needed in the community?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, the meeting last night is the first step in that process, and I am sure that the member knows that. The fact is, the Minister of Rural Development (Mr. Derkach), myself and all other

concerned ministries will work to deal with this problem.

I think it should be pointed out, Mr. Speaker, that while there are a number of various sources of pollution, probably five different sources that may have and probably did contribute to this pollution, the opportunity for recovery from most of those sources is nil or negligible. The identification of alternative sources is one of the conditions that the community needs to work with, and we will work with them, as I am sure the Minister of Rural Development will as well.

\* (1355)

### **Health Care System Reform Monitoring Process**

**Mr. Gulzar Cheema (The Maples):** Mr. Speaker, my question is for the Premier.

I would like to table a letter from the chairperson of the board of directors from St. Boniface Hospital. In this letter, it is clearly indicating how the beds are going to be cut. The chairman of the St. Boniface Hospital says, and I quote: The closure of 24 psych beds will require the expansion of community outpatient and outreach support and the establishment of a psych day hospital.

Mr. Speaker, since there is no independent monitor, can the Premier tell this House why they have not set up an independent monitoring system to make sure that the stated policy of health care reform is being met?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I will take that question as notice on behalf of the Minister of Health (Mr. Orchard).

### **Implementation**

**Mr. Gulzar Cheema (The Maples):** Mr. Speaker, the letter from the St. Boniface Hospital says that the plans for the bed cuts are ready, but we have no plans for community-based services.

Can the Premier tell this House why such implementation plans are not being made available, and why they do not tell the people the time frame for the implementation of those plans?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I will take that question, as well, as notice on behalf of the Minister of Health.

**Mr. Cheema:** Mr. Speaker, the board of the St. Boniface Hospital has passed statements about the

quarterly report to the board on the implementation of these bed closures in one hospital.

Can the Premier make a commitment to make sure that the people of Manitoba will know how health care reform is being implemented, a commitment to let us know how the plan is being implemented?

**Mr. Filmon:** Yes, Mr. Speaker.

### **Pesticide Usage Environmental Licensing**

**Ms. Marianne Cerilli (Radisson):** My question is for the Minister of Environment.

The City of Winnipeg Task Force Report on Chemical Pesticide Use recommends moving toward an integrated management program to have more research into program safety and effectiveness and to move to better reporting. Unfortunately, the city is not following this report, and they are actually moving in the opposite direction and ignoring citizen requests to not have their neighbourhoods sprayed.

My question for the minister is: Has his department reviewed this report, and will it consider including some of the recommendations as conditions for the issuing of the city's licence to use chemical spraying in the next year?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, I am aware of that report. I cannot give a detailed analysis of it, but I can point out that there were also some concerns that were raised regarding the cost and efficacy of some of the alternative methods.

Certainly, I fully support any alternatives that can be fully developed, but the present regime that is being followed in the licence—and I presume the member is referring to mosquito fogging as one of the issues that she is concerned about—the present regime is a result of discussions prior to my coming into office but based on the recommendations of the city entomologist in conjunction with our licensing personnel.

### **Biological Alternatives**

**Ms. Marianne Cerilli (Radisson):** Mr. Speaker, will the minister offer his department's support to investigate and develop the system of biological larvicide which is a safer and more cost-effective way of dealing with these pests?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, I am not sure that either one of us is qualified to enter into a debate about the efficacy or the cost of biological control. There are certainly varying reports on the cost. I can attest to that.

I stand by my comment that we are prepared to look at any alternatives in terms of cold, hard research and licensing of alternatives as has been done primarily at the national level, and we follow the licensing recommendations that they attach to various materials.

### Malathion

**Ms. Marianne CerlIII (Radlsson):** My final supplementary is for the same minister.

Can the minister confirm that Winnipeg is the last major urban centre in the country to continue to use chemical spraying of malathion on adult mosquitoes?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, I am not sure I can confirm or deny that, but I know that there are a number of jurisdictions where it does not occur.

\* (1400)

### Child Day Care Special Needs Children

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** My question is to the Minister of Family Services.

Mr. Speaker the daycare office has informed us of a serious development affecting special needs children. For the first time, it appears that there is a waiting list of some 66 children, special needs children who require before-school and after-school child care. They have placements in schools but no care prior to the school hours commencing and no care after school hours are over.

Can the minister tell us what steps he is taking to make it possible for those 66 children, who have never before had to go on a waiting list, to get the service they require before and after school?

**Hon. Harold Gillehammer (Minister of Family Services):** There has been increasing pressure on the daycare program, particularly with the subsidies for children in daycares, and I would remind you that our subsidies are volume sensitive and are available for all parents of children who qualify for that.

The one area where we are not able to meet all of the needs is in some of the specialized care that is required for some of these children so that we are able to accommodate as many people as our budget will allow. In some areas, we do have a waiting list, and we are looking at the special needs and trying to accommodate as many children as we can.

**Mrs. Carstairs:** These are not children who can be easily placed in alternative placements. These are children who must be placed in child care spaces that have provisions for children with special needs. They cannot, for example, go to the neighbourhood mother. They cannot go to an after-school child care centre in many communities because they do not have the needs equipment available for these young people.

Will the minister today respond to the urgency of these 66 children, who in the past have not had to go on a waiting list and as of today need to go on a waiting list because there are not adequate dollars from his department to ensure that they get the spaces they require?

**Mr. Gillehammer:** When the member says that there are not adequate dollars, I would point out to her that we have made tremendous strides in improving the amount of resources that are available, particularly in the daycare system to the point that we probably spend more on daycare than any other province. Our expenditures for these subsidies have gone up dramatically.

At the same time, we have not been able to resolve all of the issues with special needs children. We will work with the various community groups in the daycare community to try and give the very best service we can with the resources that are available.

**Mrs. Carstairs:** Mr. Speaker, we have examples of young people. One in particular who has been accepted into a program on August 1 will have to give up that space at Lord Roberts School lunch and after-school program if the province cannot fund the staff requirement at the centre needed to look after this particular child.

Will the minister undertake to investigate, himself, the situations which are denying access to schools, for integrated programs, because these youngsters cannot participate in the after-school programs?

**Mr. Gillehammer:** Yes, Mr. Speaker, I will make that commitment to the member that we will review the case and see if there is any way we can assist

not only that child but other children on that waiting list.

### **Social Assistance Rent Appeal Intervention**

**Mr. Doug MartIndale (Burrows):** Mr. Speaker, frequently rent increases far above the 4 percent guideline are approved. Many of these units are renters on provincial social assistance, the cost of which to government, in Winnipeg alone, is estimated at \$60 million a year, much of it going to slum landlords.

What is the policy of the Minister of Family Services regarding rent appeals for apartments for which Income Security is paying rent? Does the minister's staff intervene in rent appeals in order to hold down their cost?

**Hon. Harold Gilleshammer (Minister of Family Services):** I was having some difficulty hearing the question, but I would say that our staff in Social Allowances will make every effort to have the scarce dollars that we have to deal with increasing numbers in the social allowance area, to make those dollars stretch as far as possible, and to be sure that appropriate accommodation is available for the recipients.

**Mr. MartIndale:** Will the minister agree to have his staff intervene in every case, since it is my information that this is not always done and that if his staff did intervene, there might be a higher success rate for appeals by tenants and save the government money?

**Mr. Gilleshammer:** Mr. Speaker, I can assure the member that the staff will make every effort to provide the best service that we can to the clients that we serve.

### **Heritage Community Funding Reduction**

**Ms. Jean Frlesen (Wolseley):** Mr. Speaker, my question is for the Minister of Culture, Heritage and Citizenship.

Will the minister explain why, in the current budget year, her Estimates proposed to distribute only \$400,000 to the heritage community when, in each of the last three years, approximately \$650,000 has reached the community over and above administrative costs?

Over the last three years, it has been \$600,000 a year. This year it is \$400,000. Could the minister explain why the discrepancy?

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship):** Indeed there is a \$400,000 amount printed in the budget. We were under the impression when we printed the budget that the Heritage Federation had some three hundred and some thousand dollars sitting in reserve, and the \$400,000 indeed would make \$712,000 for the Heritage Federation to distribute grants to the community.

Mr. Speaker, we are finding out that the Heritage Federation in fact has the money to pay all of the grants that they allocated this year which is \$670,000, plus they have another approximately half-a-million dollars sitting in reserve. We have a legal opinion, indeed, that this money should be delivered to the community in the way of grants.

**Ms. Frlesen:** The minister actually answered a question I had not asked which is an interesting one. It is interesting that she has only just found out now that they had that reserve—

**Mr. Speaker:** Order, please. The honourable member for Wolseley, kindly put your question, please.

**Ms. Frlesen:** The question I was asking was about this year's Estimates which proposes to deliver to the heritage community \$400,000.

Will the minister explain to the House what the impact will be on the heritage community of the reduction in their grants that are reaching the community, particularly when it is coupled with a loss of \$2 million in the Community Places fund which is also used very frequently by the heritage community?

**Mrs. Mitchelson:** Mr. Speaker, there will be no reduction in grants to the heritage community. We are going to be in Estimates this evening, and we can discuss this in greater detail.

I will say to you that the Heritage Federation made allocations of \$670,000 in grants for the upcoming year. They have enough money within their reserves sitting in the bank that in fact all of those commitments will be lived up to.

### **Manitoba Heritage Federation Correspondence Request**

**Ms. Jean Frlesen (Wolseley):** Mr. Speaker, finally, I would like to ask the minister again: Will she table the letters of support that she claimed in this House to have received supporting her destruction of the Heritage Federation?

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship):** As a result of our commitment to put a new structure in place, I have sent 480 questionnaires out to the community. We are starting to receive those questionnaires back. The ones that we have received have all been positive to date on the new structure.

\* (1410)

### **Agricultural Industry Diversification**

**Ms. Rosann Wowchuk (Swan River):** Mr. Speaker, my question is for the Minister of Agriculture.

I recently attended a rural conference in Brandon where a staff person from the Department of Agriculture said that farmers were missing out on an opportunity of diversification and that was the raising of elk and deer.

I want to ask the Minister of Agriculture if it is the position of this government to now allow the raising of elk and deer.

**Hon. Glen Findlay (Minister of Agriculture):** Mr. Speaker, my staff at various meetings they go to raise all kinds of opportunities that farmers can get involved in, in terms of diversifying their income, whether it is buffalo or whether it is wild rice or whether it is raising llama, ostriches. There is no end of opportunities. Some of it is for meat markets. Some of it is for food markets. Some of it is for various markets, and my staff are completely at liberty to make farmers aware of all the opportunities that might exist.

Clearly, those opportunities do exist in Saskatchewan and Alberta, and staff are analyzing those opportunities and explaining to farmers that there are opportunities there.

**Ms. Wowchuk:** Mr. Speaker, if it is illegal to raise elk and deer in Manitoba on farms, I want to ask the minister: Is it his staff who make policy, or is this staff person promoting something that this

government is now actively promoting, and that is the raising of elk and deer on farms?

**Mr. Findlay:** Mr. Speaker, numerous people have shown interest in this area. I say my staff are free to talk to them about it, and the discussions will continue on for some time.

Everybody is watching what is happening in Saskatchewan and Alberta to determine if there is any feasibility whatsoever in the future for Manitobans to have an opportunity for those opportunities.

### **Bill 82 Game Farming**

**Ms. Rosann Wowchuk (Swan River):** I want to ask the minister if that is why he has included game farming under the farm lands practices act as a definition of a farm practice? One of the items is game farming.

Is he now saying that he is going to be including game farming and the raising of elk and deer as a policy of this government?

**Hon. Glen Findlay (Minister of Agriculture):** Raising of pheasants is game. Some people may say buffalo is game, so there are many examples of game farming. It is going on right now.

If we did not include that in the farm practices, that bill, they would criticize us for not including it, so I would ask them to get their act together to decide which way they are going. Their government raised the issue some years ago and actually were in favour of it.

### **Mining Operations Dust Control**

**Mr. Jerry Storie (Flin Flon):** My question is to the Minister of Environment.

On Monday of this week, I raised a serious environmental question with the Minister responsible for Energy and Mines (Mr. Downey) relating to the dust control of the tailings ponds in the community of Lynn Lake, dust control which is an urgent issue because of the fact that it may contain elements including arsenic from the LynnGold operations in Lynn Lake.

My question to the Minister of Environment is: Has he discussed this issue with the Minister of Energy and Mines, and has he done anything to begin the process of determining the danger to

residents of the community of that dust blowing around the community?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, I have not been in contact with the regional officers of the Department of Environment to discuss the issue, but during my Estimates, I will bring a fuller response to the member.

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

### Committee Changes

**Mr. Nell Gaudry (St. Boniface):** Mr. Speaker, I move, seconded by the member for Osborne (Mr. Alcock), that the composition of the Standing Committee on Law Amendments be amended as follows: The member for The Maples (Mr. Cheema) for the member for Inkster (Mr. Lamoureux). [Agreed]

## ORDERS OF THE DAY

### House Business

**Hon. Darren Praznik (Deputy Government House Leader):** Mr. Speaker, if I may first of all on government business, I would indicate that throughout the day there may be a number of announcements being made as House leaders work together to plan the business of the House. I serve notice there may be announcements and some changes throughout the day.

I would ask, Mr. Speaker, if you canvass the House, you may find a will to waive private members' hour today.

**Mr. Speaker:** Is it the will of the House to waive private members' hour today? Is there leave? [Agreed]

**Mr. Praznik:** I would ask, Mr. Speaker, then to call bills in this order, please: Bill 79—for continuation of debate on second reading—Bills 86, 87, 82, 94, 95, 96. I would then ask if Mr. Speaker could call for introduction for second reading, Bill 100, and that then will be followed for continuation of debate on second reading by Bills 76, 85 and 70.

I would indicate, Mr. Speaker, I will try to keep announcements towards the latter part of the day, but we will likely be rising shortly before six o'clock with an announcement with respect to Supply tonight. I understand for the benefit of all members that it is likely that the Committee of Supply will be sitting tonight, I believe, beginning at 7 p.m. I will

have the formal motions available, as I said, prior to six o'clock.

Thank you, Mr. Speaker.

## DEBATE ON SECOND READINGS

### Bill 79—The Highways Protection and Consequential Amendments Act

**Mr. Speaker:** On the proposed motion of the honourable Minister of Highways and Transportation (Mr. Driedger), Bill 79, The Highways Protection and Consequential Amendments Act; Loi sur la protection des voies publiques et apportant des modifications corrélatives à d'autres lois, standing in the name of the honourable member for Burrows (Mr. Martindale).

**An Honourable Member:** Stand.

**Mr. Speaker:** Stand. Is there leave that this bill remain standing in the name of the honourable member for Burrows? [Agreed]

**Mr. Paul Edwards (St. James):** Mr. Speaker, it gives me pleasure to rise to speak today on Bill 79. I do not intend to speak at any great length, and I will be the only representative from our party speaking on this bill.

As has been made clear by the minister and others, this bill replaces the existing Highways Protection Act and deals specifically with limited access highways. The main purpose of the bill appears to be to consolidate areas where there is parallel authority between the present Highways Protection Act and The Highways and Transportation Act generally.

It also serves hopefully to streamline the process of obtaining permits on limited access highways. As a result of this consolidation, it is estimated by the minister, I note, that the application response time for permits is going to be cut from the present 60 days to 25 days, and anytime we see government being able to respond more quickly to applications of this nature, generally, of course, we should be supportive. The more efficient the government, the better for the taxpayers.

Mr. Speaker, it is our assessment that this bill does help to better delineate the responsibilities of both The Highways Protection Act and The Highways and Transportation Act, and that it also cuts out unnecessary and no doubt expensive requirements, such as that which required the

Highways Traffic Board to hold a hearing for each permit.

Mr. Speaker, the bill also expands, we note, the power of the minister in that it gives him powers previously held by the Highway Traffic Board, such as access and development control and the power to order an owner to remove or remedy a development in a controlled area that is unsightly or dangerous. However, the Highway Traffic Board can be appealed to on these occasions.

Generally, of course, our party is not supportive of putting higher levels of discretion into the hands of the minister. But, in this case, there is a protection in the sense that the appeal can go to the Highway Traffic Board, and so there is some assurance that the discretionary power of the minister is not unlimited. In fact, it is substantially limited by those appeal rights. The only decisions which would not be subject to appeal are the on-premise signs, which is an area of ministerial jurisdiction, and off-premise signs, which are reserved for the Traffic Board.

Mr. Speaker, clearly, the Highway Traffic Board's mandate is being changed to include the issuing of off-premise advertising signs. The issue of compensation has also been dealt with in this bill in a manner which is clear.

We will, no doubt, have some technical questions at the committee hearing. However, to the extent that this bill clarifies the law, makes it more efficient, and provides for a more expeditious permit procedure, we are supportive of this legislation. I do say, however, that, with respect to the technical aspects—and, Mr. Speaker, you will appreciate, this is a fairly lengthy bill—that there may well be some questions at the committee hearing.

Of course, we will look forward to hearing any public presentation at that time of interested parties. To date, Mr. Speaker, I can say that we have not received indication from the public at large as to having any problem with this bill. That does not mean it will not come forward at the committee stage. Generally, we are, at this point, prepared to see this matter go to committee expeditiously so that we can examine, on a clause-by-clause basis and in more detail, this legislation.

Thank you, Mr. Speaker.

**Mr. Speaker:** Order, please. The House has already granted leave that this matter could remain

standing in the name of the honourable member for Burrows (Mr. Martindale).

Is there leave at this time—I guess we have already allowed it, so now we have to dispose of it.

**An Honourable Member:** Yes, agreed.

**Mr. Speaker:** That is agreed.

It appears the honourable member for Burrows wants to speak on this bill. Okay, done.

**Mr. Doug Martindale (Burrows):** . . . so we are going to put up one more speaker, and then pass this to committee. Thank you, Mr. Speaker.

\* (1420)

**Mr. Daryl Reid (Transcona):** I am pleased to rise on Bill 79, The Highways Protection and Consequential Amendments Act that the minister has introduced. I would first like to start off by thanking the Minister of Highways and Transportation (Mr. Driedger) for once again providing a detailed explanation of what is a very lengthy piece of legislation.

The explanation that the minister has provided for us so that we in this Chamber can better understand the legislation that he has brought forward is some 75 pages in length. So there is a great amount of detail in trying to explain this legislation.

There are many areas under this particular piece of legislation that are bringing about these changes. In the initial stages of this bill, the definitions, there are certain wordings that are required for the legislation itself that the minister supplied interpretations of the wording of the act itself. It explains the requirements, in particular for the controlled areas along limited-access highways in the province.

Now, when we get to committee I will be asking the minister, because I do not have the background and I am sure the minister will have some staff available to explain or interpret for us the different areas of the province that have limited-access highways and the definitions for the controlled areas, even though that is explained in brief in the notes that the minister has provided. We will have some questions on that so that I can get a better understanding of what is meant by those.

But the bill goes on to talk about the controlled areas that are expanded from the minimum of 38 metres or 125 feet to 76 metres or 250 feet. It talks about controlling the controlled areas, in particular

the intersections that are involved in these limited-access highways.

A good portion of the explanatory notes deal with the definitions that pertain to this new act itself. But there are some areas of the bill itself that I would like some clarification on. I will raise these for the minister as I go through my debate here this afternoon.

The limited-access highways, of course, are part of the minister's departmental functions. Of course, along these highways there are certain traffic control devices. Then there are certain pieces of property, and on some of these properties we will see as we travel about the province—from time to time we will see encroachments that appear to be too close to the highway itself that may have been existing structures. I notice that there is a portion in this bill, in the latter sections of this bill, that explain about the grandfathering provisions, how the changes of this legislation will mean to that particular grandfathering.

We note, too, that the limited-access highways will have, as we have in the rural areas, a need for the landowners or the land users in those areas to have some access to roadways. There will be times, I am sure, where there are changes that are going to be required in the minister's department that will cause a particular piece of roadway to be determined as a limited access, that that will place some of the landowners adjacent to that roadway in an unfortunate position, and that they could be landlocked by other properties around them which do not give them access to roadways except onto that new highway that would be designated as limited access.

I note in the legislation, too—and before I get onto that, to my next point, I hope that by this legislation the minister's department is taking into consideration the potential for landlocked—[interjection] The minister indicates it will not allow any property holders to be landlocked, and I thank the minister for that explanation because it was a concern of mine that there was a potential for that to happen. I am glad the minister has cleared that up.

I also note in the explanations that the Highway Traffic Board, and the minister can correct me on this if I am wrong, has been responsible for making the regulations that pertain to the particular legislation that is under their jurisdiction.

**Hon. Albert Driedger (Minister of Highways and Transportation):** Only on PTHs.

**Mr. Reid:** The minister indicates that only occurs on provincial trunk highways.

By the proposed changes to the legislation itself, it is indicated now that the Highway Traffic Board will no longer be required to make the regulations, if I understand it correctly, and that the Lieutenant-Governor-in-Council will then be responsible or may designate another body to make the regulations on that person's behalf.

The minister has indicated that he will provide a clarification for that when this bill moves to committee. I should indicate, Mr. Speaker, that I will be the last speaker in our party to speak on this particular piece of legislation, and that is why we are putting our concerns on the record here today.

There are many structures or devices, whether they be trees or pieces of property or buildings, that from time to time throughout the province may encroach upon the roadways and the highways within the province. I believe that the intent of this is to bring some standardization into the process. I think that is probably a good move or a move in the right direction in that it will provide for the safety of the motoring public in the province of Manitoba.

There are, as I indicated, many changes, and some of them that I note in this legislation are that there is a designation between the powers of the Highway Traffic Board to deal with the off-premise structures, whether they be signs or trees or buildings, and the minister who retains the powers or control over any of those items for on-premises.

Now, I take it by that where a provincial trunk highway or provincial road goes through a small community where the province maintains some jurisdiction over that roadway, that where, as we see in some of the small communities through the province, the buildings of the town may encroach within the restricted distances of that particular roadway, the minister will retain the discretionary use or erection of any signs or any buildings within that limitation where it encroaches upon the right-of-way.

I am not sure whether or not the minister anticipates making any changes to that. If that is the reason why he is retaining that discretionary power for him, I am sure that he will explain that further when we get to committee because it could have some impact upon the communities of our province.

We have many, and as the highways pass through these small communities the buildings within these communities encroach within the 38 metres of the provincial highways.

It also indicates that the Lieutenant-Governor-in-Council, I imagine it would be under the Department of Highways and Transportation, retains the right to set the fees or permits, and it will not be the responsibility of the Highway Traffic Board to set any fees for the permits. I am sure the minister can explain that because I do not have any background knowledge or experience in the fees that would be charged to anyone who is applying for permits, or the appeals, or the hearings, or notice of objections that may arise as a result of this new legislation.

The bill itself, as I have already indicated, is quite extensive, and many times throughout the explanatory notes indicates that it is to streamline the process and to meld the two acts into one to make it simpler to administer. It is a consolidation under the protection act, with the Traffic Board acting as an appeal body for all departmental decisions except for on-premise advertising signs. That, as I have already indicated, will remain within the minister's discretionary powers.

\* (1430)

One of the areas which I am not familiar with, that I am sure that when this bill goes to committee the minister will also explain, or his staff will explain through the minister, is the current policy. It is made mention of in the explanatory notes about the time-consuming and expensive process under the existing legislation where the board has to enact specific policies for advertising signs.

I am unaware of the complete process that takes place and how this would be time-consuming, but it is my understanding that if there are any permits that come forward, the board has to have hearings to render decisions on the applications. If there are any appeals, then of course they have to have those hearings as well. Now, I am not sure how this is going to streamline the process, but possibly the minister can explain that during the committee hearings on this.

The bill also talks about the issuing of permits, and it talks about "may have an expiry date." Now I am not sure why the legislation indicates that all permits issued will have that discretionary power of, may having an expiry date. I am sure that the minister

can explain that in committee. There may be some exceptions to the legislation that I am unaware of, that the minister can draw to my attention. It also indicates that the permits that are issued by the Highway Traffic Board are nontransferable once they have been issued.

Well, I know the member for St. James (Mr. Edwards) only wanted to spend a few moments on this. He had so much concern about this bill and had so many comments that he took less than five minutes to place his comments on the record of this one. He may not have the expertise, but I am sure that he would not want to deny other members of the Chamber the opportunity to put their comments on the record.

I am sure if he wants to have more time to place his comments that he will have that time to do so at committee, and that he should not impede the progress of others that want to ask those questions and put comments on the records in this Chamber. [interjection] Yes, I think he is an instant Transportation critic.

**An Honourable Member:** He is concise.

**Mr. Reid:** Very concise in five minutes. Yes.

**An Honourable Member:** Trying to save some trees.

**Mr. Reid:** Saving trees, I guess, would be in order. They would all like to be conservationists. I am sure the member is referring to the printing of the Hansard, but we will have the opportunity, I am sure, for the member for St. James (Mr. Edwards) to place his comments on the record when we get to committee.

One of the areas that would require some further explanation for myself to get an understanding of this—and I make no secret of it, and I do not think there is any member in this House that would have had over his or her years the opportunity to have a complete and full understanding of The Highway Traffic Act, because it is a very extensive act. I have questions relating to the expropriation and compensation factors that would go along with that.

I know the Minister of Highways department, as we see by the Orders-in-Council that come before us from time to time, does expropriate properties from landowners throughout various areas of the province. I would like to have a better understanding of the process that is in place for the expropriation and the compensation that may go

along with that, how it is determined, as well as any appeals of any decisions for compensation that may not be agreed to by the landowners whose land has been expropriated.

One section of the bill—and it comes under a particular Part 3, I believe it was—indicates: “The minister may appoint any person as an inspector for the purposes of this Act.” Now, I am not sure what the intent of this particular section is and whom the minister intends on appointing to be these inspectors. Does it mean that the minister will be able to appoint departmental staff on a need basis throughout areas of the province to enforce this act, or does that mean the minister will then be able to appoint other members of the surrounding communities?

I would like to have an understanding of what the minister’s intent of this section is, because I recall comments and questions that were in this House some weeks back, where the member for Swan River (Ms. Wowchuk) had raised some concerns over the 2,000 kilometres of provincial roadways that were offloaded on to municipalities and there was a certain individual that is familiar to the government who had been appointed to oversee that transferring process.

I am wondering if this is a similar type of situation that this section will allow for, where the minister may appoint inspectors. That is why I think it is important for us to understand who these inspectors are going to be.

Under the Enforcement section, it talks as well about the right for these inspectors to enter into dwellings, and this is under proposal. There is no existing legislation for this from my understanding of the notes that were provided, except the individuals that are empowered to be these inspectors require that they can enter into, with a warrant, even onto private properties with the consent of the occupier, hopefully in most cases.

It also talks about these inspectors because they will, from time to time, require the assistance of any persons that may be found in the establishments where these inspectors will have to conduct their inspections.

(Mr. Harold Neufeld, Acting Speaker, in the Chair)

There is also a section in here talking about the obstruction of inspectors. Now I am not sure where it talks about the obstruction of the inspectors, but I do not see any section in there that talks about

penalty for obstruction. It is all right to have some legislation here that would deal with the obstruction of these inspectors, but if there are no penalties that are involved then I do not understand, unless the minister can further clarify that for us in committee, what will be the deterrent factor from individuals that would attempt to obstruct the inspectors that the minister has appointed?

The minister is empowered under the legislation, and I believe it was under the existing legislation as well, to make an order requiring a landowner to take one or more of the following actions. It indicates the different actions that would be required, and it also talks about the time frames that the minister will instruct that these orders have to be followed within. It goes on to indicate that where the orders are not followed by the particular landowners, they are then to be undertaken by the minister’s department, and any costs that are incurred as a result of these actions will be dealt with in one of two ways.

If there are particular pieces of equipment or property, such as buildings, trees, hedges, shrubs, et cetera, that have to be removed and these can be sold, then the revenue that would be generated by this process would go towards defraying the costs that were incurred. Where the costs exceed the revenues that would be received as a result of any sale of this equipment or this property were not sufficient to cover the costs, then the costs would then be transferred to the owner of the land. It would then become a debt, as indicated, due to the Crown.

I am sure that when it gets to that point there will be several appeals for these landowners having to incur the extra costs for something that they may not want to have removed from the property.

It also indicates that, where an affected owner of a property is in disagreement with the Highway Traffic Board or the minister for removal of his or her property, the individual can then proceed through the courts and can have the courts review the decision, but this has to be undertaken within 60 days from the date of the making of the order.

\* (1440)

The minister also has the powers to delegate, as he has in the past, I believe, powers to the Highway Traffic Board. I have had some dealings in the past with the Highway Traffic Board dealing with other matters relating to highways up in the Minister of Labour’s (Mr. Praznik) community where residents had contacted me some months back.

In the new legislation it refers to additional duties of the Highway Traffic Board, and I am not sure what specific additional duties the minister's legislation is referring to. I hope that when we go to committee he can provide some explanation for the additional duties that the Highway Traffic Board may be undertaking or be required to undertake.

Another section that causes me concern for this legislation deals with evidence, and it indicates in the explanatory notes that this new section for providing evidence is to give the Highway Traffic Board some maximum flexibility in dealing with matters that come before it, but the evidence may be given before the Highway Traffic Board in a manner that the Highway Traffic Board considers appropriate. The Highway Traffic Board is not bound by the rules of law respecting evidence. I am not sure, Mr. Acting Speaker, what the intent of this section is.

I had some experience a few weeks back in a show-cause hearing with the Motor Transport Board, and at that particular hearing the members of the committee went behind closed doors to conclude a portion of their hearings, and the members of the public that were in attendance at that meeting were not privy to those hearings. When the board came back a decision was rendered. So it was obvious that all of the parties that were involved went to the back room and struck some kind of a deal on this. The Highway Traffic Board being a quasi-judicial body, I am not sure how this evidence section would impact upon them, but I am not sure that it is totally appropriate for these back-room deals to be struck in this respect where members of the public would not be privy to this information.

The Highway Traffic Board also has the power to authorize one member to conduct an inquiry into a matter that has been drawn to its attention and then to make recommendations back to the board, and then the board is not necessarily bound by any of the decisions or recommendations that come back to it and can modify, accept or reject the reports that come back.

The legislation itself indicates that the Highway Traffic Board can bring before it people having special knowledge to assist them in the fulfillment of their duties. When we move to the section of penalties, Mr. Acting Speaker, there is an indication that the individuals that are found to be in contravention of this legislation, an individual would

be liable for a fine of not more than \$200 and/or to imprisonment of not more than 30 days.

When we see the example that is placed before us here, in the case of a corporation, a corporation would be subject to a fine of not more than \$1,000, but there is no designation there of any penalty to any of the directors in the sense of imprisonment. I am not sure why we would have imprisonment of individuals—or the potential to imprison individuals in these cases—and we would not have the potential to imprison the directors of a corporation who would be in control of a corporation that would be in contravention of this legislation.

While I am not thoroughly experienced in the areas of legalities of the province, as some of my more learned colleagues are here, it indicates that there is a limitation on the actions for prosecution for anyone who is found to be in contravention of this legislation. There is a limitation of one year, and I have always been of the understanding that the statute of limitations in many legal regards is two years. Quite possibly, I will have to do some more work on that to find out if that is why the discrepancy is between the two and if, in fact, that is accurate.

In the latter sections of the legislation, it talks about grandfathering, where there are existing structures or buildings or trees that are in place. As I indicated in some of my earlier comments, there are many situations in our province and the communities of the province where these structures exist already, and that, by this legislation, the minister will then have to issue permits to deal with these particular structures.

Under the grandfathering sections, as well, in dealing with the permits, it indicates that where a controlled area is designated, that permits shall have been deemed to have been issued under the act, but it does not indicate what restrictions or time limitations or variance orders are in place. I am sure the minister will be able to explain that as we move further through the legislation.

There are many sections, Mr. Acting Speaker, that are important in this legislation. Looking at the extent of this particular bill, where it is intended to protect the travelling public, in one of the later portions or sections of the bill, it talks about the ministerial powers to remove any hazards to the traffic that cause or obstruct the view of the roadway. In a case that there will be no compensation payable for any loss or damage that a particular person—in

that sense, a landowner—would suffer as a result of the actions of the minister's department. I believe that the safety of the travelling public has to be the No. 1 priority.

There is also a section here—and I know I have had some correspondence from members of my own community in dealing with off-road vehicles. I have had the opportunity to ask questions of the minister in the Estimates process relating to off-roads vehicles in the last session. By the explanatory notes that are provided, it indicates that municipalities have the powers to bring forward by-laws restricting or regulating the use of off-road vehicles within the municipalities' jurisdictions. But it also indicates, by the explanatory notes, that the Highway Traffic Board has the power to rule on the appropriateness of any municipal by-laws.

I think that will provide some consistency of regulatory powers throughout the province so that all municipalities are bound by the same legislation, and we do not have a patchwork quilt of regulations through the province.

When we move to committee we will be raising these questions with the minister as we have put on the record here today, and hopefully the minister will have his staff available for us to ask questions of and give some explanation so that we can have a better understanding of the full intent of the legislation.

I am sure, looking at the general principle of the bill, it is a bill, from what we can see to this point, that is worth supporting and that we will have those questions for the minister and look forward to the opportunity to further debate this when we move to committee.

\* (1450)

**Mr. Driedger:** Mr. Acting Speaker, I just want to put a few comments on the record here. I have taken note of some of the concerns that have been expressed, and we will try and address them in committee when we get to committee.

I want to repeat again the reason why we rewrote this act. We were going to make some amendments to it, found the act was so convoluted and difficult to make changes in that it was advised that we rewrite that whole act, and basically that is what we have done. I tried to give both the critics extensive information regarding exactly what changes were taking place so there was no

misunderstanding of it. If there are further questions, I will try and deal with them.

**The Acting Speaker (Mr. Neufeld):** Are you ready for the question? The question before the House is second reading of Bill 79. Is it the pleasure of the House to adopt the motion?

**Some Honourable Members:** Agreed.

**The Acting Speaker (Mr. Neufeld):** Agreed and so ordered.

### **Bill 86—The Provincial Police Amendment and Consequential Amendments Act**

**The Acting Speaker (Mr. Neufeld):** On the proposed motion of the honourable Minister of Justice (Mr. McCrae), The Provincial Police Amendment and Consequential Amendments Act (Loi modifiant la Loi sur la Sûreté du Manitoba et apportant des modifications corrélatives à d'autres lois), standing in the name of the member for Inkster.

The honourable member for Inkster.

**Mr. Kevin Lamoureux (Inkster):** Mr. Acting Speaker, I am glad to see you have finally called me honourable, given the comments that we have had back and forth, but I had adjourned debate on behalf of the member for St. James (Mr. Edwards).

**Mr. Paul Edwards (St. James):** Mr. Acting Speaker, what a pleasure it is to see you in the Chair. This is a bill which is joined with Bill 87, The Law Enforcement Review Amendment Act. These pieces of legislation essentially rethink the way that we are going to review police activities in this province. The Manitoba Police Commission and the Law Enforcement Review Agency previously have adjudicated upon concerns raised about police.

Mr. Acting Speaker, we have many examples in recent years, since this Minister of Justice (Mr. McCrae) took over, of how the system has not worked. We started, or course, with Ticketgate back in 1988, and this minister took over from the then-Minister of Justice, Mr. Schroeder. We then went through the Harvey Pollock affair, the Hughes inquest. We have been through the Aboriginal Justice Inquiry's review of police activities with respect to J.J. Harper, the Helen Betty Osborne cases. There was the Billyjoe DeLaronde shooting.

There have been numerous occasions where police activity, police investigation procedures have come into question, and there has been a void.

Literally speaking, there has been no system or process by which a credible, neutral body has looked at the police activity and given society an answer. Was the police activity appropriate or not?

The Law Enforcement Review Agency is victim driven. That is, the victim of police abuse has to lodge a complaint with the Law Enforcement Review Agency. That may or may not happen at all, and if it does happen, it may happen long after the event has actually occurred.

The Manitoba Police Commission out of The Provincial Police Act has been hardly used at all by this province. It, in fact, has been hard up for work for some years because the fact is, it relies upon a minister that sees the value of the Police Commission's work to send it work. That just has not happened.

So when we had these occasions where police conduct was called into question, we had no way to step into the breach and in a neutral, credible fashion review the police activity, hear the story, hear the evidence and come up with an answer. What happened, in most of these cases, was that the police themselves did an internal investigation, and that is just not good enough.

Of course, they have to do an internal investigation, but what happens when they come with the result? If they clear the police officer, no one believes him, because the investigation has been done by the police of the police. Secondly, if they do not clear the officer and they find fault with the policing activities, in the case of the Harvey Pollock investigation, they then would not release the results.

So society at large does not get to see the final report. Why? Because as the City of Winnipeg Police told us at that time, they were worried about liability. They were worried about solicitor/client privilege. They did not want to prejudice their position in the event of a lawsuit down the road, so they did not release the report.

So it is not good enough to have just the internal investigation of the police. You need a body that is going to look at this, that is going to represent society's interests to find out what happened, whether or not there was police brutality, whether or not police acted properly or improperly.

Now, Mr. Acting Speaker, key to all of this is the timing. When an incident occurs, an improper shooting such as the case of J.J. Harper, an

improper charging as in the case of Harvey Pollock, at the outset inevitably there is the initial shock. There is the initial reporting and everybody hears the story in a sensational fashion on the front pages of the papers. Then, as time goes on, in both of those cases, questions arise, and this is true with Ticketgate, true with Billy Joe DeLaronde, and it is a pattern that repeats itself every time. Questions arise; allegations come to the fore that the police have acted improperly.

What has this Minister of Justice (Mr. McCrae) done in his pattern in the last four years? Inevitably, it goes on and on; the questions get louder and louder; there are more and more articles; there are more and more press reports; and eventually it comes to the point where he has to act. He goes and retains an outside investigator, in the case of the Harvey Pollock affair, Mr. Hughes from British Columbia, who is a very fine man, but, Mr. Acting Speaker, he had to come in here seven months after the incident to hold some public hearings which were like a circus for the media. That is what happened. You could go down there any day of the week and see 10 or 12 lawyers sitting there all acting for someone else, and they were doing their job. They were trying to get to the facts, but by that time there were so many rumours, there was so much misinformation, reputations had been injured and hurt, much of the damage was done, and society, most importantly, the community had had its faith in the police shaken, even after the Hughes inquest was done.

It is my suggestion that the community's faith in the police never recovers from six or seven months of complaints about their activities without anybody standing up to defend them, without anybody coming to a credible conclusion after a credible, neutral investigation. We need a body that can step into the breach on behalf of society.

Mr. Acting Speaker, we had that body. We had in the City of Winnipeg the Winnipeg Police Commission which functioned until the mid-'70s and it did that job. When things came up, within weeks the Winnipeg Police Commission would put it on the agenda, do the investigation, call witnesses, get to the bottom of the situation. Its conclusions were respected by the community at large. Why? Because it represented an independent, credible view of what was alleged to have occurred.

The police, interestingly, are the first to want that independent review to be done quickly, because it

is the police who suffer from six or seven months of allegations coming forward on the front pages of the paper and in the news. You do not need to think that police do not go home at night and watch the news and read the paper. They become demoralized and quite reasonably so. When they see allegations made again and again, they get demoralized. They want an independent investigation right off the hop more than anyone else in society, and I have spoken to many in the police force. I have yet to find someone who disagreed with that need for a body to, as the Winnipeg Police Commission did until the mid-'70s, step into the breach.

\* (1500)

Now, this brings me to the bills we have before us, and the minister's attempts to deal with this problem. Mr. Acting Speaker, these bills do not specifically address the timing, but I encourage the minister to have the new body that he is creating, which is essentially a provincial court judge, the new body step in quickly, expeditiously to deal with these matters. If he is going to do that, he will have done a great service to this community. I know that the Minister of Natural Resources (Mr. Enns) and others would support me in that. So I do not think I want for internal support in the Conservative caucus on this issue, because the police need and deserve to be cleared or damned quickly and not have these things lingering for months and months and months. If there is a problem and if there is fault found, then you deal with it, but what you do not do is let six or seven months go on with lingering rumours and doubts in the community which shakes their confidence in the police and also demoralizes the force itself.

Now, Mr. Acting Speaker, I do have concerns, and I share the concerns of the member for Kildonan (Mr. Chomiak) when he spoke on this bill, about getting rid of the citizen panel which was LERA and the Police Commission. Those were citizens, not judges, not police people or politicians, and of course all those people are citizens as well, but what I am talking about is people from the community at large not directly involved in the justice system, and this minister is changing that. He is getting rid of that community control and handing it to a member of the bench, a judge. Now, I am of two minds about that. I think—

**Hon. Harry Enns (Minister of Natural Resources):** You are a typical Liberal.

**Mr. Edwards:** Well, the Minister of Natural Resources (Mr. Enns) accuses me of wavering on this one and of having too much—[interjection] Well, I like to look at both sides, and I know that is unique in this House, but I do like to look at both sides before I come to a decision. Yes, that is true, if being a Liberal is looking at both sides, then I am guilty, Mr. Acting Speaker, and proud to be so. It has been a long time since there were people in this House who looked at both sides. I must say, you are one who has always done that and stand out in that regard. You have not just looked at both sides, you have spoken out about both sides and we have appreciated that.

Now, Mr. Acting Speaker, these tandem bills, Bills 86 and 87, do put into place, I hope, a more efficient, more expeditious review process of police activities in this province, and that is positive. What I have grave concerns about is the fact that we are moving from a community adjudication body to a judge, and that does give me some concern. I wonder if the minister could not include community representation on a panel with a judge. I see the advantage of having a judge who knows some of the necessary legalities of hearings, because there are rights at stake, there is a duty of fairness, and there are certain legal principles which do come to bear in anybody coming to these panels. But I wonder if we could not expand this—as the Law Enforcement Review Agency was, it was a panel—if we could not expand this to include two community members, even one community member, to sit with the judge.

Now, Mr. Acting Speaker, I raise that for the minister at this point and I would like to further canvass that at committee stage to find out whether or not he would be willing to amend this to include that. [interjection] I appreciate the support of the Minister for Natural Resources (Mr. Enns) on that.

I might say this morning there was a significant amendment which came forward, by consent, from the Minister of Justice (Mr. McCrae) at a hearing on Bill 47. So I am hopeful that the Minister of Justice is listening to comments made by opposition members and responding. He did this morning and I give him credit for that. I look forward to a similar productive debate on this bill and Bill 87, Mr. Acting Speaker.

Mr. Acting Speaker, with respect to the Police Commission, specifically the Manitoba Police Commission and the Law Enforcement Review Agency, I want to at this point say that we as legislators owe a great debt of gratitude to those who served on those two bodies. They served with dignity; they did their job; they did it well. They were citizens who came forward and sat for many hours, days on end in certain cases, and did the work of the people of Manitoba and did us all a great service, and published many, many productive, important reports on the justice system.

I personally believe that the Police Commission was greatly underutilized, both by this administration and the past administration. But, Mr. Acting Speaker, I am hopeful that we will be able to move into a new era, and I would like to see the new adjudication body be a panel, not just a member of the Provincial Court.

There are other questions I will have with respect to these bills. I am going to save those for committee. I look forward to public presentations at committee, and I hope we have some because, Mr. Acting Speaker, I think these bills do represent important public issues worthy of public debate.

We have tried many things in the last decades with respect to reviewing police activities. It is an evolutionary process. We are taking another step here. I would like to hear from the public at those committees, and I look forward to getting to those committees to hear public presentations.

We have concerns about these bills. We see that something had to be done. Whether or not this is the appropriate way to go is yet to be debated in its entirety, and we look forward to the clause-by-clause analysis at the committee stage. Thank you, Mr. Acting Speaker.

**The Acting Speaker (Mr. Neufeld):** Is the House ready for the question? The question before the House is second reading of Bill 86. Is it the pleasure of the House to adopt the motion?

**Some Honourable Members:** Agreed.

**The Acting Speaker (Mr. Neufeld):** Agreed and so ordered.

\* \* \*

(Mr. Speaker in the Chair)

**Hon. Leonard Derkach (Minister of Rural Development):** Mr. Speaker, when I tabled Bill 20

for first reading I did not table the message from His Honour. I would like to table that message at this time.

**Mr. Speaker:** Does the honourable minister have leave to table said message? Leave? That is agreed.

\* \* \*

### **Bill 87—The Law Enforcement Review Amendment Act**

**Mr. Speaker:** On the proposed motion of the honourable Minister of Justice (Mr. McCrae), Bill 87, The Law Enforcement Review Amendment Act; Loi modifiant la Loi sur les enquêtes relatives à l'application de la loi, standing in the name of the honourable member for Inkster (Mr. Lamoureux).

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I move to adjourn debate on behalf of the honourable member for St. James.

**Mr. Paul Edwards (St. James):** Mr. Speaker, I spoke in my comments on Bill 86 to a large extent about both bills, 86 and 87. They are tandem bills dealing with different acts, but I simply say at this point that my comments on Bill 86 are to be taken as applying also to Bill 87. I do look forward to public presentations at the committee stage and a thorough clause-by-clause analysis of this bill, which we are agreeing to send to committee at this stage, on the basis that we do have concerns about this bill and about the structure that is being proposed by the minister and will want to examine more thoroughly at the committee stage the research which he has done which have led to these bills.

Thank you, Mr. Speaker.

**Mr. Speaker:** Is the House ready for the question? The question before the House is second reading of Bill 87, The Law Enforcement Review Amendment Act; Loi modifiant la Loi sur les enquêtes relatives à l'application de la loi. Is it the pleasure of the House to adopt the motion?

**Some Honourable Members:** Agreed

**Mr. Speaker:** Agreed and so ordered.

### **Bill 82-The Farm Practices Protection and Consequential Amendments Act**

**Mr. Speaker:** On the proposed motion of the honourable Minister of Agriculture (Mr. Findlay), Bill 82, The Farm Practices Protection and Consequential Amendments Act; Loi sur la protection des pratiques agricoles et apportant des modifications corrélatives à d'autres lois, standing in the name of the honourable member for St. Boniface (Mr. Gaudry).

**Mr. Neil Gaudry (St. Boniface):** Mr. Speaker, I will be the only one from our caucus speaking on this bill, and we will look forward to sending it to committee to—[interjection] It is too late.

\* (1510)

**Mr. Gaudry:** Mr. Speaker, The Farm Practices Protection and Consequential Amendments Act, this bill is designed to give farmers some security in their operations by limiting the ability of people to bring nuisance suits against them for normal farm practices.

Mr. Speaker, with the recent population shift of the city dwellers moving to bedroom communities, there is a potential of newcomers protesting about farm practices. For example, people who build a new home next to a livestock farm may complain about odours and demand changes. This bill will protect long-established farm operations if they are conducting normal farm practices, and I think these are some of the concerns that will be addressed in committee by groups that will be making presentations.

We have seen the impact of how new developments constructed near airports have forced changes to airport operating plans and this concern was part of the opposition to The Pines project on Portage Avenue. Oh, the Minister of Urban Affairs (Mr. Ernst) is not there, so it is okay.

This is the same concern that farmers have. Mr. Speaker, the complaint process is twofold. Firstly, a person applies in writing to the Farm Practice Protection Board for determination of whether an operation is being considered as a normal farm practice. Secondly, a person can commence an action in nuisance if they have followed the first step.

The board tries to mediate between the two parties, but if mediation fails it can dismiss the claim or order the operator to adjust the operation. Decisions can be appealed in court.

The Keystone Agricultural Producers are not entirely pleased with the bill, but they say it is better than nothing. They wanted a more realistic approach taken. They wanted changes to the Planning and Environment Acts' regulations included in this package. KAP believes that this bill is only a piece of the puzzle. Planning Act changes are needed to improve an appeal process. Local planning districts hear the appeals and there are sometimes problems with these planning districts.

A model similar to Quebec's land-use planning authority was suggested, and we look forward to the people when they come out to committee and make their presentations, and I think the minister, I am sure, will be listening to them because he is known to listen to the farmers out in the community. I have spoken to many farmers and they know that he is doing a good job for them, so I would like to compliment the minister—and when we approach his department—he does look after even cleaning the floodway with the Minister of Natural Resources (Mr. Enns).

I saw CBC on Monday evening filming the cleanup on the floodway.

**An Honourable Member:** Are you picking on me?

**Mr. Gaudry:** I would not do that.

A code of practice must be defined so we will know what is and what is not a normal farm practice. KAP also was concerned about farm representation on the board, and I think this is something that should be looked at.

It was in this case that this bill would help eliminate stubble burning. I know I have been asked what was my stand on stubble burning, but I will wait to put my comments on stubble burning in committee, Mr. Speaker.

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

**Mr. Gaudry:** I will explain that in committee for the member. That is the Voyageur look. Mr. Speaker, this bill should be supported while calling for planning and environment co-ordination with the creation of a code practice to measure against the other acts.

I will end my comments and will look forward to seeing this bill into committee and having farmers making presentations towards this bill.

**Mr. Speaker:** Is the House ready for the question? The question before the House is second reading of

Bill 82, The Farm Practices Protection and Consequential Amendments Act; Loi sur la protection des pratiques agricoles et apportant des modifications corrélatives à d'autres lois. Is it the pleasure of the House to adopt the motion?

**Some Honourable Members:** Agreed.

**Mr. Speaker:** That is agreed. Agreed and so ordered.

### **Bill 94—The Statute Law Amendment (Taxation) Act, 1992**

**Mr. Speaker:** On the proposed motion of the honourable Minister of Finance (Mr. Manness), Bill 94, The Statute Law Amendment (Taxation) Act, 1992; Loi de 1992 modifiant diverses dispositions législatives en matière de fiscalité, standing in the name of the honourable member for Brandon East (Mr. Leonard Evans). Stand? Is there leave?

**An Honourable Member:** No.

**Mr. Speaker:** No, leave is denied.

**Mr. Jim Maloway (Elmwood):** I rise today for a few minutes to speak to Bill 94. Bill 94, as most of you know, is The Statute Law Amendment bill which is traditional in this House to implement the measures of the government's budget. In the interests of keeping things brief, I will make just a very few comments on this bill. I believe we will be sending the bill to committee, at which time further comments will be made by members on this side of the House and presenters. If there is any interest in the bill, presenters will be able to make comments at that time.

One of the interesting aspects of this bill is that it includes general anti-avoidance provisions under Corporation Capital Tax and The Health and Post-Secondary Education Tax Levy and The Retail Sales Tax Act. The bill also sets out procedures for filing appeals to the independent Tax Appeals Commission which we will be dealing with next in the next bill that we will be dealing with today.

So I conclude comments on this particular bill at this point with the knowledge that the bill will now go to committee and members of the public will have time to make comments. Having said that now, I am informed that the member for Flin Flon would like to make a few comments on this bill as well.

**Mr. Jerry Storle (Flin Flon):** I do not have a great deal to say on this bill as I have read the remarks of

the Minister of Finance (Mr. Manness) when he introduced this bill. I understand that this is, by and large, putting into law what was announced in the budget. I did, however, want to comment on a couple of sections in the bill as it relates to, I guess, more directly the government's rhetoric about what the budget was intended to accomplish.

**Mr. Speaker,** I, on a number of occasions, have had a chance to debate the issue of the status of the mining industry in the province of Manitoba with the Minister of Energy and Mines (Mr. Downey). I raise questions in this House about the current status of mining, and I am continually reminded by the government that they have introduced a couple of measures to improve the prospects for mining companies.

One which is referenced quite often was a measure first announced in the 1991 budget which dealt with the Mineral Exploration Incentive Program, which, as it turned out, did not have any beneficial effect whatsoever for the two largest mining companies in the province, namely, Hudson Bay Mining and Smelting and Inco. I pointed that out on a number of occasions to the government.

More recently, the government, in its latest budgets, announced that there would be a new mine tax holiday, and have tried to pretend—and I use that word advisedly—that somehow this was going to create new opportunity in the mining industry in the immediate term. The Minister of Energy and Mines, the minister responsible for Northern Affairs (Mr. Downey) has suggested this was somehow a measure that could be looked to from the community of Snow Lake's perspective to improve their prospects for survival.

When I got Bill 94 and started reading through the implementation of these tax measures, lo and behold, I find that "new mine" means (a) a mine (i) that commences production after January 1, 1993.

So the government is obviously not prepared to put up any money prior to the beginning of next year to help a community that is struggling. My question is: Does this create any incentive for a company that may have had a prospect of a mine on the horizon, encourage it to go into production to save the town? Obviously, there is a very strong financial incentive at this point for the company to say, well, we are not going to do anything until at least January 1, 1993. I do not think that is good news for people who are sitting in the community of

Snow Lake, who are about to lose their investment in their homes and their small businesses and so forth.

\* (1520)

Mr. Speaker, I raise this simply to, I guess, put the question: Does this government really have any concern for mining communities and the prospect for mining communities that are on the brink of disaster? I think the answer is no.

We will let this go to committee. I think there are a number of other questions that we might want to ask the Minister of Finance (Mr. Manness) when we get to committee, and I have some questions as well about the manufacturing tax credit which has a window, a very short window, from the date of the budget roughly till the middle of 1993 to take effect.

I have questions as well about the effectiveness of the exemptions that are introduced in the budget, as they relate to tax credits, because, of course, it assumes that there will be a benefit, where in fact many, many companies, if not most companies in Manitoba are struggling to show any black in their accounting at all. So it is not clear that there in fact will be any incentive in much of what the government has proposed as being an incentive to spur the introduction of new manufacturing technology to spur on the research and development in the province of Manitoba.

I think there are some serious questions about whether these tax measures, as modest as they are, are going to have any significant impact on our economic circumstances of the moment.

With those comments, Mr. Speaker, I know that our Finance critic, the member for Brandon East (Mr. Leonard Evans), is going to want to ask a series of questions in committee on the specifics of the legislation, but I think we can do that in committee. Certainly, we are prepared to let this bill go to committee immediately.

**Mr. Reg Alcock (Osborne):** I should serve notice to you, I suspect, that I will be the only speaker on this bill for our party, and, at the conclusion of my remarks, we will be prepared to pass it into committee.

I note a couple of things. I listened with interest to the remarks from the Minister of Finance (Mr. Manness) when he introduced this bill, and he, quite rightly, prefaced his introduction of it by noting that this one was particularly long and complex. Unlike

the Statute Law Amendment (Taxation) Act that we have seen in the past few years, where we have seen a few changes to tax policy or tax law in this province as a result of commitments made in the budget, this one has taken a much more thorough—well, actually it made a much more thorough attempt to change some of the deficiencies in current tax law that we have noted in this House in the past couple of years.

I think the minister is to be commended. I also want to thank the minister for providing to us—I imagine both critics have provided the same information which detailed the intent as well as the specific reasoning behind the changes that have been introduced. I think there are some good things in this.

I think I have commented at length on them when I made my response to the budget speech, because most of them are following up on the changes that were introduced in the budget speech. I think that the minister introduced in his first heading changes to enhance economic development in the province, the mining tax changes, some of the small business tax changes and the tax forgiveness, particularly in the establishment of the tax credit for 800 numbers and the like. I think these are creative measures, and I think that, while they may not produce the kind of boom that the members opposite would like to believe they will produce, they will at least go some small way to relieving the burden on business in this province.

The minister has also done an interesting thing in regard to environmental taxation. The environmental protection tax that they introduced a couple of years ago has been pretty much window dressing, and for the first time in this bill we do see an attempt on the part of the government to move toward making it a more significant program, changing some of the retail tax, retail sales tax applications, particularly on tires, and adding a tax to disposable diapers, all of which will go into the Environmental Protection Fund and be used to fund projects to promote environmental awareness and the protection of our environment. I would presume this will receive the support of all the members in the House.

The big changes are coming. One is a significant tightening of tax avoidance. I think we see that in the small business tax holiday changes; we see that also in the corporate capital tax and the retail sales

tax, and the health and post-secondary educational levy.

I think it is a good thing. I think we have had several debates in the House about the ability of certain corporations to avoid paying taxes that they might be rightly assessed. The government has provided a variety of ways in which corporations can legitimately redirect expenditures from taxation into staff training and the like, and I think that the tightening up, on the other hand, to prevent abuses is a necessary and positive step. I am also encouraged by their enhancement of the tax credit for research and development.

I think there are a couple of things in here that need to be looked at, particularly in light of the other changes that the Finance minister is bringing forward. He has The Tax Appeals Commission Act coming up, and we are going to be debating that bill in just a few minutes.

I do want to talk in some detail about that because I have—while I think it is a good measure, I think there are some concerns that need to be addressed with it. Also, he is moving to a new form of operating agency; I think that needs to be examined with some care. But, on the whole, while this is a larger and more complex act than we have had to deal with in the last few years, it is consistent with the commitments made in the budget, and I believe it brings about some very necessary tightening of tax law in this province.

Thank you very much, Mr. Speaker.

**Mr. Speaker:** Is the House ready for the question? The question before the House is second reading of Bill 94, The Statute Law Amendment (Taxation) Act, 1992; Loi de 1992 modifiant diverses dispositions législatives en matière de fiscalité. Is it the pleasure of the House to adopt the motion?

**An Honourable Member:** Agreed.

**Mr. Speaker:** Agreed and so ordered.

### **Bill 95—The Tax Appeals Commission Act**

**Mr. Speaker:** On the proposed motion of the honourable Minister of Finance (Mr. Manness), Bill 95, The Tax Appeals Commission Act; Loi sur la Commission d'appel des impôts et des taxes, standing in the name of the honourable member for Brandon East (Mr. Leonard Evans). Stand? Is there leave?

**An Honourable Member:** No.

**Mr. Speaker:** Leave is denied.

**Mr. Jim Maloway (Elmwood):** Mr. Speaker, I will be spending a few minutes putting some comments on the part of our caucus on the record regarding Bill 95. I would like to say at the outset here that the late introduction of this bill and Bill 96, which we will be speaking to next, is of great concern to us because when we get bills introduced, such as 96 was just yesterday and Bill 95 a few days before, at such a late stage in the House and we are expected to examine the bills and come up with proper analysis of the bills, it is very, very difficult to do it with only one or two days notice, especially when many of the concerned parties affected by the bills have yet to be contacted and have their views heard. Now, I recognize that is the role of the committee process, and that is the route that the bill will be following after the comments made in the House today.

At the outset, I would say that The Tax Appeals Commission Act, the act of setting up a tax appeals commission sounds on the surface to be a fairly simple and a fairly good idea. What it will do is provide an independent review of contested corporation capital tax, retail sales tax, with payroll tax assessments and, of course, that in itself once again sounds like a good idea, but one would have to determine why at this particular time this measure was deemed to be necessary.

There are several questions that arise out of this measure and, of course, some of those questions can and will be asked at the committee stage, but I would be very interested in knowing what the experience of the government was regarding the previous situation regarding the collection of these taxes. Were they having a lot of problems with appeals in the past? What is the event or the series of events that triggered and prompted the government to bring in this particular bill particularly at this stage so late in the session? Was the government challenged in court on this matter? We have other questions such as: What will this add to the bureaucracy of the government and the cost to the government? Will it, in fact, encourage appeals?

\* (1530)

I am sure that the Minister of Finance (Mr. Manness) has appropriate answers to these questions, but these are questions, nevertheless,

that up to this point we have not had an opportunity to ask once again, because the bill itself was only brought in just a few days ago on June 10.

Once again, on the surface this looks like it is a bill that should not cause a lot of problems. However, until we get answers to these questions, we are passing the bill to committee with some reluctance, and in the hopes that at committee we are able to get the answers to these questions.

The next bill, Bill 96, which I will be addressing in a few minutes, also raises, in fact, more serious questions about the special operating agencies that the government is proposing. I will be dealing with that in a few minutes on Bill 96.

So with that I would like to conclude my remarks and allow the bill to pass to committee. Thank you, Mr. Speaker.

**Mr. Reg Alcock (Osborne):** Mr. Speaker, I once again want to thank the Minister of Finance (Mr. Manness) for providing notes on this bill, although this is rather less of a bill than the one we have just talked about. The Minister of Finance puts this forward as one step in cutting red tape. In fact, that is one of the comments he makes in his rather brief remarks on this bill.

I will be interested in the discussions in committee on that particular point, because it strikes me that it is difficult to reduce red tape by creating more complexity in the systems that one has available to one in order to challenge, question, or ask for intervention in the proceedings that a government may take against a person. On the surface, this is intended to provide an opportunity for people to have, quote: a less formal review of concerns they may have under a few taxation statutes. I think the intent of this is good.

I think the intent of this bill is to allow citizens to access appeal processes without having to go to the expense of hiring a lawyer or the formality of approaching, particularly, Court of Queen's Bench, but it does not deny them the opportunity to do that should they not receive satisfaction from the commissioner.

I think, though, there are two concerns that I have with the way it is being structured. One is that we are having a proliferation of ways to appeal and deal with specific tax statutes instead of trying to bring them all under one easily understood process. If you want to reduce red tape, you do it by collapsing

processes and simplifying processes, not by increasing the number of them.

The second thing is the independence of this particular position. I note here that this does not even have the protection of being vetted by Lieutenant-Governor-in-Council, that these people would be appointed solely by the minister. I note in the notes that there is the suggestion that they will be appointed by people who have a great deal of experience in tax. But we have questioned frequently in this House the independence of persons appointed directly by the government and feel that this takes it a step further in the wrong direction by removing any scrutiny other than that of the minister when it comes to appointing the individuals who will undertake these reviews.

With those few remarks, Mr. Speaker, I am prepared to let this pass into committee, and we will deal with those questions when the minister is able to answer them. Thank you.

**Mr. Speaker:** Is the House ready for the question? The question for the House is second reading of Bill 95, The Tax Appeals Commission Act; Loi sur la Commission d'appel des impôts et des taxes. Is it the pleasure of the House to adopt the motion?

**Some Honourable Members:** Agreed.

**Mr. Speaker:** Agreed and so ordered.

### **Bill 96—The Special Operating Agencies Financing Authority Act**

**Mr. Speaker:** On the proposed motion of the Minister of Finance (Mr. Manness), Bill 96, The Special Operating Agencies Financing Authority Act; Loi sur l'Office de financement des organismes de service spécial, standing in the name of the honourable Leader of the Opposition (Mr. Doer). Is there leave?

**An Honourable Member:** Which bill did you say it is?

**Mr. Speaker:** Bill 96, standing in the name of the honourable Leader of the Opposition. Leave?

**Some Honourable Members:** No.

**Mr. Speaker:** No, leave is denied.

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, the member for Concordia, the Leader of the official opposition (Mr. Doer), adjourned the bill for myself.

Mr. Speaker, this piece of legislation, I think, reads quite differently when you look at the legislation than the Minister of Finance's speech on this particular piece of legislation. The fact of the matter is that there are elements of this legislation that, I think, should cause people a great deal of concern.

Mr. Speaker, the Minister of Finance (Mr. Manness), in his opening remarks talked, I think quite glibly, about the creation of special operating agencies, or SOAs as he called them later on in his speech, as being a means of introducing innovation and allowing more financial flexibility within the department. However, when you read the legislation you find that what is being created really, at the whim of the Minister of Finance (Mr. Manness), and his colleagues, are really mini-Crown corporations, small agencies within departments that can act relatively independently of government.

Now all of this, of course, is still within the purview of the Minister of Finance. The financing authority shall be under the direction and control of the Minister of Finance. So while we have not lost direct responsibility, we are now creating arm's-length agencies to do the work of government.

Now, Mr. Speaker, I recognize the need for that to happen on occasion. In fact, I have argued that on occasion arm's-length agencies are more effective. They can respond more quickly than government departments, and I will give you one prime example. It is quite ironic that the Minister of Finance has decided to bring forward a bill that would allow him to create these special operating agencies when this same government, not more than a few months ago repealed legislation which created the Manitoba Energy Authority.

The Manitoba Energy Authority was a Crown corporation which operated independently on economic development initiatives related to energy in the province of Manitoba. Mr. Speaker, one of the arguments given by the Minister of Finance (Mr. Manness), and his colleague, the Minister of Energy and Mines (Mr. Downey), at the time that this agency was disbanded, at the time this legislation was repealed, was the suggestion that this could be done just as easily within the department. That is what they said.

They said we can do this just as efficiently in the department. All of the planning functions, all of the

operating functions can be done in the department, and I argued that was not the case. I said no, it is the independence of these Crown corporations, agencies like the Manitoba Energy Authority, that allowed it the flexibility to move quickly, responsively to the needs of the private sector partners that it was often working with.

\* (1540)

The Manitoba Energy Authority, when it was dealing with Dow Corning or Brown Boveri or G.E., when we negotiated an agreement for them to supply the turbines for the Limestone project, operated very efficiently. It created tremendous advantage for the province of Manitoba, in a way that would not have been possible just simply by using either Manitoba Hydro or the Department of Energy and Mines.

So Mr. Speaker, I see a tremendous contradiction in what the government is doing now because, what the government argued only a few months ago, it is now attempting to do by legislation in another venue. It is now saying, oh, the creation of these special operating agencies is a good idea. It gives us more flexibility, it gives us more independence.

There is one fundamental difference, however, in what this Minister of Finance is proposing and what we had in place in the case of the Manitoba Energy Authority, and I will tell the member for Niakwa (Mr. Reimer) what that is. In this case, the Minister of Finance (Mr. Manness) is basically giving the authority without coming to the Legislature, other than in terms of the principle of establishing the bill.

The Manitoba Energy Authority was required as a Crown corporation, as other Crown corporations are, to be publicly accountable. In fact, we have a piece of legislation requiring that our Crown corporations be publicly accountable and hold public consultation meetings explaining what they are doing. This bill gives the Minister of Finance the authority to appoint whosoever he chooses through an Order-in-Council to operate these special agencies. The special operating agency is "hereby established as a body corporate consisting of one or more persons appointed by the Lieutenant Governor in Council."

So we are now having a situation where Crown corporations will be appointed by the Minister of Finance—in effect, many Crown corporations—and yet there will not be the same kind of accountability

that is deemed to be necessary for our other Crown corporations.

So we have the contradiction of the government arguing on the one hand that MEA and a number of other Crown corporations could be disbanded because the government departments could do these things, and now we have the government saying, well, the government departments actually cannot do these things, and we are going to create these new entities, and these new entities do not appear to have the same kind of accountability that our Crown corporations have under our Crown accountability legislation.

It is not clear, as well, whether the government's agenda in doing this is really the first step to privatizing operations of government. We know that the government would like to privatize certain sections of the Department of Government Services, perhaps the custodial functions, the security functions, and you have to ask the legitimate question of whether this is, in fact, not creating little operating units within the department on an experimental basis to see whether in fact they can be profit centres. Of course, then you have to become a little bit suspicious about whether those centres might not be privatized in some future incarnation of Bill 96.

Mr. Speaker, I know that in his speech the Minister of Finance said, no, we have consulted with the Manitoba Government Employees' Association. He has indicated that they have approved or at least co-operated in the formation of working groups, particularly in the Department of Government Services in creating the Fleet Vehicle Agency Advisory Board. I can tell the minister responsible for Government Services (Mr. Ducharme) and the minister responsible for this bill that there is some skepticism with respect to the long-term purpose of this and whether this is not the thin edge of the wedge in terms of privatizing parts of government agencies.

Mr. Speaker, certainly I am not suggesting that this bill will allow the government to do that. I think it will take some other measures to do that, but the point is that the government cannot have it both ways. It cannot argue that it is not necessary to do that with respect to the Manitoba Energy Authority and other agencies and yet say now it is necessary within government departments.

We still do not know what agencies within government may be created. What are this legislation's targets? The Minister of Finance (Mr. Manness) mentioned one, the Fleet Vehicles in the Department of Government Services. What other sections of government departments are the targets for this legislation? I do not believe for a minute that the government has not developed a plan, that they have not identified a number of potential SOAs, as the minister calls them, and certainly we would like to know which agencies the government has in mind before we proceed to support this legislation.

Mr. Speaker, I have one other comment with respect to the timing of this legislation. This, in my opinion, could be an extremely contentious piece of legislation. If we can determine what the government's real intent is, I think it could be quite contentious. I think it may work to undermine much of what many governments over the past number of decades have attempted to create in the province of Manitoba, government departments with different branches, different services to meet the needs of Manitoba.

If we are now through this simple little document beginning the process of privatization, then I have some concern. We better have the debate. We had better be very careful about proceeding with step one if that is the government's intention. If it is the real intention only to streamline the efficiency of the departments, perhaps we can have a look, we can do a pilot project or two and examine the results, but I am not sure, and I am sure there are many people working in government departments across the Civil Service who are not sure about whether that is the intention.

So, Mr. Speaker, I want to say that it is unfortunate that this bill, which was introduced by the Minister of Finance (Mr. Manness) on June 16 for second reading, is not good enough, that we deserve, I think, a greater period of time to review something which, I think, is a significant departure for this Legislature and for government departments and for the people who are employed in those government departments, and it deserves a period of reflection.

We have not had that time, Mr. Speaker, because of the agreement to close the session, and I would rather see the government hold this legislation. I would rather see the government agree to suspend this until the fall sitting, until we have had a chance to examine a little more closely the government's plans, examine a little more closely the reactions of

those who might be affected and consider the costs and the benefits of moving in this direction.

So, Mr. Speaker, we are prepared to let this bill go to committee at this stage, but I put the government on notice that we may, in fact, have some further questions and want to further delay consideration of this bill at some point in the very near future.

**Mr. Reg Alcock (Osborne):** Mr. Speaker, I will be the only speaker for our party, and we can let this go to committee as soon as I am done. However, I am concerned. I share the concerns of the member for Flin Flon (Mr. Storie), although for different reasons. I am somewhat distressed that the Finance minister (Mr. Manness) has not done two things. He has not followed the practice that he followed with his other bills where he provided fairly extensive notes and details as to his intentions with this bill. He introduced it and read it just two days ago. I listened with some care to the remarks put on the record at that time as I was intrigued with the intention of this bill.

I am, in a sense, not concerned for the same reasons as the member for Flin Flon is, because I am not convinced that this is going to produce the kind of streamlining and efficiencies that the minister would wish to produce in any event. I had a lengthy discussion with the Minister for Government Services (Mr. Ducharme) some time ago about the intentions with the provincial garage. While on the surface it sounds well and good, I think what the Finance minister is allowing us to do is to give him a fairly sizable blank cheque, so that he can run around and create a series of organizations that are only accountable to him, to take on a variety of tasks within government without much in the way of review by the Legislature or advance discussion with the public.

Mr. Speaker, I share some of the concerns which the Finance minister expresses when he talks about the size of government and the inability of government to move quickly or efficiently or in a cost-effective manner. Government has become far too large, far too expensive, far too intrusive in people's lives, and far less able to provide service. So when the Finance minister comes forward and starts talking about creating some changes in the name of producing service, in the name of producing efficiency, I applaud him for that. However, I think, as I said on the earlier bill, that simply providing another layer of government, another type of

government, an expansion of government in the name of producing efficiency is not going to produce that result.

\* (1550)

The inefficiencies that are inherent in the management of government rest with this Finance minister and his office, and he has an ability to tackle that problem. Technology today gives us a variety of options when it comes to improving and streamlining the management of government, options which the Finance minister should be capitalizing on, not running away from.

It is just simply that we have seen over and over again attempts by governments in the name of creating greater efficiency that simply result in the establishment of a new office, a new review, a new level of decision making that simply interferes with the ability of an organization to move forward. The Finance minister did state—and I would reference it to the member for Flin Flon (Mr. Storie), given his concern about contracting out and privatization—that these changes had been discussed extensively with the MGEA. I would ask him to check with his friends at the MGEA to confirm that, because I suspect on the surface, if the intention is to do what the Minister of Government Services (Mr. Ducharme) has talked about with the provincial garage, and it is limited to that form of operating entity, we could support it.

However, I would encourage the Finance minister to take a step back and to look at the overall management of government and think through the way in which he can solve the central management problems in government rather than avoiding them by establishing operating entities that function essentially outside of them. If it is good for small sections and branches of government to become relieved of the burden of central management control, then perhaps it is good for all of government. I think the Minister of Finance could do a great deal to improve the efficiency and cost effectiveness of government if he had simply looked a little more creatively at his role in central management in government and did not avoid that debate by creating a myriad of small operating entities to relieve him of the burden of becoming a better manager.

We will have those debates in committee when the minister is here. We can try to get a better idea of his real intentions, but I am going to reserve judgment as to whether or not I will support this bill.

I may in fact want to revisit this discussion at much greater length in committee and on third reading.

Thank you very much.

**Mr. Jim Maloway (Elmwood):** I rise to put our final comments on this bill before we send it to committee. Mr. Speaker, I am very unhappy about the timing of this bill. The fact of the matter is that this bill was only introduced a day ago, and I am very reluctant to support it. In fact, I can say at the outset that I do not like being snookered, and I think that is potentially what is going on here.

It reminds me of the concurrence motion a couple of years ago where the Liberals took a real beating getting snookered in the FOS debates. I would hate to think that the government would be trying to do that to the opposition at this stage, but on the surface of it there is a very real possibility here, given the fact that they have held this bill off until introduction just yesterday and now they are expecting to pass this to committee, that that is, in fact, what is happening.

If this bill is designed for back doorstep to privatization, then we will have much, much more to say about it. The more I read this bill and the more I look at this situation, the more suspicious I become that that, in fact, may be the government's design here. I do not think that this kind of strategy by the government is in their long-term interest, because if in fact they are up to no good in this situation they will regret it in the long run.

Having said that, it is our plan to stick to schedule and send this bill to committee tomorrow. Hopefully, we will have public hearings and allow people who are directly affected by this bill to come forward, make presentations, and at that point we will be in a better position to make up our mind as to where the government is headed at this time. I can tell you that our initial consultations do not look promising and clearly raise some alarm bells which I think should be certainly brought to the attention of the House at the earliest opportunity. We in fact are doing that at this point.

So, Mr. Speaker, it is with some great reluctance that we move to send this bill to committee at this point, and we will be watching this bill very closely at the committee stage and certainly at third reading, and it may well be that we have not heard the end of this bill yet in this session.

**Mr. Speaker:** Is the House ready for the question? The question before the House is second reading of

Bill 96, The Special Operating Agencies Financing Authority Act; Loi sur l'Office de financement des organismes de service spécial. Is it the pleasure of the House to adopt the motion?

**An Honourable Member:** Agreed.

**Mr. Speaker:** Agreed and so ordered.

## SECOND READINGS

### Bill 100—The Pension Plan Acts Amendment Act

**Hon. Darren Praznik (Minister of Labour):** Mr. Speaker, I would move, seconded by the honourable Minister of Family Services (Mr. Gilleshammer), that Bill 100, The Pension Plan Acts Amendment Act, Loi modifiant les lois sur les régimes de retraite, be now read a second time and be referred to a committee of this House.

**Motion presented.**

**Mr. Praznik:** Mr. Speaker, I will try to be very brief in my remarks. This particular piece of legislation was primarily necessitated by amendments that the federal Parliament enacted with respect to pension plans and that are effective as of January 1 of this year. This piece of legislation will allow three particular plans for which this Legislature is responsible, the teachers' pension plan, the Civil Service Superannuation Plan and the MLAs' pension plan to comply with that legislation.

Mr. Speaker, the three plans as I have indicated and with respect to the Civil Service Superannuation Plan cover over 31,000 public servants and 8,000 pensioners. Approximately one-half of them are civil servants. The remainder are employees of Crown corporations, boards, agencies, including Manitoba Hydro and Manitoba Telephone System. The fund has assets currently in excess of \$1 billion and is among the top 30 pension plans in Canada. December 31, 1989, valuation determined that the assets of the fund exceed obligations by some \$50 million.

Mr. Speaker, the MLA plan, as members may be aware, is created under Part 2 of The Legislative Assembly Act and it provides pension benefits for members of this Assembly.

The teachers' plan covers approximately 15,000 public school teachers and 5,000 pensioners. The fund has assets of over \$800 million and is among the top 40 pension plans. As of January 1, 1990,

the valuation determined that the assets of the fund exceed obligations by some \$60 million.

Mr. Speaker, the process leading to these amendments involved lengthy discussions with the representatives of the employees covered by the plans with respect to teachers and public servants.

\* (1600)

The key amendments deal primarily with income tax compliance that to the extent possible within the tax rules the members of the plans will be able to maintain the same value of benefits that currently exist. Where benefits have to be reduced to comply a compensating benefit or allowance, that has the same value as the reduced benefit but that is permissible under the federal tax rules, has been included.

For example, to compensate for required higher early retirement reduction, a bridging benefit payable from retirement to age 65 has been included. It will have the same present value as any benefit lost because of the income tax requirement. Other compliant changes include cost-of-living adjustment based on percentage of CPI instead of a split formula of percent and cents per year of service.

Provisions to limit the benefits where necessary if tax limits are exceeded are also included. Other specific changes, Mr. Speaker, to the Civil Service Superannuation Plan: a provision to allow for early retirement after age 55 without penalty, when age plus service equals 80 is included in this act. This was announced by the government at the time of our layoffs and staff reductions, and at the request of the MGEA this provision was announced to encourage those who were thinking of early retirement to so do and take the voluntary incentive program with this benefit to make positions available for other employees.

A provision to allow employees to purchase certain types of prior, nonpensionable service during a window period, November 1, 1992 to July 1, 1994 has also been included. This will be of particular benefit to employees in the Departments of Natural Resources, and Highways who have traditionally had seasonal work and so have been laid off seasonally and recalled and not been eligible to go into the plan. This will allow them to buy back those periods of service and so have the benefit of a pension.

With respect to the MLA plan, the only changes with respect to this plan, there are no changes to benefits, certainly no increase to benefits. The only changes are provisions to provide protection of spouses' benefits in the event of marriage breakdown similar to the provisions in The Pensions Benefits Act. I believe all members should support the principle that it was time this legislation, our own pension plan as MLAs, be brought in line with the requirements for other pension plans across the province.

With respect to the teachers' plan, amendments are included to allow the board to refund to some teachers, from the surplus, excess contributions arising from special payments they made in 1981 to improve the benefit formula. There are no benefit improvements in this package for this particular plan.

The bill contains some housekeeping amendments of an administrative nature recommended by the plan administrators or required as a result of changes to The Pension Benefits Act which are also now before this House. These amendments clarify the meaning of sections and/or provide for more streamlined and responsive administration.

With respect to financial implications, Mr. Speaker, generally the changes related to income tax compliance are cost neutral. The Civil Service Superannuation Plan changes are being funded by the existing employee surplus. This was negotiated with the plan sponsors and the employees' representatives. The actuary has determined that the surplus is not needed to meet existing obligations under the act, now or in the future.

There are no increased costs as well with any of the changes associated to the MLA and the teachers' plan. There is no adjustment in the contribution rates for any of the participating employee or employer groups with respect to this legislation. All of the amendments have been reviewed by the plan's actuary to ensure that they are financially sound and comply with relevant legislation.

The representatives of employees and employers will continue to meet on an ongoing basis to discuss other items of concern related to the Civil Service and teachers' plans which, obviously, were not appropriate to bring forward in this bill.

I hope that this bill can be expedited through the House. As I am sure all members are aware, it is required if it does not pass through the House at this time, it is likely that these three plans would be deregistered by the federal government. So there is some urgency to this particular matter.

Thank you, Mr. Speaker.

**Mr. Steve Ashton (Thompson):** Mr. Speaker, I thank the minister for his opening comments, and I just want to indicate that we have had an opportunity to review this legislation. Essentially, as the minister indicated, it appears to bring existing pension plans, in terms of the three pension plans that were outlined, within the parameters set by federal legislation, and also brings them into keeping with other pension plans in terms of provincial legislation in respect to spousal benefits.

Mr. Speaker, essentially it might be called a housekeeping bill in the sense that it does not involve any substantive changes in it to any of the pension plans involved. It merely maintains the current benefits, the current structure, and brings it in line with additional legislation.

That being the case, we are suggesting that this matter be moved to committee, in conjunction with a number of other pension bills, in particular, with 71 that has already been passed by this House, I believe, 76 which we will be dealing with a few minutes which does have a number of rather controversial sections that we will be debating rather extensively.

But, in general, we feel it is appropriate to move it through to committee and deal with it on a clause-by-clause basis once we are in committee. Thank you.

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I rise also to put a few words to this bill and allow it to go to the committee stage. I understand and appreciate the urgency of having the bill introduced at this point in time and seeing it passed. Because, as the minister has quite correctly pointed out that if it is not passed it will somewhat deregister these pension plans.

So I understand that this bill amends three acts in different ways. The amendments are either for the purpose of administration or housekeeping of sorts, compliance with other acts such as Bill 76, as the member from Thompson (Mr. Ashton) points out, in The Income Tax Act or improvements of benefits or a combination of these.

Three parts, the first being the Civil Service Superannuation Act. This part of the bill is proposed as a result of negotiations with the Civil Service, I understand. The amendments are those requested by representatives of the groups that are affected. The proposed amendments will bring the Civil Service Superannuation Act and the pension plans in compliance with the Income Tax Act of Canada.

If these changes were not approved, the registered pension plan could fall outside the new federal regulations, as I pointed out. In order to keep these plans on-line, if I can use that terminology, it is important that we see this bill pass, as I say, some time this year. Many of these amendments should properly be in regulations, but in that this act is structured as it is, we are in the position of regularly amending the act instead of regulations, which of course has its pros and cons, Mr. Speaker.

Another part of the legislation deals with the MLAs. This part of the bill for us is the bottom line in these changes is that the MLAs will continue to make the same contributions and will receive the same benefits. As the minister points out, there is no increase. In other words, it maintains the status quo from what I understand.

I have really had the bill just a couple of days ago and so we had to somewhat speed through in reading it. However, previously there were no provisions for a split in terms of the MLA portion for the pension on marriage breakdown. It is a reality of contemporary society that we must provide for marriage breakdown and remarriage and so forth. That these provisions were not included previously was probably more an oversight than anything else. This bill provides for the splitting of pension benefit credits on marital breakdown and for opting out of the splitting, even though, as a caucus therefore we would urge that spouses opting out of splitting of the pension credits get some sort of independent legal or at the very least some sort of financial advice.

In terms of The Teachers' Pensions Act, again, this part of the bill amends The Teachers' Pensions Act in accordance with their negotiations, from what we understand. The changes are mostly to ensure compliance with The Income Tax Act. Other changes are, again, housekeeping in nature, and having said those very few words, Mr. Speaker, it would be okay from our point of view to allow the bill to go into committee.

**Mr. Speaker:** Is the House ready for the question? The question before the House is second reading of Bill 100—The Pension Plan Acts Amendment Act; Loi modifiant les lois sur les régimes de retraite. Is it the pleasure of the House to adopt the motion?

**Some Honourable Members:** Agreed.

**Mr. Speaker:** That is agreed and so ordered.

\* (1610)

## DEBATE ON SECOND READINGS

### Bill 76—The Pension Benefits Amendment Act

**Mr. Speaker:** On the proposed motion of the honourable Minister of Labour (Mr. Praznik), Bill 76, The Pension Benefits Amendment Act; Loi modifiant la Loi sur les prestations de pension, standing in the name of the honourable member for Flin Flon (Mr. Storie). Stand?

No, leave is denied.

**Ms. Becky Barrett (Wellington):** Mr. Speaker, I am going to put some concerns that our caucus has on the record about one particular section of Bill 76 which deals with mandatory credit splitting. Our concerns in this area reflect two basic principles that we hold and we think that the act currently holds, and that we feel are in jeopardy with the proposed changes that are included in this bill.

One is that a marriage is a partnership of equals. Now this is a very important principle and one that is oftentimes honoured more in the breach than in the recognition. As a subsidiary of that principle, any reduction of disposable income resulting from pension contributions made during a marriage is a reduction of the family income. Those pension benefits do not belong to one particular part of that marriage unit. They are a reduction of the family income.

The second principle that we are concerned about with regard to Bill 76, Mr. Speaker, is the whole issue of what pensions are. The principle that, heretofore, has been followed, and that we are concerned will be watered down with this bill is that pensions are a special type of asset to be set aside for future benefit. They must be treated as such. When you are talking about pensions, you are not talking about an asset that should be treated in the same way as a car or a house or a cottage at the lake or stocks or any other kind of asset—furniture, personal

property. All of those assets have a very different principle involved with them, particularly when it comes to a marriage breakdown.

Mr. Speaker, historically, this pensions benefit legislation that we have in Manitoba is in the forefront of pension legislation, not only in Canada, but throughout the United States. As a matter of fact, there was a television show about a year and a half ago where a group called the Older Women's Union from the United States was talking about the problems that they are facing as older women.

They cited the Manitoba pension legislation and, in particular, the mandatory credit-splitting aspects of that legislation as being very progressive and very positive, and they hoped that other groups and other legislative bodies in North America would support that legislation. So, Mr. Speaker, we are concerned that this bill, Bill 76, does not continue to place Manitoba in the forefront of pension legislation, but is again, as many of the bills that are before us today or this session, a step backwards, and should not be passed through without concerns being raised.

Mr. Speaker, many of the people that we are concerned about in the changes that are being proposed in Bill 76 are women who are older and women who are poor. I think that our legislation should and must, if it is going to be adequate, reflect the demographical and age and economic statistics that we are faced with in Manitoba and throughout western society.

In Canada, our population continues to age. Also, the percentage of Canadians who are going to be over 65 within the next 10 or 15 years is going to be upwards of 20 percent. So we are talking a very significant portion of our population which is going to be dealing with pensions and are going to have to live with the pension legislation that we have put in place.

Not only are, generally, Canadians and Manitobans getting older, but as has been historically the case, women are a disproportionate part of the population that is 65 and over. Of Canadians today, who reach the age of 65, men are expected to live 79.5 years—so 14 years past the normal retirement age—while women, who hit 65 this year, are going to live almost 84 years, which is 19 years past the normal retirement age of 65. That is a long time for our senior citizens to have to deal with the financial realities.

Mr. Speaker, I might suggest that one of the government members just stated—I think I know who it was, but I am not sure so I will not specifically make mention of his constituency—from his chair, yes, and that is a time for a lot of golf. Well, we are talking on behalf of the many, many Manitobans, particularly women in this province, who have no resources to play golf. It is a classic: the idea of the government is that you hit 65 and you have leisure time. You have the resources and the time to take advantage of the recreational activities and the volunteer activities that are a part of our ideal culture.

Mr. Speaker, the vast majority of women in this province and in this country over the age of 65 will live in poverty. Their income will be half of what the poverty line is. This legislation is going to make those statistics even worse. That is another one of our major concerns, that this legislation does not protect the most vulnerable people in our society, particularly those who are over 65.

Another area that is a concern to us in this legislation is that this legislative change presupposes and it was stated, when Bill 57 came up before committee hearings, in March of 1990, reflecting much of the same concerns that are being raised today: this legislation presupposes equality in marriage.

I stated earlier that marriage was an equal partnership. All the statistics state that not only financially but emotionally, psychologically and even physically, marriages are not equal. In particular, when marriages break down, in many, many cases the discussion and the dialogue and the supposedly equal partnership is shown for what it is, that many marriages are unequal. The power and the financial differentials make it very difficult for many women to come out of a marriage breakdown in a legitimate, balanced, fair way financially, if not even discussing psychologically or emotionally.

Mr. Speaker, in hearings before the Legislature in March of 1990, one of the lawyers, who made a presentation on behalf of the family law subsection, talked about the discussions that marriage breakdown was between equal partners, and we know that is not true in many cases.

It also talked about the fact that the proposed changes which were the same or similar to the changes that are proposed in Bill 76, saying that it was demeaning to women of obvious intelligence, and it was demeaning to a whole raft of

well-educated, well-informed women who want to make their own decisions, that there was mandatory pension splitting. Well, Mr. Speaker, we all know that in many cases, as I have stated before, when marriages break down, it does not matter how intelligent, how well informed you are, that in many cases the man has the ability to use this pension splitting as an emotional lever. We all know cases where that has been the case.

As the family law subsection presentation in 1990 stated and agreed, the majority of pensions are probably held by men. That, of course, means that the decision as to whether to split pension contributions or take the payment in some form in lieu of division will be decisions that would have to generally be made by women. Mr. Speaker, in those discussions at committee the member for St. James (Mr. Edwards) made what I consider to be a couple of very good points, and I would like the member for St. Boniface (Mr. Gaudry) to let the member for St. James know that I did make that statement in a positive manner.

\* (1620)

That is again, Mr. Speaker, that men have been known to use the pension, the fact that they have the pension in their name, as a threat, saying I will give you the pension, I want my pension and in exchange for my maintaining my pension I will give you the house or if you do not agree to my maintaining my pension, I will go to court and drag you through court for years and years and years for custody of the children. Because there is a financial differential between the salaries and wages and pensions between most men and women in our society, we come to a marriage dissolution in an unequal position.

Mr. Speaker, it is important that we maintain the mandatory credit-splitting benefits to protect the majority of situations where, if there is a pension, if the woman does have a pension, and many women do not have one because of, again, the economic inequalities in our society, or if her pension, if she does have one, it is likely to be in many instances far smaller in amount than the 20 percent differential that is currently in the legislation, it is important that we take that pension out of the arena of assets that can be split, that can be bartered, that can be used as pressure tactics.

The reason it is important for that to happen, Mr. Speaker, is because pensions are not the same as

other assets. In no other instance—now I am open to be proven wrong, but I believe that in no other instance is a pension allowed to be used in any way other than as a forced retirement savings. If you have a foreclosure on your home, if your business is going bankrupt, if you have enormous other expenses, you are not allowed to touch your pension benefits.

There is a very good reason for that, because by definition, pension legislation is paternalistic, it is maternalistic, because it does say society requires that people who work and who have a pension plan are obligated to maintain those funds so that society has an expectation that when that individual leaves the work force or retires they have an adequate source of income. Now, that is the principle and often it does not happen in practice because of the inadequacy of pension income, but nevertheless the principle is there.

Mr. Speaker, if it is good enough to keep a pension untouchable for a business breakdown or an economic breakdown, if the Reichmann brothers cannot access their pensions in order to help maintain their ownership of Canary Wharf, why should pensions be accessed and be seen as just another asset when a marriage breaks down? It goes against the principle of pensions and should not be allowed to happen.

Mr. Speaker, we understand that there are situations that have been in the media and have been dealt with in the past, have been talked about in the past, where both partners to a marital breakdown want to be able to split their pensions. There is currently in the legislation an agreement that if there is less than 20 percent differential in the value of a pension between one partner and the other in a marriage breakdown they do not have to mandatorily split their pensions. That says that the legislation understands that within 20 percent that financial basis will be there for both partners, so you do not have to put them in a pool and then split them. We believe that part of the legislation has not been in effect long enough to really work out all of the problems and the kinks of this new kind of legislation. We also believe that we should keep it in place, and that there should be other avenues looked at to deal with the situations where both parties might want to choose to have their pension split, or in the cases where our legislation differs from the federal legislation.

My understanding is that there is federal legislation going to third reading that would decrease the number of problems that are currently being faced by some Manitoba couples. Mr. Speaker, another part of the problem with this legislation is the fact that, and even the family law subsection representative agreed in the 1990 hearings, there are lawyers who No. 1 did not know about the act and so did not tell their clients about the provisions of this act; No. 2, in cases where they did, many lawyers chose to try and subvert that portion of the legislation. When the lawyer was asked about this, he said, well, the recourse for a client in this situation would be they could go to the Law Society to complain or they could sue their lawyer. Well, again, this is a classic case of caveat emptor—let the buyer beware.

A lawyer has a legal obligation to provide the most accurate and comprehensive legal advice that he or she can within the knowledge of the law. The law should not be changed because lawyers are choosing to ignore it. Lawyers should be held responsible for upholding the law, and there should be severe penalties put in place other than having the onus on the client. There should be severe penalties in place in this legislation for lawyers who knowingly, or unknowingly, subvert the spirit as well as the line of the law.

We also note that the family law lawyer in the 1990 hearings said that pensions should be treated in exactly the same way as any other asset, and we have stated very categorically that we think that is inaccurate. He also agrees, as I have stated earlier, that men generally hold the pensions and women are the ones who have to make the determination as to whether they want to split it or that they want to accept other assets in lieu of that. But the lawyer also says that under normal circumstances pensions should not be tampered with.

So what the lawyer is saying on the one hand is that for normal situations, pensions are inviolate, but in this one particular situation, which is marriage breakdown, pensions should be treated just as any other asset, and we disagree with that.

Another change we would like to see to the legislation that might help couples come to an understanding about the pension situation is that lawyers are not accountants and, they are not actuaries, and they are not cheap. We would like to see, in the legislation, independent actuarial advice as well as independent legal advice so that the

partners know exactly what the value of their pensions are. If this were mandatory, Mr. Speaker, a husband could not say to his wife, oh, my pension will only give me \$100 a month, so let me give you this \$150,000 house and that will be even.

No, what would happen is that the husband and the wife would both have to have information as to what the actuarial table said were the values of those pensions at a certain point in time, and then perhaps many wives would have the kind of knowledge and information that they need in order to make an informed decision and in order to be able to say, wait a minute, my house is worth \$150,000 today, your pension is going to give you far more when you retire. It is going to increase in value far more in the next 25 years than my house is ever going to increase. Therefore, the more knowledge that we have, the better able we are to have fairness and equity in our actions.

We will be interested to see what happens with the committee hearings that will be undertaken shortly. We believe that this legislation may have some problems, particularly in administration. We think there are ways, other than changing the mandatory credit splitting, to deal with that.

Finally, I would like to quote Mona Brown who is a very well-respected lawyer in Carman, Manitoba, and she said in these March 1990 hearings, something that I think encapsulates the problems in this legislation. If I could quote, she said: If you can just look, as another example, we have speeding legislation, and that prohibits people from going too fast on the highway, partially for their own good, paternalistic, and partially for the good of society, because we want to protect other people in society. The fact that people speed does not suggest that we should amend The Highway Traffic Act to change the speeding limits. It does not follow rationally.

\* (1630)

Mr. Speaker, I would suggest that the fact that people have difference in pensions and the fact that people may be open to pressure tactics from their spouse does not mean that we should change the legislation to facilitate that inequality, to make that inequality more. We should amend the legislation to make the principles of a mandatory credit splitting, to maintain the principle of a pension as a resource to be used upon retirement.

This legislation does not do that, and I believe that in the long run, the people of Manitoba and

particularly the women in Manitoba will see the folly of these kinds of changes. So we will be looking forward to the committee hearings and will raise our concerns and be very interested in what the members of the public have to say on this piece of legislation.

Thank you, Mr. Speaker.

**Mr. Steve Ashton (Thompson):** Mr. Speaker, I have a number of comments I want to put on the record on this particular bill. I, first of all, want to thank the member for Wellington (Ms. Barrett) for her contribution in terms of this debate. It is a very complex bill in many ways, but it is a bill of a number of significant principles that have to, I think, be addressed by this Legislature.

The credit-splitting issue is obviously part of this bill we are dealing with. There are also other aspects to this bill. Bill 76 essentially starts to move pensions from a defined pension basis more towards the model of self-directed RRSPs. It has a number of other provisions related to surpluses that involve an agreement at the beginning of plans, involving access of employers to surpluses. It allows employers to take contribution holidays, although workers must continue to put funds in.

Mr. Speaker, this is an area that has been the subject of much debate, the whole area of who owns the pension plans. My debate on this particular matter, my contribution to this debate, the contribution of our party is to say on the record, we feel that pension plans are essentially an employee benefit that accrue to the employees and that by definition they should be essentially owned by the employees themselves. I think that is a vital matter.

We have seen in many cases attempts by employers to drain pension plans. We have seen a number of recent cases, a recent case in Ontario, for example, where an employer attempted to drain the pension plans specifically because of business difficulties. We have seen previously with the Dominion stores a number of years ago, where they once again were taken over because of the assets in the pension plan and their ability to access those assets.

Mr. Speaker, the member for Wellington (Ms. Barrett) pointed to the fact that, as individuals, people cannot access their pension plans. They are protected in cases of business difficulty. They are protected, they are a unique kind of asset that transfers current income into a locked-in source of

future retirement income. The bottom line is, that is the situation in terms of pension plans as well. All it is is a collective deferral of employee contributions and employer contributions on behalf of the employees.

Mr. Speaker, I believe very strongly that the employees should have control and direction over those pension plans. I would suggest that it is important in terms of maintaining the integrity of the plans. But it goes beyond that in the sense that it allows, I think, for a rather dramatic new vehicle for economic development.

I have always felt, in the case of Manitoba, we would all benefit if all the pension funds, for example in the public sector, were directed, as is the case for example with the Quebec pension plans where in Quebec they use it as a vehicle of economic development, toward that purpose.

Just think of the capital we would be able to access for development of Manitoba if we were able to have greater control over pension plans and greater investment of those pension plans, of those funds into Manitoba. We can still protect the integrity of the plans, protect the integrity of the funds, protect the integrity of the pensions of the employees who look to those funds. There is a great deal of potential for economic development, and it is all predicated on employee control.

So I say, we have a concern. We believe that surpluses should be the proprietary right of the employees, not the employers; that it is a matter of deferred income that is invested, and if a surplus is realized over and above benefits, that surplus should accrue to the employees and that should be the legislative thrust, not what we are seeing in this particular bill.

I want to say, Mr. Speaker, that we also have concerns about the movement from defined pensions to self-directed RRSPs. I want to say that we have a major problem in Canada in terms of direction of pensions. We should look at the Europeans as a model. Many European countries provide far superior pension benefits to their residents than do the provinces in this great country of ours. I compare, for example, many people emigrated from what was then West Germany in the 1960s. At that time wages were probably double. Those individuals now reaching retirement age find that if they had stayed in Germany, their pension would probably be double what it is here, partly

because wages have caught up, but largely because benefits are significantly higher in terms of percent of income than they are here—[interjection].

The Minister of Urban Affairs (Mr. Ernst) emigrated from City Council and has had the same problem with his pension, I know, Mr. Speaker, but I digress. The bottom line is it has happened with many, and not just in terms of West Germany. I know my own in-laws, my father-in-law, for example, retired in Greece at the age of 55 and receives a pension that relative to Greek standards is significantly better than it is here in Canada. Mr. Speaker, I look to what is happening in Europe and I look to what is happening in Canada, and I think we are going backwards in terms of pensions because of the limited model of the CPP we have and the OAS and the increased direction toward RRSPs.

I believe we need a stronger public pension plan system that indeed might involve some additional contributions from individuals during their working lives that could result in significantly improved pension benefits for all Canadians, not just those who have the financial resources to invest in RRSPs and benefit from the tax write-offs.

That is the problem with RRSPs. In a sense they are unequal because they provide unequal tax benefits, so we have concerns about any move. In fact, even investment analysts have warned of this particular migration to RRSPs, as it has been called. In fact, there was an article in the Free Press recently entitled: Migration to RRSP tricky, investment analysts warn.

We really believe this is a direction that has very great risks involved. I want to address, just briefly, the issue of pension splitting. I can tell you, Mr. Speaker, that I have had personal opportunities to talk to people, many people with their views in terms of pension splitting. I can tell you, in talking to people who have been through a marriage breakup, there are many difficult matters to deal with. Second perhaps only to the issue of custody of children lies the question of pension splitting in terms of controversy, in terms of bitterness.

I have talked to people who have said, why should my ex-spouse get a split of my pension; it is my pension. You know we have adopted in family law the concept of community property. The house, the car, the possessions of the individuals that are acquired during the marriage are split evenly. Mr.

Speaker, that is the way it should be, because a marriage is a partnership, and whether one person is working outside of the home and one is working in the home, and that one person gets income and the other does not, or whether the two partners are working outside of the house, and recognizing that many people, even if they are in the work force, do not have their own private pension plans, and recognizing there are unequal pension plans between different jobs at different wage levels, et cetera.

\* (1640)

The bottom line is, the concept of community property takes the value of all the assets, including the pension plan, and says, under that concept, that they should be treated as the equal acquisition of the partners during that marriage, and so it should be.

The concern that we have, and I have individually, is the direction this bill is moving. It is a very easy sort of issue for the government to be developing, it can talk about as being a matter of choice.

Indeed, one could say that it is a matter of choice, but as the member for Wellington (Ms. Barrett) pointed out, choice seems to be rather a subjective term that is used. I know members opposite seem sometimes to want to allow choice in some things and not others, but we will not get into that dichotomy that we see.

The question here is as to whether, under the act, the one regulation that there is, Mr. Speaker, which is that this matter should be dealt with through the advice of a lawyer, is a sufficient regulation to protect the interests of those who are vulnerable in the situation involving a marriage breakup.

Let us deal with that. Who are the vulnerable people? In many cases, it is the low-income or no-income spouse. Mostly the woman, but in some cases it can be the husband as well, because not every husband makes more money than his wife and has a better pension plan. That has been changing.

The question, though, is in terms of the regulations. I will say that it is not sufficient to have strictly a lawyer, that this is an actuarial matter. It is a financial matter, and that should be the kind of advice that is given to individuals. I say further that we would be far better off looking, perhaps, even at a cooling-off period, even if the government is going to pursue this course.

I will say, Mr. Speaker, and predict now that there will be abuse of this new act, the new amendments involved in this act, and that you will get people bartering custody of children, bartering the house for not splitting a pension plan. You will end up with spouses not getting their fair share of the assets, acquired jointly, because of that process. I know it is a matter of some bitterness, as is the case of any marriage breakup. We have a fundamental principle in family law that is fundamental to the equality of Manitobans, and equality between the sexes, largely, and that is the concept of community property and that is one of the reasons we do have concerns about the splitting.

I will say, I have no doubt there will be many people before the committee who will say, yes, we should have the splitting. The question, Mr. Speaker, as I said, is the degree of regulation, as the member for Wellington (Ms. Barrett) pointed out, of the interests of those who are vulnerable. That is why we are prepared to take this matter to committee. We are prepared to listen to the public.

I hope, as well, that the government will listen to us and some of the suggestions we have made, because we feel that this is not a step forward, that this bill if passed as it is, after committee, will have a number of significant negative developments in terms of pensions, whether it be in terms of credit splitting, whether it be in terms of the movement to RRSP, whether it be in terms of the ownership of pension surpluses.

That is why we raise these concerns. We want this bill to go to committee, but we will be debating this matter further following committee, Mr. Speaker, and into third reading. Thank you.

**Mr. Speaker:** The question before the House is second reading of Bill 76, The Pension Benefits Amendment Act; Loi modifiant la Loi sur les prestations de pension. Agreed?

**An Honourable Member:** Agreed.

**Mr. Speaker:** Agreed and so ordered.

### **Bill 85—The Labour Relations Amendment Act**

**Mr. Speaker:** On the proposed motion of the honourable Minister of Labour (Mr. Praznik), Bill 85, The Labour Relations Amendment Act; Loi modifiant la Loi sur les relations du travail, standing

in the name of the honourable member for Swan River (Ms. Wowchuk).

**An Honourable Member:** Stand.

**Mr. Speaker:** Stand. Is there leave? [Agreed]

**Mr. Conrad Santos (Broadway):** Scattered applause. Make it more lively.

Mr. Speaker, if we look at The Labour Relations Act in relation to what this government has done in the previous session, any objective and casual observer cannot but fail to observe and notice and discern the pattern by which this government has been systematically assaulting organized labour in this province, forgetting that both labour and capital are essential ingredients in the economic progress of any society. They are equally important agents for our societal development and progress and happiness.

Placed in harmony, both labour and capital contribute to the stability of industrial relations and industrial peace in the production of goods and services. If there is industrial peace and harmony, there will be more productive enterprises; there will be economic development; there will be prosperity among the people in society. However, placed in confrontation against one another, both labour and capital are stifled, both labour and capital are frustrated, and there will be antipathy and negative feelings toward one another, when they should be working in partnership for the progress of human kind. They are not trying to do that now.

The best way for any kind of harmonious relationship to continue is for the parties to stay on the level. If they have to play the industrial game in labour-employer-employee relationships, the game must be played according to the rules. The rules should be applied when they perform on what they call the level playing field.

But life, to some people, is just simple interaction according to certain generally accepted rules. It is often assumed that something—it is a basic principle, moral and political principle, that no one should be permitted to advance self interests at the expense of general interests. I repeat that. No one should be permitted to advance particularistic interests at the expense of the general interests of all.

It means that no one should be permitted to be so self-centred, to be so greedy as to promote particularistic interests at the expense of societal interests.

**An Honourable Member:** Is this for both men and women?

**Mr. Santos:** This applies to everybody. This applies to all organizations as well, whether they are organizations of workers or organizations of owners of capital.

**An Honourable Member:** Young and old?

**Mr. Santos:** Young or old. No one should be allowed to promote their particularistic interests at the expense of the general interest of everyone. No employer, therefore, and no union should become so overpowerful and overbearing as to endanger the harmony of interest in the general society.

(Madam Deputy Speaker in the Chair)

This is precisely the design of the industrial Labour Relations Act. It is a delicately balanced structure of rights and responsibilities on the part of organized labour and on the part of management representing the employer. The industrial Labour Relations Act in this province, the Manitoba industrial Labour Relations Act equates the interests of the employees, organized into unions of workers, as against the interests of the employer represented by management and by supervisory personnel. They are placed in equilibrium in delicately balanced structures, where the rights of one organized group, collective rights of one is equated with the collective organized rights of the other.

\* (1650)

Here the government, in this scheme, acts as the umpire, although the government, by definition, cannot be politically neutral because, by definition, those who run the government have their own political beliefs and ideologies. The umpire, when the umpire is playing that role as umpire, has to be fair, has to consider the balance, has to be the guardian of that equilibrium of rights and duties of the rights and obligations. The umpire cannot be an umpire unless he plays a fair position in equating the rights of the two parties.

So when we look at our industrial Labour Relations Act, when we look at the preamble to the Manitoba Labour Relations Act, which was originally passed in 1948, we read the following, and I quote from the preamble: Whereas it is in the public interest of the province of Manitoba—what is in the public interest of the province of Manitoba?—(1) to further the harmonious relations between

employers and employees; (2) to encourage the practice and procedure of collective bargaining; and (3) to foster the unions as the freely designated representatives of the employees.

So you could see the objective and the purpose of the industrial relations act, primarily to further the harmonious relationship between employers and employees. Now, what does this government attempt to do in the form of Bill 85? Is it furthering that harmonious relationship between employer and employee? No, they are changing the rules.

Under the old rules, the requirement is only 55 percent of all the potential union members to sign the card and there would be automatic certification. Now they are increasing that requirement from 55 percent to 65 percent before there can be automatic certification of potential members of the union. This is not a harmonious relationship. This is altering the level playing field. This is altering it so that it will be an uphill situation on the part of the union in order that they can get organized. Whereas the very right to organize is a right that was granted by the umpire, the state, acting as the mediator between the two powerful groups in society. What happened to the majority rule? The majority rule states 50 percent plus one. Fifty percent plus one is the majority rule in any system of procedures, in any system of democratic decision making. [interjection]

Oh, you got me there. [interjection] Fifty percent plus one is the rule of majority. If this is changed, it means it is more difficult for any group of workers in any workplace to get organized. It will be more difficult for them to exercise their right to organize, a legal right that is recognized by labour law. That is not fathering the harmony of the relationship between employer and employee. It is inciting the employee to be hostile to management representing the employer. [interjection] I am not a businessman, but I understand business. I understand the principle of management. I understand the principle of being a worker.

A second objective of our industrial relationship, as I have read before, is to encourage the practice and procedure of collective bargaining. That is the policy of the law, to encourage the practice and policy of collective bargaining, because that is conducive to industrial peace and harmony. That is conducive to the mutual understanding between labour and capital, when they themselves agree on the conditions of work, on the conditions of employment, when they voluntarily agree on such

sets of conditions in the form of a collective bargaining agreement. That is the intention of the legislation.

Now, by making it more difficult for unions to get organized, naturally, it will be more difficult for them to bargain collectively. Why?—because the right to organize is a pre-condition in order that one can bargain collectively. Without being organized, how can they bargain collectively? Therefore, this very government is attacking the very policy that was laid down in the industrial Labour Relations Act. Instead of encouraging the practice and the procedure of collective bargaining, it is discouraging that practice and procedure of collective bargaining, because it is discouraging a pre-existing and prerequisite right to organize.

How can you bargain collectively if you are not even certified as a union? How can you be certified if you make it more difficult for them to get certified? How can you encourage then industrial peace? This is a subrogation. It is an attack on the policy of industrial labour relations.

The third is to foster the union as the freely designated representative of the employee. The certification drive should be free and voluntary. The potential union members, the employees in the workplace, should be approached and solicited, but they should be exercising that freedom to make a choice whether they would like themselves to get organized into a union or not. If that choice is freely given by the individual and the group had freely opted for unionization and certification, then majority vote should be enough; 50 percent plus one should be enough.

To increase it from already a burdensome requirement of 55 percent to a higher requirement of 65 percent as a precondition to automatic certification is to discourage the union as the freely designated representative of the employees. What can you infer from such a situation like this? Well, what you can infer is that management, the employer, wants the union to be the alter ego of management. They want management to dominate the union, the union of workers in the workplace.

In a situation like that where management representing the employer had a grip on the union, which is becoming a company union, it means that management will be negotiating with itself. If you are in control of the union, if you are management

and you control the union, then the union is negotiating with management, what do you see? It is management negotiating with itself. How can that be conducive to freely arrive at a collective agreement? Whatever will appear in the provisions of the agreement would be the desire and preferences of a dominant management.

\* (1700)

Now, I am not saying that it is the duty of the state to make any of the parties dominant. It is the duty of the state, it is the duty of the government, the arbitrator, the umpire, to make them equal and let them settle their own differences in a freely voluntary way, so that they will be happy in whatever agreement they will arrive at.

**An Honourable Member:** Conrad, was FOS equal? Did management and labour have identical rights under FOS? Was that equal? Tell me, was that equal? Did you agree with that law?

**Mr. Santos:** That is another topic.

It is often assumed by everybody in modern industrial society that labour is merely an appendage of capital, that capital needs labour and therefore can buy the worker. That is not true. If you look at the historical development of labour and capital, how can you have capital which is an accumulation of resources without intervention of labour? You must first labour before you can accumulate capital, right? If that is the case, then labour is the one that produces the capital, and if labour is the one that produces the capital, then labour is more important than capital.

**An Honourable Member:** No labour, no capital.

**Mr. Santos:** No labour, no capital, and labour can only come and can only be provided by human beings. If labour is prior to, independent of, and more important than capital, then labour should be protected because labour is the basis of industrial progress. Labour is the basis of the production of goods and services. Labour is the basis of our prosperity.

Now before there can be industrial peace, the individual—by the nature of things—even if you are a worker, if you are alone and isolated as an individual, you are helpless, because the owners of capital, the manager, the employer, has the right to hire you, the right to promote you, the right to get rid of you, to fire you. So there is, already at the very beginning, an unequal position. That is the reason

why the law accords to all these individual workers their basic right to organize that will increase their power relative to the owner of capital, and to equalize them in the equilibrium of this light.

The moment you started attacking and eroding the right to organize, you are eroding industrial peace and industrial harmony in this province. Because of our unique industrial relations act, we have had no strike in this province for many years compared to other provinces. There have been peaceful industrial relations in this province. That was the genius of the act. Why are we changing it in order to alter the level playing field into an uphill battle as far as the union is concerned? You are inciting the union to be militant. You are inciting the union to be very militant and even be militant politically to your own detriment. That is a wrong policy for this government to pursue.

No matter what your attitude towards these labour leaders is, it is important that we, in our society, work together because only by working together can we hope to have prosperity in this province. [interjection]

**Madam Deputy Speaker:** The honourable member has 19 minutes remaining.

**Mr. Santos:** Thank you, Madam Deputy Speaker.

So this government is pursuing a wrong line of strategy. Instead of fathering harmonious relationships between labour and capital, instead of pursuing and fathering and promoting harmonious relationships between unions and management, instead of doing that, they are trying to promote disharmony. They are trying to promote confrontation. They are trying to promote industrial war instead of industrial peace.

Instead of encouraging collective bargaining, instead of promoting this peaceful negotiation between labour and capital so that they may voluntarily determine the conditions of work in the workplace to their own mutual satisfaction, this government is discouraging the organization of workers. This government, by definition, is discouraging the practice and procedure of collective bargaining. This government, again, is destroying industrial peace in this province. Instead of helping foster and promote a freely designated bargaining agent through voluntary solicitation of union memberships, this government is making it much more difficult to do that and therefore inciting

rebellion on the part of the workers who are already organized in the form of unions.

This they have done by changing the threshold of automatic certification from an already onerous 55 percent, which is already higher than the majority rule, into a still higher level of threshold of 65 percent.

What else does this bill tend to do or hope to do? It tries to redefine what has been the concept of employer interference. In the old rule, during the certification drive, during the time that the workers are trying to organize, if the employer makes any kind of statement at all, it is considered as interfering in the process of organizing. It is considered as unfair labour practice.

Now they are changing the definition of that by allowing the employer to make what they call a statement of facts. Not only that, they are extending the statement of facts into a statement of reasonable opinion. Now, of course, what is factual is a matter of opinion, but when you go to the extent of making these legal niceties of reasonable opinion, what are you doing? You are making what is already clear, vaguer and more difficult to understand. What is reasonable to me may not be reasonable to you. What is reasonable to management may not be reasonable to the union. Who decides what is reasonable?

Well, you are encouraging legal disputes, and that means you are creating work for the lawyers. When you could have made the criterion very objective and factual, now you have to make a judgmental decision, and people will differ in their judgments.

Since this is now much more ambiguous than before, when will there be interference then as to constitute an unfair labour practice? When the statement, during the certification drive, made by the employer is unreasonable.

Another change that is being—

**Mr. Nell Gaudry (St. Boniface):** Contemplated.

**Mr. Santos:** Contemplated—thank you, member for St. Boniface—is to make a requirement that the conciliator make a report before they can even institute the first contract.

Another change is the requirement that the union explain carefully to the potential union member the dues structure, and if they fail to explain the structure of fees that they would pay, it will be within the discretion of the Labour Board to either direct a

compulsory vote or to invalidate the very application for certification itself.

\* (1710)

Therefore, Bill 85 will make another ground for disallowing the application, and that ground is the excuse that the one who is soliciting membership for the union had failed to explain the union structure of dues to the potential union member that they are recruiting to become members of the union.

What does this imply? Well, if any employer is dissatisfied with the drive for certification and there are too many of those employees getting organized, all that the management can do is to find a handful of dissatisfied employees who would be instrumental in making a testimony that they had not heard the explanation or they did not quite understand the explanation of dues, or may even tell a lie and say that it has not been explained to them. If they can find such witnesses, then management has every right under the proposed amendment to ask that the Labour Board disallow the application for certification.

That makes it more difficult again for the workers to get organized, more difficult for them to bargain collectively—

**An Honourable Member:** Do you believe in replacement workers, in fairness, if the employee has the right to strike?

**Mr. Santos:** I leave the answer to the member to infer.

Another change that Bill 85 tried to do is to remove the clause that the employee should act reasonably, fairly, and in good faith. There is a requirement under the present legislation that the employer has a duty to act fairly, reasonably and in good faith. They are removing that clause.

If, with respect to the items—that is a requirement even to items in matters that are not covered by the collective agreement. Right now, there is a duty on the part of the employer to be fair, to be reasonable and to act bona fide even with respect to those matters that are not comprehended by the collective agreement. That is a duty. They are removing that duty now.

If you take the converse of that, the opposite of that requirement, it now means that with respect to those matters that are outside the scope of the collective bargaining agreement, the employer has the privilege to act unreasonably, unfairly and even

in bad faith. That is the meaning of removing that duty to be fair, duty to be reasonable and duty to act bona fide. [interjection] That is one of the amendments here. [interjection] The only man I know who is from Missouri is President Truman.

**An Honourable Member:** Ed Connery never changed the act, Conrad.

**Mr. Santos:** Ed Connery, the member for Portage la Prairie, is a fair-minded person. [interjection] Most of the time.

Another change that this amendment is trying to do is to permit the parties to agree that an arbitrator write the first contract. The implication of this has to be understood in terms of the practice. It has been the practice, to this day, that a vice-chairperson of the Labour Board can also act as a grievance arbitrator. This means that if the arbitrator now can write the contract, he cannot sit as a vice-chairperson. That would be conflict of interest. That means it deprives the labour side of an expert. He cannot now sit to be the vice-chairperson of the Labour Board representing the side of labour if he is to write the collective agreement. He could no longer be a grievance arbitrator. [interjection] We do not believe in personality cults.

This phenomenon of organizing the worker is perhaps one of the strongest bonds in human relationships aside from the bond of the family. The uniting of the worker is a very strong bond of human sympathy other than the family relationship. When the union, when the workers, who are individuals, isolated individuals, get organized and they improve their own collective lot through collective bargaining which is voluntary and mutual, and that can only happen with the consent of management.

**An Honourable Member:** Voluntary, on whose side? Just on the labour side, or voluntary on the management side.

**Mr. Santos:** Voluntary on all sides. It is intended by the statute that this is primarily determined by the parties themselves, not dictated by any outside third party. That was the intention of The Labour Relations Act. When you enter into an arrangement which is pure and voluntary, you try to live with it, right? The same thing as in marriage, the same thing as in friendship, the same thing as in any other kind of relationship. If it is free and voluntary, you are bound by the agreement and you try to live by that agreement.

That is what you are trying to destroy by amending this legislation. You are making it a lot more difficult for the workers to give their consent freely. You are making it more difficult by imposing and requiring that it be a higher percentage of consent beyond the traditional majority rule of 50 percent plus one.

\* (1720)

Let us not try to destroy one another. If we try to destroy one another in that delicate partnership, then we are destroying ourselves. We are destroying industrial peace in this province by destroying a party to the collective bargaining agreement. [interjection]

Let us be concerned with what is the situation in Manitoba. This is our province, let us focus on our talent and our energy in this province and accept the responsibility when we fail and the credit when we succeed.

It is better to have a regime of free collective agreement than a system where the state will be compelled to impose the terms of industrial peace and industrial relationships between the worker and management. It is much more better to have a regime of a free collective bargaining agreement. [interjection] I say it is redundant. What we should try to avoid is the creation of what has been known as the company union. That is what you are targeting. You want to create a union like a robot, that will agree to whatever is the desire of management, whatever is the desire of the employer. That is no good.

There are various models of trying to describe this relationship between labour and management. Sometimes you try to achieve what they call distributed bargaining, where one party's gain is the other party's loss. That can happen too. But there could be what is known as integrated bargaining. Integrated bargaining means that both the parties gain when they arrive at a peaceful and mutually agreed upon settlement. That is what The Labour Relations Act is trying to promote.

**An Honourable Member:** But if labour had the right to strike, which I agree totally, then management should have the right to hire other workers.

**Mr. Santos:** No, the corresponding right on the part of management is the right to lock out. That is what is granted. Every right has a correlative duty. If you have a right to strike on one side, there is a right to

lock out on the part of the other side, and that is also a stoppage of work. When the workers stop working, the work is stopped, production is stopped. When you are locked out, naturally production stops also. But that is detrimental to both, because there is nothing produced, no services produced, no goods produced. Society itself would suffer. The consumer will suffer. [interjection]

They do not want that. That is a weapon of last resort. They do not want to strike. They do not want to live on handouts. They want to give their labour; they want to contribute. They want to work, but they want to work under tolerable human conditions. Tolerable human conditions implies that the collective bargaining provisions are acceptable to both.

**An Honourable Member:** But do you believe in secret ballots in taking the ballots for strikes, Conrad?

**Mr. Santos:** A secret ballot is the traditional democratic way to exercise your free will, when you are not under pressure from any outsider or any third party. Even in our election system, even in our electoral choice—

**Madam Deputy Speaker:** Order, please. The honourable member's time has expired.

**Ms. Marianne Cerilli (Radisson):** Madam Deputy Speaker, I am interested in joining the debate on Bill 85 and putting some thoughts on the record.

It has been enjoyable for me to listen to the member for Broadway (Mr. Santos) and to address another piece of classic Tory legislation. We would not be experiencing a Tory government until we saw yet another piece of labour legislation that is trying to decrease workers' rights to organize, trying to decrease the effectiveness of the labour movement.

It just amazes me over and over again how we see Tory governments try to claim that they are the ones who are democratic, they are the ones who want to ensure that people have rights to protect themselves.

**Mr. Edward Connery (Portage la Prairie):** Do you believe in secret ballots, Marianne?

**Ms. Cerilli:** Yes, Mr. Connery, I would have to say that I would agree that it is democratic for people to have the right to organize, to not be intimidated and show employers to have people seeing which way they are voting so that after that they can be

intimidated or worse, that they can actually eventually be pushed into a situation where they lose their job or be transferred or use all the other techniques that management uses so that people eventually are put into an intolerable situation and end up being forced to quit or resign or move.

We still have entire sectors in our economy that are not able to organize unions, and this kind of legislation is going to make it even more difficult. We already had more than 50 percent; 50 percent, even 51 percent, would have been giving some edge to management, but that was not enough. They had to go to 65 percent for a compulsory vote to make it even more difficult and putting even more pressure on employees who are trying to organize a union.

They are also trying to make it easier, through the various insidious means that we know have been used, for employers to intimidate workers by eliminating the blanket prohibition on employees not making statements against organizing unions. [interjection] The Minister of Urban Affairs (Mr. Ernst) makes the comment: What would Al Cerilli have to say about this? I am sure he would say, as all members on this side of the House have said, this is again a piece of undemocratic legislation that attacks workers' right to organize, and he would not be impressed.

It is interesting—and I cannot resist, because this is one of the things that Al has made comments on and he has been appalled by, as members on our side of the House have been—that the Finance minister has actually said in this Legislature that poverty is good because it makes us more competitive. It fits right in. That kind of statement fits right in with this kind of legislation, that we have to have low wages and unorganized workers so that we can allow corporations to make as much profit and treat workers as if they were a commodity.

This kind of legislation fits in with the whole approach of the Tory agenda as directed by their corporate backers. It is so clear, when we see the communiqué from the Chamber of Commerce, who the real designers are in the party across the way, but it fits right in with their attack on Government Services, the tax breaks for corporations, the fanaticism with the deficit and, as I said, the other cornerstone of Tory policy, to attack labour and to attack workers' rights to ensure that they have fair wages, decent working conditions and decent pensions. Those are the kinds of things that

organized unions are there for. They, I do not think, have ever been shown to put undue pressure on any corporations. Some of the best organized unions in our country, and in our province, are in industries that are certainly still making large amounts of profit. They are not hurting the corporate interest at all.

It always amazes me how this government continues to show its true colours, how they devalue workers, how they devalue the work that workers do and try to treat workers as a commodity, thinking that they can push them around and set up legislation that is going to do that, set up legislation that is going to infringe on their democratic right to organize and to sign up to join a union.

\* (1730)

The communiqué from the Chamber of Commerce talks about its mandate to bring about changes in labour legislation that will improve the climate for business and investment in Manitoba. It is so one-sided how this fits in with the economic policy of this government that they cannot see that having employees who are working in decent working conditions, who are making a decent wage, can contribute more effectively to an economy. We are going to have a standard of living in this country that will attract more development of industry in different sectors to develop our economy.

It was interesting, we had a New Democrat M.P. visiting yesterday. Dave Barrett was in town yesterday, and I very much enjoyed his presentation in the evening at the Winnipeg Transcona annual meeting for the M.P. Bill Blaikie. He gave such a tremendous, impassioned speech about the free trade agreements. He talked about how the labour legislation in Mexico, or the lack of labour legislation in Mexico, the lack of decent working conditions and wages in Mexico is what people are very clearly going to understand, not only in Canada, in the U.S. They are going to start seeing this kind of legislation and these kinds of governments for what they really are, and how they have destroyed this country over the last few decades.

To think that in Mexico people are paid 80 cents an hour, and we are going to try and bring a level playing field in this country with these trade agreements to—[interjection] 80-85 cents an hour, to think that we can compete with that. It really appalls me how whenever we talk about competitiveness, the right-wing element, the Conservatives and many Liberals will try to make it sound like you are

somehow not patriotic, that you are not believing in the capabilities of Canadians if you do not think that we can compete.

It has nothing to do with that. It has to do with the standard of living that we enjoy in this country. It has to do with the fact that we do have organized labour which has worked to ensure that we have decent wages in this country and we are not working for 80 cents an hour. The issue is not our patriotism and belief in our country. It has to do with the pure economics that we cannot deal with 80 cents an hour as the level playing field that we are trying to work toward.

The other thing that needs to be addressed when we are talking about legislation like this and how it fits in with the trade agreements and working toward that level playing field, as I mentioned, even the Minister of Finance (Mr. Manness) here said, where low wages are good for competitiveness. We cannot talk about the Free Trade Agreement without dispelling that idea that the kind of agreement that we are working towards in North America is somewhat similar to what they have in the European community. There is very little that is similar because the key objective in Europe has been to bring countries like Spain and Portugal, their standard of living, up to the level of those in the social democratic countries in Europe, I might say, that enjoy a better standard of living.

One of the other interesting things that Mr. Barrett said last night had to do with—I think he called it the accident that is happening in the U.S. He talked about Mr. Perot as an accident in the U.S. that is happening that is shaking them up down there. Most of us will know that Mr. Perot is, I think, a billionaire who is throwing his name in the ring to run for President in the U.S., and he opposed—[interjection] He has come out of retirement. I would like to let the member for Wellington (Ms. Barrett) know though that apparently Mr. Perot has come out in support of a woman's right to choose. I do not know if the member for Wellington heard me say that, but I can tell her about it later.

The interesting thing about Mr. Perot is that he is also opposed to the Americans signing the North American Free Trade Agreement for much the same reason that we have been opposed—[interjection] They should listen to him, and I think what is happening is the American people are listening to him. What is happening is the Free Trade

Agreement is becoming part of the political discussions in the U.S. Finally, they are discussing an issue. They are not looking into scandals and personal life. They are trying to deal with an issue that is going to affect the economy and the lives of many workers in various manufacturing sectors in the U.S. It is going to be interesting as we move to dealing with the election in the U.S. to see how much Canada is finally going to be considered by that country with the discussion of the North American Free Trade Agreement, because people are going to realize that Americans do not want to start losing jobs to Mexico any more than we here in Canada do.

I would suggest this kind of labour legislation that the government is bringing in is part and parcel of the trade agreements that are being negotiated currently in the country, because they do that fundamental thing that Tories always set out to do, which is that they weaken labour. It is interesting, over the last years, that the traditional attacks and policies by the Tories have not been enough, but they have also been moving into these trade agreements and creating this recession.

One of the frustrating things about this, another spin-off of this that is much a concern to me, is how the recession has slowed our progress to dealing with environmental problems and developing environmental strategies that will deal with the problems that we have. One of those strategies that I will be interested in dealing with a little later on—and this government should take a very serious look at, because it would help them raise some revenue. As I read through a variety of material that points to how this is already being done in Europe, it is being done in many cities in the U.S., but we have economic instruments to tax on pollution.

\* (1740)

There are a variety of creative things that have been done to harness the labour market and economic forces so that we start accounting for the pollution that industry is causing, and we start having programs that will, in a radiated way, collect revenue based on emissions. All of these things, I would suggest, are being held back in this country, in this province with governments like we have, because of their narrow view that the corporate interest must prevail and that is the sole thing that is going to drive our economy.

There are a number of other materials here that I could draw from, but I think I have made the major points that I wanted to make about this legislation. It is clearly driven by—

**Mr. John Plohman (Dauphin):** Greed.

**Ms. Cerilli:** —greed, as the member for Dauphin says, but also by the dictates of the Chamber of Commerce. It is undemocratic. It is another attempt to weaken the labour movement, to weaken that balance that is so needed in our economy to have a strong labour movement.

Madam Deputy Speaker, I am sure that this side of the House—and I understand both parties are going to be opposed to this bill—will look forward to hearing more comments on it in committee and voting against it.

**Madam Deputy Speaker:** As previously agreed, this bill will remain standing in the name of the honourable member for Swan River (Ms. Wowchuk).

### **Bill 70—The Social Allowances Amendment and Consequential Amendments Act**

**Madam Deputy Speaker:** To resume debate on second reading of Bill 70 (The Social Allowances Amendment and Consequential Amendments Act; Loi modifiant la Loi sur l'aide sociale et apportant des modifications corrélatives à d'autres lois), on the proposed motion of the honourable Minister of Family Services (Mr. Gilleshammer), standing in the name of the honourable member for Brandon East (Mr. Leonard Evans).

Is there leave to permit the bill to remain standing in the name of the honourable member for Brandon East, and also in the name of the honourable member for Elmwood (Mr. Maloway) who has 26 minutes remaining?

**An Honourable Member:** Stand.

**Madam Deputy Speaker:** Stand. Is there leave to permit it to remain standing in the name of the honourable member for Elmwood as well? [Agreed]

**Mr. Cliff Evans (Interlake):** I would like to make a few comments on Bill 70—

**An Honourable Member:** You could do like Maloway did yesterday and start on one bill and then turn it around—

**Mr. Cliff Evans:** Yes, well that is the honourable member for Elmwood (Mr. Maloway).

Madam Deputy Speaker, this bill, and I would just like to begin by taking a quote from the honourable Minister of Family Services (Mr. Gilleshammer) in response to a question saying that this bill has two purposes, and that is to standardize the rates that are offered to social allowance recipients across the province and also to make access equal to that service for those vulnerable Manitobans who require social assistance.

We here feel that this bill and what the government is indicating that now with Bill 70 there will be some sort of an equal standing in social assistance, social services across this province and within the city of Winnipeg. Madam Deputy Speaker, in the last few years we have seen the social assistance rise; the percentage of people unemployed on social assistance rise, not only in the city of Winnipeg but in rural Manitoba. For the province to implement a standardization of the rate throughout the province could have, in fact, a great amount of difficulties put on the city of Winnipeg and people in rural Manitoba, the municipalities.

I feel that the whole problem of poverty and the whole problem of social assistance must be dealt with and have a beginning to the rate where we see poverty amongst people, people who are on social assistance, increase over the last couple of years. People who have lost jobs—companies have shut down—find themselves now, after many years of working, of being able to support their families, having to go and seek social assistance.

Well, where is the real reasoning and where is the fault, and who should be to blame for this suffering that we do now have in the province of Manitoba when it comes to poor and suffering, the social assistance? When you look at poverty, when you look at social assistance and unemployed, you have to look, and I personally do that. To me, Madam Deputy Speaker, with young children, I see across in my constituency, across other parts of this province and the city of Winnipeg, the fact that we have the young in our society suffering because of poverty, suffering to have food on the table, clothes on their back, shelter.

Now we have a government that wants to implement a bill that they say will improve the social assistance and make it equal across this province. Well, when you look at the fact that the young

children in our society now who are living in poverty, or who are being taken care of by single parents, we find a sense that there is really no hope, regardless. We see a fact that in society now poverty creates ill health, poverty creates people having to revert to crime.

But getting back to the younger people, one in five in this province under the age of six are living in poverty. Some weeks ago, I had a call from a constituent in the northeast part of my constituency, Madam Deputy Speaker, a young single parent, a young father called me to ask where can he get help. He has been looking for a job for six months. He has a five-year-old daughter. He has had to lose his home that he was staying in with his daughter, move in with his parents so that his child could eat, have something, have some shelter. I referred him to the social assistance people. The social assistance people referred him to the local municipality, and here again we have a problem.

When I discussed this with him, he said it is so hard for me to go before the municipality and ask for social assistance. It is demeaning. He said, when I did finally go, he said the municipality was unable to deal with his problem and referred him back to the provincial social assistance.

Well, Madam Deputy Speaker—[interjection] The minister may have heard it three times, but not this way. I find that very difficult to deal with the matter when you have people throughout this province who are in need of social assistance, people who, when they go to the municipalities, find it very difficult. They find it difficult to deal with the local councillor, the local administrator. Nine times out of 10, these people are neighbours and/or friends. In some situations, some instances, the fact that you or I would have to go before a friend to get social assistance, it becomes public knowledge.

It is something that we should not have to bear with, Madam Deputy Speaker. The local municipalities, even though they are more than qualified to do the necessary work, I know that it is difficult for them to have to deal with social assistance. So we see a twofold system where, on one hand, it is difficult for someone to approach the local municipality, and on the other hand, it is difficult for the local municipality to deal with it also.

\* (1750)

Madam Deputy Speaker, it costs. Now whatever the province decides to set the rate at, what you are

going to see again is another form perhaps of offloading onto the local municipalities that we have seen in this province and this government for the last couple of years in the offloading of the different costs to the municipalities that they have had to bear.

Madam Deputy Speaker, when we are talking social assistance, we are also talking when we want to go into the larger centre, when we want to go into the city of Winnipeg, we are talking about 80 percent of the people. Eighty percent of the people who are on social assistance are from the city of Winnipeg—80 to 90 percent. Eighty to 90 percent of these people are going to be suffering, or the city of Winnipeg is going to incur a cost that perhaps they will not be able to deal with. In reading some of the notes that we have, I see a cost of some \$5 million-plus. Well, that is a big load to bear, to put out to the people who are in need.

They are going to have to keep these people within a level of maintaining and retaining enough money, or having enough money to feed their children, to clothe their children, to shelter their children. Are they going to bring the rates down? Are they going to tax the people who are working to be able to bear this cost of some five-odd million dollars? I notice in some of the government responses that they do not believe necessarily that is the right amount. Well, Madam Deputy Speaker, if it is \$5 million, \$2 million, or \$10 million, it is still a cost burdened upon the people, the city, the municipalities, and the Province of Manitoba.

Madam Deputy Speaker, when we look at how and why, again, people are suffering, are not working, I look and see at a point of some 54,000 people unemployed in this province—54,000. The cost that this province is incurring, the cost that I feel they brought upon themselves with the actions that this government has put forth in the last couple of years.

Madam Deputy Speaker, instead of people being on social assistance, instead of people being in poverty, why are we not looking for ways to get these people back to work, to become a part of society again, to be able to exist at a level that their children and their families can have the things that are required, that are needed, so that they may exist and live under conditions that are healthy? Where are the job training creations that this government has so adamantly said that they are performing?

When on one hand you have 54,000 unemployed, 80 to 90 percent of the people on social assistance in the city of Winnipeg, some 11 percent in rural Manitoba, some 70 or 80 percent of people unemployed in rural and northern Manitoba, Madam Deputy Speaker, where is the incentive of this government to not only adjust the rates and make social assistance a one-tier system where everybody can benefit from it? Where is the job creation? Where are the jobs that this province so adamantly says they are going to produce for the people?

Madam Deputy Speaker, we feel and—the costs, too—the costs for rural Manitobans and municipalities, just referring back to what the minister said through consultation with the different municipalities and the different organizations that all of this has been done and everybody is pleased, well, I find that I cannot understand who this minister has consulted with and who he has talked with. The people I talk to say if the rates are set and are going to be set at a rate that is now going to be higher than what they can afford to pay, then these municipalities are going to incur a cost 50 percent of an increase that they do not have the money for. Where are they going to have to go for that? They are going to have to go to the people with their taxes.

Well, Madam Deputy Speaker, there are other comments that we can make on this. I just wanted to be on record to put my few comments down, and would like to continue with House business, and thank you very much for the opportunity.

### House Business

**Hon. Darren Praznik (Deputy Government House Leader):** Madam Deputy Speaker, first of all, I would ask if there is leave of the House just for Madam Deputy Speaker to not see the clock until all of our business is completed.

Secondly, I would ask—

**Madam Deputy Speaker:** Is there leave?

**Some Honourable Members:** Leave.

**Madam Deputy Speaker:** Leave has been granted.

**Mr. Praznik:** Yes, Madam Deputy Speaker, I would ask if you could please call Bill 97, which I believe is a private member's private bill. I understand that members of the opposition parties would like to address it and move it on to committee, and then I

will have some House business announcements before we recess.

\* \* \*

## DEBATE ON SECOND READINGS—PRIVATE BILLS

### Bill 97—The Winnipeg Bible College and Theological Seminary Incorporation Amendment Act

**Madam Deputy Speaker:** To resume debate on second reading of private Bill 97 (The Winnipeg Bible College and Theological Seminary Incorporation Amendment Act; Loi modifiant la Loi constituant en corporation le "Winnipeg Bible College and Theological Seminary"), on the proposed motion of the honourable member for Emerson (Mr. Penner), standing in the name of the honourable member for Thompson (Mr. Ashton).

**Mr. Steve Ashton (Opposition House Leader):** Madam Deputy Speaker, this is a good bill. It is ready to go to committee, and we are prepared to pass it today.

**Mr. Kevin Lamoureux (Second Opposition House Leader):** Yes, Madam Deputy Speaker, not wanting to be outdone by the member for Thompson, we will allow the bill to go to committee.

**Madam Deputy Speaker:** The question before the House is second reading of private Bill 97. Is it the will of the House to adopt the motion? Agreed?

**Some Honourable Members:** Agreed.

**Madam Deputy Speaker:** Agreed and so ordered.

### House Business

**Hon. Darren Praznik (Deputy Government House Leader):** Yes, Madam Deputy Speaker, on House Business. I would first of all like to announce that the Standing Committee on Industrial Relations will meet at 1 p.m. tomorrow in Room 254 to consider bills referred, namely, Bills 76 and 100. I believe they will deal with Bill 100 first and then Bill 76.

I believe if you canvassed the House, you will find there is unanimous consent for the following: One, for the House to recess at 6 p.m. today and to reconvene at 7 p.m. today in Committee of Supply, and I will be moving the appropriate resolution following my remarks.

Two, if you could canvass the House to see if there is unanimous consent to waive subrule 65.(9)(c) and (d) to permit the Estimates of a new department to be introduced after 10 p.m.

I would ask, as well, if you could canvass the House to see if there is unanimous consent to transfer the Estimates of the Department of Justice and of the Aboriginal Justice Initiatives from the Chamber to the committee room to be considered immediately after the Legislative Assembly Estimates.

I would ask, as well, if there is unanimous consent to transfer the Estimates of the Department of Government Services from the Chamber to the committee room to be considered immediately after Internal Reform, Workforce Adjustment and General Salary Increases.

I believe, as well, Madam Deputy Speaker, you will find unanimous consent to consider Estimates in the Chamber in the following sequence: Environmental Innovations Fund at 7 p.m., temporarily setting aside Natural Resources, followed by the Department of Natural Resources and then I believe returning to the Department of Environment. So that would be the Environmental Innovations, followed by a return to the Department of Natural Resources, followed by the Department of Environment.

I would ask, as well, for you to canvass the House, Madam Deputy Speaker, for unanimous approval for the existing rules permitting each section to rise at its own discretion. Pardon me, I understand, as well, that the existing rules permitting each section to rise at its own discretion and respecting votes after 10 p.m. will continue to apply.

\* (1800)

I would ask, as well, Madam Deputy Speaker, for you to canvass the House. I believe there will be unanimous consent for the House to sit beyond the normal Friday adjournment hour tomorrow to, I believe, around four o'clock p.m., and that there will also be unanimous consent for the Standing Committees on Law Amendments, and Industrial Relations to sit while the House is also sitting tomorrow afternoon.

**Madam Deputy Speaker:** I will proceed through the unanimous consent one by one. I do have a point of clarification from the honourable deputy government House leader with relation to his text

and the order for the Estimates in the Chamber this evening.

Is there unanimous consent for the House to recess at 6 p.m. this evening and to reconvene at 7 p.m. in the Committee of Supply?

**Some Honourable Members:** Agreed.

**Madam Deputy Speaker:** Agreed and so ordered.

Secondly, is there unanimous consent to waive subrule 65.(9)(c) and (d) to permit the Estimates of a new department to be introduced after 10 p.m.?

**Some Honourable Members:** Agreed.

**Madam Deputy Speaker:** Agreed and so ordered.

Thirdly, is there unanimous consent to transfer the Estimates of the Departments of Justice and Aboriginal Justice Initiatives from the Chamber to the committee room to be considered immediately after the Legislative Assembly Estimates?

**Some Honourable Members:** Agreed.

**Madam Deputy Speaker:** Agreed and so ordered.

Fourthly, to transfer the Estimates of the Department of Government Services from the Chamber to the committee room to be considered immediately after Internal Reform, Workforce Adjustment and General Salary Increases?

**Some Honourable Members:** Agreed.

**Madam Deputy Speaker:** Agreed and so ordered.

Fifthly, to consider Estimates in the Chamber in the following sequence: Environmental Innovations Fund at 7 p.m., temporarily setting aside Natural Resources, followed by Environment, then reverting to Natural Resources and then returning to Environment?

**Some Honourable Members:** Agreed.

**Madam Deputy Speaker:** Agreed and so ordered.

With respect to House Business tomorrow, is there unanimous consent for the House to sit beyond the normal Friday adjournment hour until approximately 4 p.m.?

**Some Honourable Members:** Agreed.

**Madam Deputy Speaker:** Agreed and so ordered.

Is there unanimous consent for the Standing Committees on Law Amendments, and Industrial Relations to sit while the House is sitting?

**Some Honourable Members:** Agreed.

**Madam Deputy Speaker:** The hour being after 6 p.m., this—oh, excuse me.

### Committee Changes

**Mr. Edward Helwer (Gimli):** Madam Deputy Speaker, I move, seconded by the member for Niakwa (Mr. Reimer), that the composition of the Standing Committee on Law Amendments be amended as follows: the member for Pembina (Mr. Orchard) for the member for Sturgeon Creek (Mr. McAlpine); the member for Rossmere (Mr. Neufeld) for the member for La Verendrye (Mr. Sveinson).

\* \* \*

**Mr. Praznik:** Madam Deputy Speaker, I would move, seconded by the honourable Deputy Premier (Mr. Downey), that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

**Motion agreed to,** and the House resolved itself into a committee to consider of the Supply to be granted to Her Majesty with the honourable member for Emerson (Mr. Penner) in the chair for the Department of Culture, Heritage and Citizenship; Legislative Assembly; Justice; Aboriginal Justice Initiatives; Canada-Manitoba Enabling Vote; Allowance for Losses and Expenditures Incurred by Crown Corporations and Other Provincial Entities; Emergency Expenditures; Community Support Programs; Internal Reform, Workforce Adjustment and General Salary Increases; and Government Services; and the honourable member for Seine River (Mrs. Dacquay) in the chair for the Department of Environmental Innovations Fund, and Natural Resources.

\* \* \*

**Madam Deputy Speaker:** I need agreement on the committee changes proposed by the honourable member for Gimli, for the Standing Committee on Law Amendments be amended as follows: the honourable member for Pembina (Mr. Orchard) for the honourable member for Sturgeon Creek (Mr. McAlpine); and the honourable member for Rossmere (Mr. Neufeld) for the honourable member for La Verendrye (Mr. Sveinson). [Agreed]

The hour being after 6 p.m., I am leaving the Chair and the House will reconvene at 7 p.m. in Committee of Supply.

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Ashton 5011  
Lamoureux 5011

#### Debate on Second Readings

Bill 76, Pension Benefits Amendment Act  
Barrett 5012  
Ashton 5015

**Bill 85, Labour Relations Amendment Act**  
Santos 5018  
Cerilli 5023

**Bill 70, Social Allowances Amendment and  
Consequential Amendments Act**  
C. Evans 5025

**Debate on Second Readings - Private Bills**

**Bill 97, Winnipeg Bible College and  
Theological Seminary Incorporation  
Amendment Act**  
Ashton 5028  
Lamoureux 5028