



Fourth Session - Thirty-Fifth Legislature

of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

42 Elizabeth II

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Speaker*



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

**Members, Constituencies and Political Affiliation**

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHOMIAK, Dave	Kildonan	NDP
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Cliff	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Liberal
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
GRAY, Avis	Crescentwood	Liberal
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
ORCHARD, Donald, Hon.	Pembina	PC
PALLISTER, Brian	Portage la Prairie	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
<i>Vacant</i>	Rossmere	
<i>Vacant</i>	Rupertsland	
<i>Vacant</i>	The Maples	

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, July 22, 1993

The House met at 1:30 p.m.

### PRAYERS

#### ROUTINE PROCEEDINGS

##### READING AND RECEIVING PETITIONS

**Mr. Speaker:** I have reviewed the petition of the honourable member (Mr. Dewar). It complies with the privileges and the practices of the House and complies with the rules. Is it the will of the House to have the petition read? [agreed]

**Mr. Clerk (William Remnant):** The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:

WHEREAS Manitoba has the highest rate of child poverty in the country; and

WHEREAS over 55,000 children depend upon the Children's Dental Program; and

WHEREAS several studies have pointed out the cost savings of preventative and treatment health care programs such as the Children's Dental Program; and

WHEREAS the Children's Dental Program has been in effect for 17 years and has been recognized as extremely cost-effective and critical for many families in isolated communities; and

WHEREAS the provincial government did not consult the users of the program or the providers before announcing plans to eliminate 44 of the 49 dentists, nurses and assistants providing this service; and

WHEREAS preventative health care is an essential component of health care reform.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Orchard) consider restoring the Children's Dental Program to the level it was prior to the 1993-94 budget.

**Mr. Speaker:** I have reviewed the petition of the honourable member (Mr. Clif Evans). It complies with the privileges and the practices of the House and complies with the rules. Is it the will of the House to have the petition read? [agreed]

**Mr. Clerk:** The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:

WHEREAS Manitoba has the highest rate of child poverty in the country; and

WHEREAS over 55,000 children depend upon the Children's Dental Program; and

WHEREAS several studies have pointed out the cost savings of preventative and treatment health care programs such as the Children's Dental Program; and

WHEREAS the Children's Dental Program has been in effect for 17 years and has been recognized as extremely cost-effective and critical for many families in isolated communities; and

WHEREAS the provincial government did not consult the users of the program or the providers before announcing plans to eliminate 44 of the 49 dentists, nurses and assistants providing this service; and

WHEREAS preventative health care is an essential component of health care reform.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Orchard) consider restoring the Children's Dental Program to the level it was prior to the 1993-94 budget.

#### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**Mr. Jack Reimer (Chairperson of the Standing Committee on Economic Development):** Mr. Speaker, I beg to present the Tenth Report of the Standing Committee on Economic Development.

**Mr. Clerk (William Remnant):** Your Standing Committee on Economic Development presents the following as its Tenth Report.

Your committee met on Friday, July 16 at 1 p.m., Monday, July 19 at 9 a.m. in Room 255 and Tuesday, July 20, 1993, at 7 p.m. in Room 254 of the Legislative Building to consider bills referred.

Your committee heard representation on bills as follows:

**Bill 37—The Manitoba Public Insurance Corporation Amendment and Consequential Amendments Act; Loi modifiant la Loi sur la Société d'assurance publique du Manitoba et apportant des modifications corrélatives à d'autres lois**

Larry Baillie - Private Citizen

Barry Steinfeld - Manitoba Lawyers for Responsible Insurance

Jake Janzen and Frank Meighen - Western Bar Association

Mel Holley - Public Interest Law Centre

Gervin Greasley - Winnipeg Construction Association

Al Harris - Employers Task Force on Workers Compensation

John Lane - Canadian Paraplegic Association

Greg Rodin - Legal Rights Networks

Chuck Blararu - Private Citizen

Victor Schroeder - Private Citizen

Mary Ann Stanchell - Private Citizen

Frank Bueti - Private Citizen

Rob Hilliard - Manitoba Federation of Labour

Jerry Kruk - Canadian Automobile Association (CAA Manitoba)

Wayne Onchulenko - Private Citizen

Robert Tapper - Private Citizen

Craig Cormack - City of Winnipeg Finance Department

Michael Tomlinson - Private Citizen

Howard Dixon - Private Citizen

Alan Yusim - Private Citizen

Sam Wilder - Private Citizen

**Written submissions:**

Dale Botting - Canadian Federation of Independent Business

Henry Enns - Disabled Peoples' International

Grace Harris - Private Citizen

Jennifer Jenkins - Private Citizen

Tamara McRitchie - Private Citizen

George Creek - Assiniboine Insurance Brokers

Guy Simard - the Nightingale Research Foundation

Nancy Hallock - Manitoba Chronic Pain Association Inc.

Marie Hugh - Private Citizen

Your committee has considered:

**Bill 37—The Manitoba Public Insurance Corporation Amendment and Consequential Amendments Act; Loi modifiant la Loi sur la Société d'assurance publique du Manitoba et apportant des modifications corrélatives à d'autres lois**

and has agreed to report the same with the following amendments:

**MOTION:**

THAT the definition "dependant" in the proposed subsection 70(1), as set out in section 5 of the Bill, be struck out and the following substituted:

"**dependant**" means

(a) the spouse,

(b) the person who is married to the victim but separated from him or her de facto or legally,

(c) a person whose marriage to the victim has been dissolved by a final judgment of divorce or declared null by a declaration of nullity of marriage, and who, at the time of the accident, is entitled to receive support from the victim under a judgment or agreement,

(d) a child of the victim

(i) who was under the age of 18 years at the time of the accident, or

(ii) who was substantially dependant on the victim at the time of the accident, and

(e) a parent of the victim who was substantially dependant on the victim at the time of the accident; ("personne à charge")

**MOTION:**

THAT the proposed subsection 70(2), as set out in section 5 of the Bill, be amended in the part following clause (b) by adding "in its opinion" after "determine an amount that".

**MOTION:**

THAT the proposed subclause 71(2)(c)(iv), as set out in section 5 of the Bill, be amended by adding "other than a snow vehicle capable of registration under subsection 5(13) of that Act," after "The Highway Traffic Act,".

**MOTION:**

THAT the proposed subsection 75(1), as set out in section 5 of the Bill, be amended in the part

preceding clause (a) by adding ", or a dependant of a victim," after "a victim".

**MOTION:**

THAT the proposed subsection 75(2), as set out in section 5 of the Bill, be amended by adding ", or a dependant of a victim who dies as a result of the accident," after "a victim".

**MOTION:**

THAT the proposed subsection 77(1), as set out in section 5 of the Bill, be amended

- (a) by striking out "from any person"; and
- (b) by striking out clauses (a) and (b) and substituting the following:

(a) from any person who is not resident in Manitoba, to the extent that the person is responsible for the accident; or

(b) from any person who is liable for compensation for bodily injury caused in the accident by the person referred to in clause (a), to the extent that the person referred to in clause (a) is responsible for the accident.

**MOTION:**

THAT the proposed section 78, as set out in section 5 of the Bill, be struck out and the following substituted:

**Entitlement to recover from non-residents under other Acts**

78 Notwithstanding section 72 (no tort actions), where a person receives compensation under The Workers Compensation Act, The Criminal Injuries Compensation Act or The Health Services Act in respect of bodily injury caused by an automobile, the body that authorizes the compensation is entitled to recover any amount that it would be entitled to recover under its Act

(a) from any person who is not resident in Manitoba, to the extent that the person is responsible for the accident; or

(b) from any other person who is liable for compensation for bodily injury caused in the accident by the person referred to in clause (a), to the extent that the person referred to in clause (a) is responsible for the accident.

**MOTION:**

THAT the proposed clause 81(2)(b), as set out in section 5 of the Bill, be amended by adding "that" after "the benefit".

**MOTION:**

THAT section 5 of the Bill be amended by adding the following after section 98 and the heading "Victims Aged 64 or Older At Time of Accident":

**Application of certain provisions**

98.1 Sections 81 to 98 and section 103 do not apply to a victim who is 64 years of age or older on the day of the accident.

**MOTION:**

THAT the proposed section 104, as set out in section 5 of the Bill, be amended by striking out "A victim" and substituting "Notwithstanding sections 81 to 103, a victim".

**MOTION:**

THAT the proposed section 122, as set out in section 5 of the Bill, be struck out and the following substituted:

**Entitlement of child and parent of deceased victim**

122 Where a deceased victim has no dependant on the day he or she dies, each child and parent of the deceased victim, although not a dependant of the deceased victim, is entitled to a lump sum indemnity of \$5,000.

**MOTION:**

THAT the proposed section 137, as set out in section 5 of the Bill, be amended by striking out "may" and substituting "shall".

**MOTION:**

THAT the proposed section 142, as set out in section 5 of the Bill, be amended by renumbering it as section 142(1) and by adding the following as subsection 142(2):

**If employer does not provide information**

142(2) If the employer does not provide proof of earnings within six days, the corporation shall consider the claim on the basis of information provided by the claimant and acceptable to the corporation until such time as the employer provides the proof of earnings.

**MOTION:**

THAT the proposed section 145(2), as set out in section 5 of the Bill, be amended by adding "the person and" after "the medical report to".

**MOTION:**

THAT the proposed section 147, as set out in section 5 of the Bill, be amended by striking out "whose application for review or appeal under this part is allowed" and substituting "who applied for a

review or appealed a review decision under this Part”.

**MOTION:**

THAT the section 5 of the Bill be amended by adding the following after the proposed section 149:

**Disclosure of documents to claimant**

**149.1(1)** A claimant may, on giving reasonable notice to the corporation, examine and copy any document in the corporation's possession respecting the claim and is entitled, on request, to one copy of the document without charge, but the corporation may prescribe a fee for providing more than one copy of the document.

**Exempt information**

**149.1(2)** Subsection (1) does not apply to exempt information as defined under The Freedom of Information Act.

**MOTION:**

THAT the proposed subsection 156(2), as set out in section 5 of the Bill, be amended

- (a) in the heading, by adding “or reimbursement” after “indemnity”; and
- (b) by adding “or reimbursement” after “administer the indemnity”.

**MOTION:**

THAT the proposed section 158, as set out in section 5 of the Bill, be amended by striking out clause (b) and substituting the following:

- (b) refuses or neglects to produce information, or to provide authorization to obtain the information, when requested by the corporation in writing;

**MOTION:**

THAT the proposed subsection 159(1), as set out in section 5 of the Bill, be amended

- (a) in the English version of the part preceding clause (a), by striking out “convicted of” and substituting “convicted under”;
- (b) in clause (d)
  - (i) by adding “or subsection 249(2)” after “clause 249(1)(a)”;
  - (ii) by striking out “294(4)” and substituting “249(4)”;
- (c) by striking out clause (f) and substituting the following:
  - (f) section 253 or subsection 255(1) (operating a motor vehicle while impaired), or subsection

255(2) (impaired driving causing bodily harm) or subsection 255(3) (impaired driving causing death);

**MOTION:**

THAT the proposed subsection 165(2), as set out in section 5 of the Bill, be amended by striking out “under 164” and substituting “under section 164”.

**MOTION:**

THAT the proposed subsection 170(2), as set out in section 5 of the Bill, be amended by striking out “appeal” and substituting “apply for a review of the decision”.

**MOTION:**

THAT the proposed subsection 174(1), as set out in section 5 of the Bill, be amended

- (a) in the heading, by striking out “deputies” and substituting “other commissioners”; and
- (b) by adding “and other commissioners” after “deputy chief commissioners”.

**MOTION:**

THAT the proposed section 179, as set out in section 5 of the Bill, be amended by striking out “section 172” and substituting “this Part”.

**MOTION:**

THAT the proposed subsection 180(1), as set out in section 5 of the Bill, be amended by striking out “section 172” and substituting “this Part”.

**MOTION:**

THAT the proposed subsection 185(3), as set out in section 5 of the Bill, be amended by striking out “14 days” and substituting “30 days”.

**MOTION:**

THAT the proposed subsection 193(1), as set out in section 5 of the Bill, be amended by striking out “an industrial accident” and substituting “accidents arising out of and in the course of employment”.

**MOTION:**

THAT the proposed subsection 193(2), as set out in section 5 of the Bill, be amended

- (a) in the part preceding clause (a) by adding “or any other Act that is in force in or outside Manitoba and that relates to the compensation of a person who is a victim of an accident arising out of and in the course of employment” after “The Workers Compensation Act”; and

(b) in clause (b), by adding "and subject to section 78 of this Act" after "(7.1) of The Workers Compensation Act".

**MOTION:**

THAT section 5 of the Bill, be amended by adding the following after the proposed subsection 193(2):

**Effect of election under this Part**

**193(3)** A person who elects compensation under this Part is no longer entitled to compensation under The Workers Compensation Act in respect of the bodily injury.

**Corporation and W.C. Board to make agreement**

**193(4)** The corporation and the Workers Compensation Board shall make an agreement respecting the allocation and reimbursement between them of compensation paid by them under this section.

**MOTION:**

THAT the proposed subclause 194(1)(a)(i), as set out in section 5 of the Bill, be amended

(a) by striking out "an income replacement indemnity" and substituting "compensation"; and

(b) by striking out "a wage loss benefit" and substituting "compensation".

**MOTION:**

THAT the proposed subsection 194(2), as set out in section 5 of the Bill, be struck out and the following substituted:

**Person may appeal under either Act**

**194(2)** The corporation or the Workers Compensation Board shall give written notice of the joint decision made under subsection (1) to the person, and the person may appeal the joint decision either to the commission or under The Workers Compensation Act within 90 days after receiving the notice or within such further time as the body to which the appeal is made may allow, and the decision made on the appeal is binding under this Part and The Workers Compensation Act.

**MOTION:**

THAT the proposed section 195, as set out in section 5 of the Bill, be amended

(a) by striking out "this Act" and substituting "this Part"; and

(b) by adding ", the Unemployment Insurance Act (Canada)" after "Canada Pension Plan (Canada)".

**MOTION:**

THAT the proposed section 200, as set out in section 5 of the Bill, be amended by adding the following after clause (p):

(p.1) increasing the ratio referred to in subsection 165(2);

**MOTION:**

THAT section 5 of the Bill be amended by adding the following after the proposed section 200:

**Review**

**201** The minister shall, within three years after the coming into force of this Part, undertake a comprehensive review of the operation of this Part involving public representation and shall, within one year after the review is undertaken or within such further time as the Assembly may allow, submit to the Assembly a report of the review.

**MOTION:**

THAT Legislative Counsel be authorized to change all section numbers and internal references necessary to carry out the amendments adopted by this committee.

**MOTION:**

THAT the title of the French version of the Bill be amended by striking out "D'AUTRES LOIS" and substituting "UNE AUTRE LOI".

All of which is respectfully submitted.

**Mr. Reimer:** Mr. Speaker, I move, seconded by the honourable member for St. Vital (Mrs. Render), that the report of the committee be received.

**Motion agreed to.**

## TABLING OF REPORTS

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I am not introducing any more bills. I am wondering, though, if I could revert just for a moment to Tabling.

**Mr. Speaker:** Is there leave to revert to Ministerial Statements and Tabling of Reports? [agreed]

**Mr. Manness:** Pursuant to Section 56(3) of The Financial Administration Act Relating to Supplementary Loan and Guarantee Authority, I am tabling a report giving certain information under that requirement.

**ORAL QUESTION PERIOD**  
**APM Management Consultants**  
**Home Care Program Contract**

**Mr. Dave Chomlak (Kildonan):** Mr. Speaker, so far we have seen four Connie Curran contracts paying Connie Curran and her company over \$400,000 per month plus expenses, probably tax-free. The Minister of Health is not giving us the fifth contract, because they are following the usual pattern, as they did with the hospitals. First they cut programs, then they cut nurses, then they tabled the contracts.

In home care they have cut programs, the home maintenance and others. They cut 10 home care nurses yesterday, 10 VON home care nurses.

Why is the minister now afraid to table in the House the Connie Curran home care contract?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, if I indicated how many inaccuracies, factual disinformation my honourable friend had in his preamble, you would rule me out of order (a) for taking too much time, and (b) for probably violating the rules of parliamentary language, but my honourable friend is truly a stranger to the truth.

First of all, VON manages their own nurses. I do not hire or fire a single nurse at VON. My honourable friend knows that and attempted to present information otherwise.

Mr. Speaker, I will tell my honourable friend that when we complete the contract on the home care services management review—and it is kind of interesting that Tuesday of this week when I met with MSOS they led off with the observation that we needed to truly investigate our management of our Continuing Care Programs—I will provide that contract to my honourable friend, to the media, to everybody else, as I have every single other contract, which is the only reason my honourable friend has any questions to ask.

\* (1335)

**Mr. Chomlak:** Mr. Speaker, the minister said the same thing when nurses were fired from St. Boniface and Health Sciences Centre. He is never responsible for any of the cuts and any of the nurses and any of the thousands of people who are affected by his health care cuts.

Can he confirm, Mr. Speaker, that a steering committee on the Connie Curran home care contract has already been appointed and, in fact,

the steering committee has already met with the Connie Curran people and they are already working on this contract, from a U.S.-based consultant who knows nothing about home care?

**Mr. Orchard:** Mr. Speaker, for the last four months we have been investigating methods of making the Home Care Program more effective in its delivery. My honourable friend says we ought not to look at that.

Let us settle it, what my honourable friend is saying. My honourable friend is saying that every time management within our funded agencies, hospitals, personal care homes, our contracted agencies of service providers such as VON, that every time one of those organizations makes a staffing change, including layoffs, I am responsible.

That has never been the case. It is not the case today. It was not the case when Howard Pawley was the Premier. It was not the case when Sterling Lyon was the Premier. It was not the case when Schreyer was the Premier.

We give those organizations budgets and management responsibility which we expect them to carry out to provide quality health care to Manitobans and to preserve and protect medicare, Sir.

**Mr. Chomlak:** Mr. Speaker, as usual, the minister did not answer the question. He did not confirm that the steering committee has already been appointed and has already met.

Can the minister also confirm that the contract, which he says he will table, already calls for Connie Curran to cut further millions of dollars from the Home Care budget, Mr. Speaker, that that will be in the contract, and the minister confirm that he is afraid to table the contract because he is afraid of public criticism given the devastation that they have provided to the home care system this budget year?

**Mr. Orchard:** Mr. Speaker, if in our investigation of how we manage the delivery of home care services—bearing in mind, and I know my honourable friend maybe does not accept what I indicate, but when we met with the Manitoba Society of Seniors on Tuesday, the very first issue that the president indicated to us was that he believed we needed a management overview of the Home Care Program.

If in doing that management overview we are able to provide our services, which are increasing

with an increasing budget, if we are able to provide those services with fewer management more effectively, more efficiently, surely my honourable friend would not be advocating spending money in inefficient management processes. I know NDPs do that, but surely not even my friend would do that.

### **Northern Telecom Layoffs**

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, almost six weeks ago we raised in this House the fact that Northern Telecom Manitoba was laying off some 45 staff. We have learned today that Northern Telecom will be laying off some 2,000 people across Canada. In fact, there is very real concern about the 200 Northern Telecom jobs in Manitoba.

Can the minister indicate today whether he has met with Northern Telecom officials and whether he can tell us today the fate of the 200 jobs that are in Winnipeg?

**Hon. Eric Stefanson (Minister of Industry, Trade and Tourism):** Mr. Speaker, the member for Flin Flon is correct in terms of announcements coming from Northern Telecom today in terms of the impact of a billion-dollar-plus loss during their second quarter, resulting in what they are suggesting will be some 5,200 people affected in their entire organization, some 2,000 people affected in Canada.

We have been working continually with Northern Telecom in terms of their presence here in Manitoba. They have a plan of producing transmission equipment that has been declining in market share. We continue to work with them in ensuring they have a continued presence here in Manitoba. I spoke with the senior official from Northern Telecom this morning on this very topic. They have made no decisions as to what plants will be affected, what individual employees will be affected in what locations.

We will continue to work with them to ensure there is a continued presence in Manitoba and ideally that that plant remains in operation, Mr. Speaker, but at this particular point in time, the assurance given me by a senior official in the company was that there are absolutely no decisions on individuals, individual plants or locations at this time.

\* (1340)

**Mr. Storie:** Mr. Speaker, we have had those assurances before more than a year ago. More than a year ago, the minister said, and I quote, we are working with Northern Telecom in terms of their presence here. They still have a presence of 213 people, and we want that to expand and grow.

Mr. Speaker, my question is: What has the government done? Can the minister tell us one concrete thing the government has done to assure us that the 213 jobs or the 200 jobs now that remain in Manitoba are going to be here or is this just the continual rhetoric of a government who has no economic plan and no intention to develop one?

**Mr. Stefanson:** Mr. Speaker, here we go again with the unbelievable position of the members of the New Democratic Party. You have a plant here in Manitoba that is producing a product that is losing market share. You have a company that in the last quarter of operation has lost a billion dollars. They are talking about adjustments in personnel across their entire organization, some 5,200 people.

We have been working with them in terms of what they can do in Manitoba, what advantages they can take up in terms of our economic situation, in terms of emerging opportunities here in Manitoba for their continued presence, and we will continue to do that.

At this particular point in time, there are no decisions on the Winnipeg plant. We are dealing with a series of different initiatives with Northern Telecom in terms of what they might be able to do here in Manitoba, and we will pursue those initiatives.

**Mr. Storie:** Mr. Speaker, I think it is time that the minister was truthful with Manitobans. We are in jeopardy of losing this plant. The minister knows that as well as anybody else in this House. We have lost 14,000 manufacturing jobs since this government took office.

My question is: Why will the minister not abandon all the pretty public relations exercises and the rhetoric? Why will he not table a plan of action to keep those 200 jobs here? What is he going to do? Is he going to throw up his hands as he appears to do now?

**Mr. Stefanson:** Mr. Speaker, as usual, I do not think the member for Flin Flon listens. There is a product being produced at a plant that is losing market share. There is no market for that particular

product. What good does it do for any organization to produce a product that does not have a market?

We are working with the company in terms of products that can be produced here in Manitoba, that will have market potential both within Manitoba, within Canada and internationally. We are going down a path of looking at various alternatives for them, and we will continue to do that. We have a good working relationship with Northern Telecom. They are interested in maintaining a presence in Manitoba. They obviously are a fairly significant supplier of Manitoba Telephone System.

They are interested in Manitoba and they are very positive of the things that they see us doing as a government. They are positive when they see what we do on taxes, what we do on workers compensation rates, what we do to improve the economic climate in this province, unlike what happened during the 1980s under the previous government.

\* (1345)

### **Prime Motor Oil Environment Cleanup Costs**

**Mr. Paul Edwards (Leader of the Second Opposition):** Mr. Speaker, many months ago the Department of Environment investigated Prime Motor Oil's site in St. Boniface and determined that there were many improprieties at that site. In fact, there were some 1,260 barrels that would need to be cleaned up as a result of improper holding of solvents and toxic waste.

The cost was estimated at approximately \$250,000. We are advised that it is, in fact, quite possibly substantially more than that, upwards of \$400,000.

Back in February the minister indicated that they were going to be investigating the cost of this cleanup. They were also going to be referring this to the Justice department to determine whether legal action would be appropriate. Thirdly, they were going to be looking at ways of recovering that cost from the principals of Prime Motor Oil.

My question for the minister is: Can he, today, give us an update and, in particular, how much of that \$300,000 or \$400,000 are the taxpayers of this province going to have to pick up of the clean-up costs?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, I am not sure who is advising the member about the cost. The figures I have are not as high as his but, nevertheless, this is a serious situation. We asked the Manitoba Hazardous Waste Corporation to come in and classify the material and provide advice in that respect.

We have now received that advice and we are proceeding cautiously for the care of the environment and also to make sure that we are not unnecessarily exposing the government in any liability. But we are proceeding in this case.

### **True Resource Management Staff Investigation**

**Mr. Paul Edwards (Leader of the Second Opposition):** Well, the question, and perhaps the minister can answer it in his next answer, is: How much of the hundreds of thousands of dollars—because clearly it is hundreds of thousands—are we likely to have to pick up from the cost of that?

My second question for the minister is: The residents association in St. Boniface has expressed concern about the True Resource Management application and, in particular, has expressed the concern about who the principals are of that company. They have an application before the department for a similar site in St. Boniface. Is the minister doing a search of the principals of that organization, in particular perhaps Mr. Dave Gural, who is general manager of True Resource, who was involved with Prime Oil in their problems and was involved with Solvit? Of course, we all know the problems they had.

Is the minister investigating, as the residents asked, the background, education, qualifications and experience of the staff, given that the general manager, Mr. Gural, has had involvement with all of those problem organizations in the past?

**Hon. Glen Cummings (Minister of Environment):** Well, I am not going to talk about specific individuals in my answer. Certainly when we put the Manitoba Hazardous Waste Corporation through what is probably the most rigid process that has ever been undertaken in this province, we set a standard that we expect all new licences to meet, extremely difficult, and that includes a number of the aspects that the member has raised.

I want to assure him through you, Mr. Speaker, that we do not take lightly the responsibility that we have in this case, nor do we take lightly any licensing responsibilities we have before us.

**Mr. Edwards:** In an effort to assist the minister in doing what the residents have asked, which is to investigate the principals of True Resource while they are considering a licence, I want to table correspondence dated November 12, 1992, to potential customers signed by Mr. Dave Gural, general manager of True Resource Management.

I want to get a commitment from this minister that he will specifically investigate, as the residents ask, the background, education, qualifications and experience of the staff behind True Resource Management, because it appears clear that at least Mr. Gural was involved with Prime Oil, which was a disaster, and it is now going to cost us hundreds of thousands of dollars, and I believe was involved with Solvit as well. We all know what happened in June of 1988 when that blew up in St. Boniface.

**Mr. Cummings:** Mr. Speaker, the Leader of the Second Opposition is essentially asking if we are prepared to do due diligence in dealing with existing operations that he refers to and any new licences that we have before us, and absolutely we will.

### Unemployment Statistics Provincial Comparisons

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, I have a question for the Minister of Finance.

Greg Mason, a very well-known Manitoba economist, today observed how disappointing Manitoba's economic performance has been so far this year. I was looking at Stats Canada reports, and I see that Canada as a whole has increased the number of jobs since January by 112,000, but Manitoba has lost 7,000 jobs since January. In fact, we have lost 10,000 jobs since this government took office.

My question to the minister is: Why is Manitoba's economy losing jobs? Why is Manitoba out of step with the rest of the country?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, not accepting any of the preamble from the member, but if it were indeed correct, I guess he should ask the question maybe of his colleague the member for Radisson (Ms. Cerilli) or

indeed the whole negativism toward development in any fashion for the members opposite.

Let me say that we are well aware of the numbers that have been released. I am understanding of the fact that some of the economic forecasts across the land are as a result, or at least they are being attributed to the reduced deficits of the provincial governments, that that is obviously having some impact on the economic forecasts. That is to be expected.

There are two ways to go. You can buy your economic forecast by borrowing more money, and that can work as long as the Department of Finance does not become the largest increased spender in government, and that is what we have in the province of Manitoba. It is called interest, and that path advocated by the NDP, the no-development party, is unacceptable.

\* (1350)

**Mr. Leonard Evans:** If you have no answer, Mr. Speaker, bafflegab. You have bafflegab.

My question to the minister: How does this government propose to stimulate the economy and provide more jobs?—because I notice that our sister province of Saskatchewan is expanding. They increased their jobs by 6,000 since January; we lost 7,000.

So what are you going to do about it? Maybe you should be looking at what the Saskatchewan government is doing, and they have been doing a good job with their budget, as well.

**Mr. Manness:** Mr. Speaker, there is no doubt we can all use selective statistics. I will use mine. In the last six months there have been increases in the province of Manitoba full-time jobs, 8,000, four times the national rate.

The member chooses not to use those in his preamble to his question. I say to him, he is doing nothing more than try to destruct and destroy, indeed, the good image around Manitoba and the credible efforts of this government to try and put into place a stable foundation for sustainable economic growth over the generations to come.

**Mr. Leonard Evans:** We are not alone in observing this, because Greg Mason has observed how disappointing the economy has been in the first half of this year.

### **Economic Growth Government Policy Review**

**Mr. Leonard Evans (Brandon East):** My question to the minister is: Will he recognize finally that his economic policies have failed and should be changed, because the unemployment rate has gone up from 8.9 in January to 10.2 in June, and the number of people unemployed has increased 7,000? Surely this government has to recognize that its economic policies have failed. The rest of the country—

**Mr. Speaker:** Order, please. The honourable member has put his question.

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, in the first six months of this year, we have the second-lowest unemployment rate in the nation.

Mr. Speaker, I do not know what type of answer the member wants me to give. If he wants me to give one, as he uses the term full of "bafflegab," talking about the good things we have done, I will. But if he wants to talk about, realistically, economic growth, and if he wants to talk about how governments in the past in this land have bought those numbers purely through borrowing money and causing interest rates to soar, if that is his solution, I am saying Manitobans have rejected that totally.

The party opposite continues to flounder totally with the former approach of trying to buy economic growth numbers purely through borrowing money. We refuse to do that, because that represents increased taxes today and into the future.

\* (1355)

### **Ostomy Program Social Assistance Recipients**

**Mr. Doug Martindale (Burrows):** Mr. Speaker, on July 13 I asked the Minister of Health (Mr. Orchard) a question which he took as notice. I have given up on the Minister of Health (Mr. Orchard), as have seniors and disabled and people using home care services.

So instead, I will ask the Minister of Family Services (Mr. Gilleshammer) if he has finally received a copy of the letter from the Department of Health regarding the charge for ostomy supplies, the new Tory tax on the sick.

Has the Minister of Family Services received this letter? All his clients who have ostomies need the supplies.

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, in terms of my honourable friend's issue that he raised, yes, a letter went out to all those Manitobans who are on the ostomy program, informing them of the changes that we had put in place, changes, which I have reminded my honourable friend and others in the New Democratic Party, that still make our ostomy program the least expensive of programs, in comparison, for instance, to Saskatchewan or to Alberta.

Even with these changes, which I acknowledge, Sir, are significant, it is still the most economic program for ostomates in the prairie provinces of western Canada.

### **Ostomy Program Social Assistance Recipients**

**Mr. Doug Martindale (Burrows):** Mr. Speaker, I would like to ask the Minister of Family Services if his staff have got in touch with all of their social assistance recipients about this letter since they have received it. In fact, we faxed a copy to an Income Security office, because they did not have it.

What is this minister doing about it? Is he informing their clients and their department about whether or not this letter applies to them?

**Hon. Harold Gilleshammer (Minister of Family Services):** I know in previous discussions with the honourable member, he is well aware that our social allowance clients do have a health card which looks after their health needs. In fact, less than a year ago we even extended the use of that health card to members of the disabled community and single parents as they move into the workforce for the first year so that these people can transition into work without the fear of losing their health benefits.

So I know the member is aware of that. I would simply remind him that all of our social allowance clients do have a health card which looks after their health needs.

**Mr. Martindale:** Will the Minister of Family Services inform all the social assistance recipients of this policy?

I would like to give him the name of a particular individual after Question Period who has been waiting for a couple of weeks for staff to get back to him and has heard absolutely nothing. These people are extremely frustrated; they are phoning us for information, when this department should be giving them correct information.

Will this minister do that?

**Mr. Gilleshammer:** I would look forward to receiving that information from the honourable member. I think I can say without fear of contradiction that we have not received one call or one letter in my office to do with this, but certainly we give the response that people who are on social allowances do have the ability to use their health card.

### **Continuing Care Price Waterhouse Report**

**Ms. Avis Gray (Crescentwood):** Mr. Speaker, we listened with interest to the Minister of Health (Mr. Orchard) today as he talked about management practices within the Continuing Care Programs and the need to examine that as indicated to him by the Manitoba Society of Seniors. Now, I am sure the minister did not need the MSOS to tell him of that since, in fact, management and accountability practices of the Continuing Care Programs were identified in 1986 by the Price Waterhouse report.

I would ask the minister: Now that he has had six years to deal with the recommendations in the Price Waterhouse report, can he report to this House if in fact he has been able to do that, particularly the ones relating to management and management practices?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I was distracted momentarily, but if the issue my honourable friend is raising is in terms of the management issue within the Continuing Care branch, yes, that is under review within the ministry.

I reference my meeting with the MSOS executive Tuesday of this week in that they, in essence, confirmed that we were probably undertaking an appropriate review of the management and delivery structure in home care which has been in process, Sir, as I indicated in an earlier answer already today, because that was the first observation that the president of the MSOS made on Tuesday of this week.

I think that any outcome of a review of our management structure will do nothing but enable us to provide more services to more Manitobans, which I think is everybody's goal in health care.

**Ms. Gray:** Mr. Speaker, with a supplementary question to the minister.

He has referred to a review, and he has referred to in process. That leads us to believe that after six years, 10 priority recommendations still have not been acted upon and that in fact we are still spending taxpayers' money on continual reviews.

Can the minister tell us, or table in the House: Have the 10 recommendations, as indicated in the Price Waterhouse report, been acted upon? Can he table that information in the House? It has been six years.

**Mr. Orchard:** Mr. Speaker, a number of the recommendations in the Price Waterhouse report were acted upon. I can provide my honourable friend with an update as to which ones have been acted upon.

Appreciate the Price Waterhouse review was undertaken, as my honourable friend indicates, six years ago by the previous government. In the ensuing six years the program has grown, as I have indicated, from some \$38 million when we came into government to a \$69-million program today, a very significant increase in the program, not a decrease, as some in this Chamber would indicate.

With that kind of growth and particularly, Sir, with the addition of services which were not even provided in 1987 when the review was undertaken, naturally we are now reviewing our management structures to see if they fit with today's needs in the Home Care Program, not the six-year-old needs that were identified six years ago.

\* (1400)

**Ms. Gray:** Mr. Speaker, with a final supplementary to the Minister of Health.

The Minister of Health knows full well that the management principles that occurred six years ago are the very same ones that could be used today.

My question for the minister is: Is he prepared to indicate which management practices were reviewed when he took office five years ago as a result of this Price Waterhouse report? Is he prepared to indicate which ones were looked at and which ones he is now going to be looking at—

**Mr. Speaker:** Order, please. The honourable member has put her question.

**Mr. Orchard:** Mr. Speaker, I believe that in fact this very issue was explained fully about five Estimates ago, with the member for The Maples posing the questions as to what initiatives we have taken in terms of the management process.

Sir, as I indicated to my honourable friend, a number of those recommendations were acted upon. Surely my honourable friend the Liberal would acknowledge that six years ago the program was probably \$32 million at that time in terms of six years ago.

When we came into government it was some \$38 million. Surely my honourable friend would acknowledge that not to review our management process today would be inappropriate given the context of change that we are undertaking throughout the health care system. That is what we are doing, Sir. That is what the NDP did six years ago.

The program has changed significantly. It has almost doubled in terms of its financial commitment. It is providing substantially more complex services today, and a review is appropriate.

### **Labour Market Planning Report Parkland Region**

**Mr. John Plohman (Dauphin):** Mr. Speaker, while the Minister of Education is dragging her feet on a Labour Force Development Strategy for Manitoba, it is ironic that in the only region in the province where there has been a labour market study completed, its revelations are completely contrary to what the government has undertaken in terms of action and policy in recent months.

The Parkland labour market planning profile was completed by Employment and Immigration Canada, by the Assiniboine Community College and Workforce 2000. It found, among other things, that while 18.2 percent of Manitobans have less than a Grade 9 education, in the Parkland it is a whopping 32.6 percent, nearly double the provincial average.

Mr. Speaker, has the Minister of Education received this report, and can she tell us what action she is taking to address this educational inequity in the Parkland region?

**Hon. Rosemary Vodrey (Minister of Education and Training):** In the 70 hours of Estimates when we looked at issues in the Department of Education and Training, we did have a look at the grade achievement levels of Manitobans, people in various geographical areas. We also spoke about distance education as one method in which people around Manitoba may continue to be engaged in the education process.

The member knows that we have recently completed a Task Force on Distance Education and that distance education may very well be applicable not only in the K-to-12 side but also in the post-secondary and training areas of education.

**Mr. Plohman:** Since the report further reveals that nearly two-thirds of aboriginal people are not working in the Parkland, and the average wage for people working in the Parkland is just \$12,000 compared to \$17,000 for the rest of Manitoba, can the minister tell this House what specific strategies she is now undertaking to deal with those inequities, the wage inequities and the fact that there are a huge number of aboriginal people unemployed in the Parkland region?

**Mrs. Vodrey:** Mr. Speaker, you know, as always, it is important that the member and I both are looking at the same document. I have found that interpretations differ as the member has looked at documents that I have also viewed.

Let me just tell him, as I explained in the 70 hours of Estimates, some of the initiatives. I have spoken about the distance education as a potential.

The member also knows that Assiniboine Community College—as our three community colleges have just moved to college governance, the colleges will now be in a position to negotiate training programs very directly. No longer will that have to come through government.

The member also knows that our community colleges also have satellite areas which are able to deal with not only the city of Brandon, for instance, in Assiniboine Community College, but other areas of the province and in the Parkland area. So we have a number of educational initiatives operated under a number of different categories.

**Mr. Plohman:** The minister has not even said, Mr. Speaker, if she has this report.

I want to ask the minister if she concurs with the Employment and Immigration Canada mandate as stated in this report, which is to reduce employment

inequities and disparities especially for aboriginal people and women.

How can she justify the reduction and elimination of the Human Resource Opportunity Centre in Dauphin, the ACCESS programs, New Careers, Student Social Allowances Program, when these are specifically aimed at dealing with those disparities?

**Mrs. Vodrey:** When we were discussing the issue of labour force and labour market, I did explain to the members who are present at the time that the government of Manitoba, Education and Training, and the federal government are now working in co-operation and partnership for labour market planning. In the past, they were done independently. Now there is some genuine, co-operative work being done, and that will be very helpful.

In terms of the allegations that the member has made, let me remind him again of the almost \$10 million being spent on the ACCESS programs by this government, on the reorganization into advanced education and training of the training side of this department. That will allow for far more opportunities and a greater spectrum of training programs than have existed in the past.

### Community Colleges Government Funding

**Ms. Jean Friesen (Wolseley):** My question is also for the Minister of Education.

The minister is aware that all of Manitoba's community colleges have lost considerable support as a result of the 30 percent decrease in purchases from the federal government. I do not know what this says for co-operation, but she will tell us in response to this, her government has increased its support for community colleges by 2 percent.

Will the minister tell us, now that we are four months into the academic year, how much less will be available for academic and training programs for Assiniboine Community College for the year '93-94?

**Hon. Rosemary Vodrey (Minister of Education and Training):** As I explained to the member during an earlier discussion in Estimates on the community colleges, the federal government has made some changes and made some reductions. The government of Manitoba, through our budget,

has attempted to respond and supported our community colleges.

In addition to that, our colleges have now moved to governance. It now allows the colleges to negotiate directly with the federal government for training programs so that the colleges now may offer the diploma programs, certificate programs. They may also negotiate for the short-term training programs. Those short-term training programs will produce revenue for the colleges.

**Ms. Friesen:** But the minister does not know how much revenue and nor do the colleges.

### Assiniboine Community College Waiting Lists

**Ms. Jean Friesen (Wolseley):** Will the minister confirm that there have been waiting lists for more than a year in many programs at Assiniboine Community College, in courses varying from business to electronics to child care? Would she tell us what the impact of these waiting lists is on the people of the Parkland in western Manitoba?

**Hon. Rosemary Vodrey (Minister of Education and Training):** The colleges have had waiting lists, because when people are applying to courses at the college they have not been identified by specifically a student number. Some people apply to a number of different courses, and it is very difficult by virtue of looking at a waiting list to know how many people are actually intending to attend that course, that or other courses.

One of the jobs at the colleges now will be to actually have an accurate way to look at the intention of students who wish to register, whether or not their registration in certain courses is a first, second or third choice.

### Area Needs

**Ms. Jean Friesen (Wolseley):** Will the minister tell the House how Assiniboine Community College, with reduced budgets, long waiting lists, plans to meet the training and educational needs of the Parkland region and western Manitoba, as indicated in the report?

**Hon. Rosemary Vodrey (Minister of Education and Training):** The member truly underestimates, first of all, Assiniboine Community College. Assiniboine Community College is an extremely vital college that has been working very carefully to develop plans. It has programs that are only

offered at Assiniboine Community College, programs on rural initiatives. They are working very, very carefully with the people of the areas that they serve, to offer programming that is relative and that is important.

In addition to that, I point again to the ability of the college to negotiate short-term training programs, which are revenue producing. I also remind the members that the college has satellite areas as well, which are able to look at the needs of Manitobans where those satellites are located.

\* (1410)

### **HIV Infections—Blood Transfusions Communication Strategy**

**Mr. Paul Edwards (Leader of the Second Opposition):** Mr. Speaker, today it has been reported that the Ontario Ministry of Health, in conjunction with the Ontario College of Physicians and Surgeons, is embarking on a letter writing campaign to all physicians in the province of Ontario indicating to them and imploring them to counsel all of their patients—and in fact go beyond merely counselling patients—who received blood transfusions in the appropriate years to get tested for AIDS.

I asked the minister about this a number of weeks ago, and he said that he was secure in the knowledge that people were well enough informed in Manitoba.

Mr. Speaker, my question for the minister: Given that the province of Ontario and the college there have embarked on this, will he reconsider his position and do some proactive education of the community about the need to be tested for AIDS infection?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, when last my honourable friend raised this issue, it was exactly the process that I outlined to him that, in collaboration with the Manitoba College of Physicians and Surgeons, we hoped to undertake that kind of encouragement to physicians in Manitoba.

**Mr. Edwards:** Mr. Speaker, given the urgency of this for the many patients in Manitoba who did receive blood transfusions in the critical time period, can the minister indicate when this is going to actually come to fruition so that organizations like the Hemophilia Society do not have to spend

thousands of dollars to advertise this, that the Ministry of Health takes the initiative?

When are the letters going to go out? When is the proactive approach to this issue going to take place from this Minister of Health?

**Mr. Orchard:** Mr. Speaker, I will stand to be corrected, but it is my understanding that we are anticipating that as part of, I believe, the—

**Mr. Speaker:** The honourable Minister of Natural Resources. No. Okay. The honourable Minister of Health, to finish his response.

**Mr. Orchard:** Mr. Speaker, it was expected that the communication to Manitoba physicians would be part of a regular communication undertaken by the college, and I believe that status still exists.

**Mr. Edwards:** Mr. Speaker, we of course, as many Manitobans, I think, will eagerly look forward to that plan coming to fruition on this very important issue. One of the issues raised with the Ontario discussion was the legal liability of the government not doing a high-profile advertising campaign.

Can the minister indicate whether or not that is a concern that his department has and whether or not they have consulted representatives from the Department of Justice on this issue and on the extent of the advertising campaign that they may be legally obliged to do for liability purposes?

**Mr. Orchard:** No, Mr. Speaker, I do not have any opinion from our Justice department.

### **Victorian Order of Nurses Layoffs**

**Hon. Donald Orchard (Minister of Health):** Might I take the opportunity to respond to a question from the member for Kildonan (Mr. Chomiak) wherein yesterday he questioned the rationale for 10 layoffs at Victorian Order of Nurses.

I am informed by my assistant deputy minister, who contacted Bob Layne, executive director of the Victorian Order of Nurses, who has indicated that 10 casual staff are affected.

Five of the nurses were hired in June of 1993, three were hired in March of 1993 and two in February of 1993. They were hired for short-term replacements as follows: eight were for vacation replacements, one was for a maternity leave replacement and one was a direct service district nurse replacement. I think that puts a little different light on the circumstance than the—

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

### Committee Changes

**Ms. Becky Barrett (Wellington):** Mr. Speaker, I move, seconded by the member for Swan River (Ms. Wowchuk), that the composition of the Standing Committee on Law Amendments be amended as follows: Transcona (Mr. Reid) for Interlake (Mr. Clif Evans), St. Johns (Ms. Wasylycia-Leis) for Wellington (Ms. Barrett), Wednesday, July 21 at 7 p.m.

I move, seconded by the member for Swan River (Ms. Wowchuk), that the composition of the Standing Committee on Law Amendments be amended as follows: Wellington (Ms. Barrett) for St. Johns (Ms. Wasylycia-Leis), Burrows (Mr. Martindale) for Transcona (Mr. Reid) for Thursday, July 22 at 9 a.m.

I move, seconded by the member for Swan River (Ms. Wowchuk), that the composition of the Standing Committee on Law Amendments be amended as follows: Transcona (Mr. Reid) for Burrows (Mr. Martindale) and St. Johns (Ms. Wasylycia-Leis) for Wellington (Ms. Barrett), Thursday, July 22 at 7 p.m.

**Motions agreed to.**

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**Motions agreed to.**

### ORDERS OF THE DAY

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, I would like to make a couple of announcements with respect to standing committees. Given that Bill 41 has now completed public presentation and has started clause by clause, because there will be some amendments, we would propose that committee sit at nine o'clock, Monday morning, to consider clause by clause of Bill 41.

Law Amendments will continue to sit tonight dealing with Bill 24. Mr. Speaker, we would request unanimous consent of the House to take the remainder of Bill 52, which was The Manitoba Foundation Act, which really only has one clause to consider, and move that over into Law Amendments and deal with it expeditiously just before the consideration of Bill 24.

**Mr. Speaker:** Is there leave to allow the honourable government House leader to move Bill 24, the remainder of it, into that other committee? [agreed]

**Mr. Manness:** Also, Mr. Speaker, at this time, Law Amendments will consider Bill 55, should it pass the House today. That would happen tomorrow afternoon at one o'clock.

However, if Law Amendments does not complete its work with respect to Bill 24, then I will have to again move it to another committee.

Mr. Speaker, at this time would you call Bill 53.

### DEBATE ON SECOND READINGS

#### Bill 53—The Justice for Victims of Crime Amendment Act

**Mr. Speaker:** On the proposed motion of the honourable Minister of Justice (Mr. McCrae), Bill 53, The Justice for Victims of Crime Amendment Act; Loi modifiant la Loi sur les droits des victimes d'actes criminels, standing in the name of the honourable member for St. Boniface.

**Mr. Neil Gaudry (St. Boniface):** Mr. Speaker, I adjourned yesterday so that the member for St. James (Mr. Edwards) could speak on it today.

**Mr. Speaker:** Okay, that is fine.

**Mr. Paul Edwards (Leader of the Second Opposition):** Mr. Speaker, I rise to speak on this Bill 53, The Justice for Victims of Crime Amendment Act. The primary thrust of this bill is to gain further levels of political control over the Justice for Victims of Crime fund.

Now some historical perspective is necessary to understand this fund and what has happened under this current administration. In fact, there was a tariff of sorts put on fines provincially levied some years ago when the act was brought into existence by the former administration.

Those tariffs on fines went into a fund which then came under control of the Justice for Victims of Crime board, which was a board appointed by government to oversee those funds. Their mandate was to support victims services, in fact, to initiate victims services, because there was thought to be and, in fact, there was a great lack of victims services in the community.

Their mandate was to give start-up funding. They were not to fund these programs for multiple years; they were to give start-up funding. The program, in my estimation, having been simply an objective onlooker, was working fairly well.

\* (1420)

When this government got elected, they changed the board somewhat, but, for a brief period of time, left it intact. Then the government issued a discussion paper in which part of the discussion was a proposal to meld that fund, and take from it, some monies for crime prevention, so that the same fund would be used for crime prevention and victims. That was summarily rejected by virtually everyone in the community, and so that went by the wayside.

Following that, the Criminal Code provision provided for a surcharge on federal fines to be brought into place, so that there would now be a surcharge on both the provincial and the federal fines. The federal government said, we will put the surcharge on federal fines and essentially give it to the provincial governments to use in the area of victims services.

I think that the minister and I may have some disagreement over this, but I recall at the time—and I do not have the Hansard here—but some discussion, and I believed at the time, commitment that those federal funds, that federal surcharge would go into the same victims of crime fund. I see

the minister shaking his head. This is the essence of our disagreement on this matter, but, in any event, that is beside the point.

The main point is that the federal surcharge did not go into the victims of crime fund. It was kept separate. Now, in the final chapter of really moving away from that board, and moving away from community control over these funds, the government is proposing in this legislation to allow for funds in the provincial victims fund to be used for government programs as directed by government.

In the Estimates process, the little of it that we had in the Department of Justice, I questioned the minister on this, and it was clear that the decision as to what those funds will be spent on in terms of government programs would be a government decision. There would be no prerequisite of approval by the community board. It would be a government decision as to how to spend those monies, what amount of those monies, and on what government programs.

So it is bringing that fund increasingly into the minister's office, into the political sphere. Time will tell how much of that fund is left to that board. We do not have any discussion on numbers from the minister, but, of course, time will tell how much of it actually is left in the hands of that board, which, I believe, has been seriously undercut, and, in fact, all but made redundant by the politicization of those monies.

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

It is one thing to have a board which is politically appointed, albeit it is politically appointed, but it is still a board. People are picked from representative sectors of society as they have been in the past. It is an appropriate way, I believe, to leave discretion in the hands of that type of board, to consider these proposals that are made. I know the minister says that the problem was that these groups came forward, and they got funding for the first years. Then they came knocking on government's door. Because now they could not get funding from the victims fund anymore, they were at government.

I think the answer to that was simply perhaps—and I would have been amenable to this—an amendment, some reasonable discussion with the board resulting in an amendment which would have

allowed that board to—at least for some portion of its funding, I think I would have put a cap on it, but some percentage of the yearly revenues—be used for continuing programs, those that had not been successful in getting other funding, had a proven track record, and had a proven success rate in what they were attempting to do. Not all of the funds, but a proportion of them, could have been dedicated for ongoing programs, leaving a smaller portion available for new programs, albeit that is true.

The question has to be asked: How many years or how many decades do we need a fund to fund new victims programs? At some point you have too many with too many names when perhaps you should have concentrated on a smaller group that had proven themselves, had stood the test of time, and were doing work that was recognized in the community as positive and worthwhile. I think it would have been an appropriate time, after those years that the fund had been in existence, to take a portion of the revenues and be prepared to dedicate those to ongoing programs. That would have solved this problem.

I suspect the reason that was not turned to, that fairly obvious way of dealing with the concern the minister brings forward, is that this is a way of taking these funds into essentially general revenues to fund whatever the minister feels he can designate as victims services. Let us be clear, Madam Deputy Speaker, this minister has, and I am sure will continue to designate virtually anything in the justice system as victims services, and one can take a broad interpretation or a narrow interpretation.

I believe that, as the pressure comes to dedicate that money to whatever in the justice system, which ultimately all of it can indirectly be justified in some vague way in the interests of victims, increasingly you will see that fund used for general revenue purposes for ongoing programs which exist today, existed in the past and should exist in the future. This is, in effect, I believe, a money grab by the government to take money out of a special dedicated fund, out of the hands of the community representatives and out of that general focus of new and innovative programs specifically, directly dedicated to victims and into more removed, less direct general programs of the Justice department. I am to a certain extent, of course, speculating on that, but I think that is the agenda. I think it has

been in the past. I think it looks to me like it is going that way.

I would have preferred, as I said at the time that the federal monies became available, that we perhaps change the mandate of the board—I would have been open to discussion about that—perhaps to discuss a new way of them doing their work. Over time in a quite insidious manner to undercut their work, and over time, in effect, while leaving the shell in place, moving more and more into government control, direct government control of this fund, in my view, Madam Deputy Speaker, that is not being forthright and up-front about what is really going on here.

I believe, as I have said, what is really going on here is that the government is taking control of as much money as it can, which had previously been dedicated to community boards, private boards. We have seen a general disdain for community involvement in decision making from this government. Whether it is the Child and Family Services agencies or this board or many others, this government generally jealously guards that decision-making power for its purposes, which, of course, are driven by political determinations, and have generally, as I say, been disdainful of public participation in those select areas where it is deemed appropriate.

This is one of them. This board was doing its work, doing it well. I believe we might have changed their mandate, statutorily. This is not the answer. The minister, I believe, should be forthright about what he is doing. In reality, he is gutting this board and taking away its authority, not directly but indirectly, and, I believe, in a fairly, as I have said, insidious manner, given that the pattern over the last number of years has been to consistently take away the monies available to it and bring it into the government fold, the minister's office in particular. Thank you, Madam Deputy Speaker.

**Madam Deputy Speaker:** Is the House ready for the question? The question before the House is second reading of Bill 53, The Justice for Victims of Crime Amendment Act (Loi modifiant la Loi sur les droits des victimes d'actes criminels).

Is it the pleasure of the House to adopt the motion?

**Some Honourable Members:** No.

**Madam Deputy Speaker:** No? All those in favour, please say yea.

**Some Honourable Members:** Yea.

**Madam Deputy Speaker:** All those opposed, please say nay.

**Some Honourable Members:** Nay.

**Madam Deputy Speaker:** In my opinion, the Yeas have it.

**An Honourable Member:** On division.

**Madam Deputy Speaker:** On division. Agreed.

\* (1430)

### Point of Order

**Hon. James McCrae (Minister of Justice and Attorney General):** On a point of order, I may have missed it a little earlier, but by way of inquiry I wonder if the government House leader a little while ago announced an order for the bills. Perhaps the assistant government House leader could help us by discussing for a few moments—on the other hand, Madam Deputy Speaker, we could go to Bill 50 immediately.

**Madam Deputy Speaker:** Regrettably, that is why the Deputy Speaker was sitting here in awe, wondering what the next bill might be called. The direction was Bill 53.

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**Hon. Darren Praznik (Deputy Government House Leader):** Madam Deputy Speaker, I would ask if we could call Bill 50. I believe we will be moving toward second reading of Bill 55 later on this afternoon or shortly, but if there is a will to debate Bill 50, and then we can adjourn that debate to make room for second reading of Bill 55.

### Bill 50—The Statute Law Amendment Act, 1993

**Madam Deputy Speaker:** To resume debate on second reading of Bill 50, The Statute Law Amendment Act, 1993 (Loi de 1993 modifiant diverses dispositions législatives), on the proposed motion of the honourable Minister of Justice (Mr. McCrae), standing in the name of the honourable member for Inkster (Mr. Lamoureux).

Is there leave to permit the bill to remain standing?

**Some Honourable Members:** No.

**Mr. Kevin Lamoureux (Inkster):** Madam Deputy Speaker, I just adjourned debate for the member for St. James (Mr. Edwards) to speak.

**Mr. Paul Edwards (Leader of the Second Opposition):** Madam Deputy Speaker, this is a fairly regular occurrence, as all members will of course know. In a session to pass a statute law amendment act which tends to be one that is omnibus in the sense that it covers various pieces of legislation and as a rule does not involve controversial or substantive changes. What it traditionally involves is relatively innocuous changes in bills which need to be made for grammatical purposes, for clear reading purposes.

On occasion we have had concerns about specific provisions and raised them. I note that this bill deals with The Communities Economic Development Fund Act to bring the provisions into line with the provisions of The Crown Corporations Public Review and Accountability Act with respect to quarterly financial statements.

I note that there is a minor change to The Provincial Court Act dealing with Section 8 and the chairperson of a nominating committee.

I note that The Financial Administration Act is changed to authorize the minister to write off uncollectable debts due to the government without prejudicing the government's right to collect them in the future—obviously an important one in view of the liabilities which are clear today and likely to be in the future arising from things such as the cleanup of the Prime Oil site.

I note that there are some changes to The Homesteads Act, points of clarification, I am told, in order to ensure an orderly transition.

I note that there is a minor change to The Housing and Renewal Corporation Act; The Marriage Act; The Land Titles Office is dealt with in various acts; The Public School Act is amended to ensure awards of the board are valid.

I note that there is a change to The Public Trustee Act to reflect the current office practice as it relates to calculation of payment of interest on client accounts. I have some familiarity with the difficulties in that department.

The Rural Development Bonds Act is being changed to remove from financial institutions the benefit of the government's guarantee that is available to other bondholders.

Finally, of course, I note from the Minister of Justice (Mr. McCrae) that there is a minor change to The Teachers' Pensions Act. I am sure that they are eager to have us make that change, so we would not, of course, want to stand in the way of that. It is a change which corrects a subsection which was felt to create an ambiguity between the role of the investment committee and the role of the board in connection with investment decisions.

Madam Deputy Speaker, quite frankly, the members of the opposition parties do rely on the tradition that these are nonsubstantive and that they are noncontroversial. We have looked at these, but that is not to say that at the committee stage if there are presenters, if there are some difficulties, if these things come to light—the government will be held to answer these. Today, I am certainly not going to block speedy passage of this to the committee, nor am I going to go into any great detail on any of these changes to these bills.

Madam Deputy Speaker, I do want to advise the Minister of Justice, who, I understand, will be sponsoring and speaking to this bill at committee, that we reserve the right, as we do with all of these omnibus pieces of legislation, to raise specific concerns at the committee stage, should they come to our attention between now and then or indeed at the committee.

With those few comments, Madam Deputy Speaker, we are prepared to see this bill move to committee.

**Madam Deputy Speaker:** Is the House ready for the question?

**Some Honourable Members:** Question.

**Madam Deputy Speaker:** The question before the House is second reading of Bill 50, The Statute Law Amendment Act, 1993 (Loi de 1993 modifiant diverses dispositions législatives). Is it the pleasure of the House to adopt the motion? [agreed]

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**Hon. Clayton Manness (Government House Leader):** Madam Deputy Speaker, I would ask you to call Bill 55, please.

## SECOND READINGS

### Bill 55—The Legislative Assembly Amendment and Consequential Amendments Act

**Hon. Clayton Manness (Minister of Finance):** Madam Deputy Speaker, I move, seconded by the Minister of Energy and Mines (Mr. Downey), that Bill 55, The Legislative Assembly Amendment and Consequential Amendments Act (Loi modifiant la Loi sur l'Assemblée législative et apportant des modifications corrélatives à une autre loi), be now read a second time and be referred to a committee of this House.

#### Motion presented.

**Mr. Manness:** Madam Deputy Speaker, I am introducing Bill 55, The Legislative Assembly Amendment and Consequential Amendments Act. I am pleased to bring this bill forward at this time with the co-operation of and after a significant amount of consultation with all the parties of this House.

I would like to take a moment to express our thanks to the work of several members who were particularly involved in putting this bill together. I will not name them, but I would like to reference certainly one member from our side, the member for Charleswood (Mr. Ernst), who had an awful lot to do with helping our party strike a consensus.

Madam Deputy Speaker, there is perhaps no more difficult issue for members to deal with than their own remuneration. I am confident that all members have heard from their constituents on this issue from time to time and, let me say, many times over the course of the last several months.

I think it is worthwhile to reflect on the evolution of this process over recent years. Many members will remember a previous bill—55, by coincidence—that also followed an intense period of discussion amongst all three caucuses.

Madam Deputy Speaker, Bill 55, as I said, is the same number as the December 1988 bill that dealt with members' benefits. At that time of that earlier bill—I say this not in any pious way because I fully supported that bill—I reflected on the difficult course we as elected members embark upon whenever we attempt to balance our own needs with the myriad demands on government and our taxpayers.

I think that we have heard since that time from Manitobans that they no longer accept the principle that elected members should determine their own salary and associated benefits. This is what has led us to propose the step that without question constitutes the most significant aspect of this bill, which is the power it provides to a nonelected body to decide, borrowing from the bill's own language, the indemnities, allowances and retirement benefits to be paid to members. This is a step we have not taken lightly as government members, nor, I am sure, as members of the opposition.

We will certainly not end the debate on this point with this bill. I would say, Madam Deputy Speaker, that, indeed, there are those who are saying that the Legislature ultimately should determine what it pays itself. As I said yesterday, and hopefully it is accepted by others, were we in a different time, were it a perfect world, that might be the case. The reality is, today, the public wants it taken from our hands and put into an independent outside group.

Madam Deputy Speaker, on that vein, all of us understand that governing is about making difficult decisions, but I believe what we have heard from the public is that there exists, if not an inherent conflict, then at least a perceived conflict in members dealing with their own salaries, and that it is not acceptable for elected members to make decisions on this issue. We have accepted that criticism, and we are responding with this bill which will put into place a one-time commission to make these decisions.

We recognize in proposing this step that it is a road not travelled by many legislators in this country, and for that reason we have given this commission a second task, that of critiquing their own process and making recommendations to us as to how a future process may take place. We do this because we recognize that we are engaged in an evolutionary process, and we are taking a long-term view.

Madam Deputy Speaker, I will not dwell in detail on the other elements of the bill. However, there are certain parts that I do want to put on the record. The new Part 2 of the act would establish the commission and provide it with the power of deciding members' indemnities, allowances and retirement benefits. It also carries over from the current act, with some changes, provisions about severance, caucus payments and the privileges

pertaining to printing, mailing and use of telephones.

A number of general provisions, such as what payments are to be made statutory charges, how payments are to be approved and made and what reports to the Legislature are required, have been carried over from the existing act. Members of all sides of the party saw the benefits, and, indeed, the public disclosure was there and there were good portions that this bill would intend to maintain.

To ensure that members can continue to be paid indemnities and allowance until the commission makes its regulations, the existing provisions respecting indemnities and allowances must remain in place for an interim period, and that period being, of course, until the end of this Legislature.

\* (1440)

The effect of the amendments to the pension's provisions is to freeze participation in the existing pension plan when the retirement benefit plan established by the commission's regulation comes into force. These provisions will attempt to achieve this transition in a fair and reasonable manner by leaving undisturbed those pension rights that have been earned as a polling day of the next general election. In all cases, the right to receive the current pension continues to arise when the person ceases to be a member, and the person's years of service, including service after polling day of the next general election, equals or exceeds 55.

On another point, I would like to stress that any indemnities and allowances as determined by the new commission are subject to the reduction set out for members in Bill 22, The Public Sector Reduced Work Week and Compensation Management Act.

I would also like to put on record our reasoning with respect to the timing of this process. In a nutshell, it is, in our view, critical to establish the indemnities and allowances of members with all dispatch so that future candidates have the benefit of this certainty as they consider careers in public life. As a result, the coming-into-force provisions have been drafted such that (a) the provisions setting up the commission come into force on Royal Assent; (b) the amendments to the existing law regarding severance and printing and mailing privileges come into force on Royal Assent, and all of the existing law about indemnities, allowances

and members' pensions, with those amendments, remains in force until the commission has done its work; and (c) when the commission completes its work, all of the existing law about indemnities and allowances is repealed, and the amendments of that freeze participation in the existing pension plan come into force.

Madam Deputy Speaker, in closing, members of this House know there is no way you can legislate integrity, but we also realize that, as the calling that all of us have been elected to be is so important to the working of democracy, it is so important that there be confidence, and a growing confidence, in what it is that we do as representatives of the people, at this point in time we have unilaterally, yes, but certainly in unison agreed to the process that I have laid before you.

I think that once the commission has had an opportunity to report, Manitobans will see that, at this point in time, the process—and, of course, Bill 55 deals with process. It does not deal with levels. It deals purely with process, and I have to reinforce that over and over again. Once Manitobans have seen the process, I am sure that they will be—hopefully, they will be well pleased and certainly happier than they have shown themselves to be over the course of the last number of months. Thank you.

**Mr. Kevin Lamoureux (Inkster):** Madam Deputy Speaker, it is with pleasure for me to stand up here on behalf of the Liberal caucus to be able to speak on Bill 55. Over the last number of months, through the efforts of all three caucuses, we were able to build upon some fairly rough issues and some controversy, and to come up with what we believe is a consensus on something that is really and truly as independent as things can be, given the circumstances because we are the ones who have to establish the committee in itself.

I wanted to go over a bit in terms of the process. I recall what happened back in December of 1988 when in fact we had increased the access accounts: the public uproar and how incensed so many individuals of the public were to see a piece of legislation that came from nowhere passed. As MLAs, even though it was not money going directly into our pockets, our access allowed us to spend more money in our ridings whether it was with a staff person, a constituency office and so forth.

Even though we as legislators were able to justify having the increase we believed in, the public reaction was very negative. I believe primarily because they felt that we as elected officials should not have the ability to decide how much money we are going to get paid or what type of access accounts or benefits that we should be having or be entitled to.

This has been an issue ever since I was first elected back in 1988; the Speaker will know well. At my first LAMC meeting, in fact, there was discussion about an independent commission of sorts, that we need to deal with the issue of salaries and other aspect of benefits and so forth because there was a general feeling that what was currently there was not good enough.

Fortunately, or unfortunately—as I am sure, most people would argue unfortunately—we proceeded ahead with the access accounts, but we left everything else off and did not talk about the importance of this so-called independent commission. Over time, because of persistence of some, you have seen a gesture that resulted back primarily towards the end of 1992, an agreement from all three political parties inside the Chamber that we do need to act.

Discussions then began first within LAMC and amongst House leaders. I know at times House leaders had others designated to do some of the discussions, but the bottom line is that the representatives from the caucuses were able to, first and foremost, reach that consensus from within the caucus.

You know, I am sure each caucus was like the Liberal caucus in the sense that there was varying opinion. Some might have felt that this is the way to go; others felt that was the way to go. So the individual caucuses were able to come up with a consensus.

It was not just a one-time consensus because what we had to do is we had to go back, as House leaders most often, and say, this is where we are at now. There was a considerable amount of negotiating. At times, it was just two House leaders; at times, it was the three or whatever it might have been. So I do not believe it was an easy feat to have been able to accomplish what we have before us today, and that is, for all intents and purposes, a consensus that I believe all 57 MLAs would agree on.

When I had said that the Liberal caucus had agreed to what we have before us today, it was based on the caucus discussions that I had. I feel very comfortable in believing that my caucus colleagues in particular support Bill 55.

Now there were some concerns that were raised—and ideas. The minister went through some of the points, and I wanted to go through a few of those points also.

It is important for us that we saw that the commission will recommend a process for reviewing MLAs' salaries and benefit provisions in the future. In fact, this commission is going to come back to us with a recommendation in terms of frequencies. How often? Should this be something that is mandated, that occurs after every provincial election, or every 10 years? The frequency is very important.

\* (1450)

It also will come back with the recommendation on whether it should be based on people, or individuals versus positions, which, again, is very important. What we want to try to do is for the future because ultimately we want to strive to get the perfect system. I think the next best thing would be to have the commission itself not appointed or brought up from the Legislature. Hopefully, the commission will be able to address—well, we should not say “hopefully”; we know that the commission will be able to bring that particular issue back to us.

In the news service that was sent out, it made reference to a number of things. It talked in terms of the—or made mention to the deciding of taxability of the MLAs' salaries. That is something in itself, again, prior even to this discussion; I have been involved with other discussions with the member for Emerson (Mr. Penner), the members for Flin Flon (Mr. Storie) and Thompson (Mr. Ashton), dealing with that particular issue: Should MLAs have a tax-free portion?

Madam Deputy Speaker, again, at that particular issue, I feel safe at saying I was not aware of any MLAs who believed that in fact we should have a tax-free portion of the salary. So it will be interesting to see what the commission has to say about that particular issue.

It also is to decide on the salaries of cabinet ministers and other MLAs who have positions with additional responsibilities. Again, if we look at the

current system, is the Premier (Mr. Filmon) of the province paid appropriately for the service that is rendered? The third opposition—and I guess this is a conflict for me even to comment on it—the third opposition House leader is not accounted for, or the party Whip, the Minister of Health (Mr. Orchard) versus, let us say, the Minister of Consumer and Corporate Affairs (Mrs. McIntosh), and the amounts that they are getting paid.

Determine the method and extent of public disclosure of details of MLAs and individual expenditures. Madam Deputy Speaker, we will recall in terms of individuals and, in particular, the public, that they do have a right to know in terms of what it is that we are spending our tax dollars on. We can remember the commotion raised about the access accounts. Again, this is something that the commission is going to be looking at, how is it best to disclose what monies, or how politicians are, in fact, expending those dollars?

Madam Deputy Speaker, I do not want to speak long on this particular bill, but I do want to emphasize that by giving it to an independent commission is not to say that MLAs are underpaid or have too much in terms of benefits or are overpaid. That is not the reason why I personally entered into this. I personally felt very strongly on this because I, on principle, just disagree with the concept of MLAs' setting and passing their own salaries and benefits.

I, in some cases, and others, no doubt, could argue why it is maybe we should be receiving less, and some will argue why it is that we should be receiving more; why it is we do not need an access, and why it is we do need an access. But it should not be us, Madam Deputy Speaker, who decide that.

Come January 31, we are going to have a report, and whatever that commission reports on, I am sure that you will be able to find something there that would reflect negatively in terms of maybe a substantial increase in one area, but we could also see a decrease in another area. We do not know what is going to happen. That is really when the question, the moment of truth, is going to be before this Chamber. Right now, it is easy for us to say, yes, the concept of an independent commission is a wonderful thing. The real question will come on January 31.

What is the reaction going to be from the Leader of the Liberal Party and the Premier and the Leader of the New Democratic Party if there is something there? Those individuals, maybe the president of the MFL or the president of the Chamber of Commerce—those individuals who have credibility in dealing with the media, as so many members of the public do, Madam Deputy Speaker, how are they going to respond, come January 31? That will have an impact on how successful this process is actually going to be.

I hope and trust—and it is primarily because I believe in the integrity of all 57 people inside this Chamber—that we will act responsibly when the commission does report; that whether we agree with or disagree with one aspect or more than one aspect of the report, we accept it; and that we at least suggest that this was, in fact, the best way to deal with this particular issue.

Having said those few words, Madam Deputy Speaker, we are quite pleased to see it go to committee. I am very glad to see that individuals, members of the public were told that it will be going to committee tomorrow at one o'clock and, hopefully, that we do listen, and that members from the public, because they have had the notice, will come forward and express the concerns that they might have, in particular, if they have some ideas that might even make the next time that much smoother. Thank you.

**Mr. Steve Ashton (Thompson):** Madam Deputy Speaker, I just want to indicate, first of all, that because of the need to get this matter into committee with some notice, and while we have had public notice, official notice, a number of our members will, unfortunately, not be able to be here in time to vote, including our Leader. I just spoke to our Leader five minutes ago, who is currently in northern Manitoba some distance from the Legislature.

He indicated that he wanted placed on the record his 100 percent support for this, along with two other members who are currently in northern Manitoba, the member for The Pas (Mr. Lathlin) and the member for Point Douglas (Mr. Hickes). The reason, Madam Deputy Speaker, we are asking to have this vote right now is to ensure that there is plenty of opportunity in addition to the notice that has been given, courtesy of the front page of the Free Press just a few days ago, to make sure there was formal notice.

I just have a very few comments. There has, indeed, been a lot of discussion, Madam Deputy Speaker, and I want to give some indication to members of the public of the tone of the discussion. I want to begin by saying that I do not think anybody in this Legislature really has relished the idea at any point in time of having any direct or indirect say in terms of what our remuneration, pensions and salaries are. In fact, in the years that I have been here, we have had a system in place to set a series of salaries and benefits, and we have been in the rather unique position of actually only voting, over the last 12 years I have been here, for reductions and freezes in terms of salary. There have, indeed, Madam Deputy Speaker, on the other hand, been some changes in allowances over that period of time that have resulted in increases, and I think in many ways reflected the changing nature of the job in this province.

I think most members of this Legislature, I would say all members of this Legislature do not run based on the salary, remuneration, et cetera. I think it is something that obviously is a question that gets asked but I would suspect there are many members of this Legislature who probably found out after they were elected the kind of demands and the actual salaries, pensions and benefits that were in place. I think that should be recognized. That is not why we enter this House. We enter it far more to serve the public.

But you know, when we are elected to this House we have to deal with that decision under the current set of circumstances, either directly or indirectly, because while we do not vote on our own salaries every year, we have a formula that is put in place. While we do not vote on our pensions, there is a formula that has been in place since 1979. Indeed, there have been other decisions that have been put in place in previous years that are once again part of our legislation.

\* (1500)

Madam Deputy Speaker, the paradox here is that we are based on a system whereby parliament, in this case the Legislature, has the final decision. You know, we do not always as individual MLAs vote on decisions that affect us directly. We have very strict conflict-of-interest rules that ensure there is neither a direct nor an indirect conflict-of-interest where there is any matter that has any financial implications affecting the member. If we own shares in a company under certain circumstances,

we not only have to declare that, we have to withdraw. If we own property we have to do the same thing. If we have family members who are in the situation, we have to do the same thing. The irony with the decision that affects us most directly, we have no mechanism to avoid any perceived or direct conflict of interest, and that being our salaries, pensions, remuneration and allowances.

What this bill does is it sets up a mechanism that is independent and binding. Once this bill is passed, we are setting in place a process that will decide for the next Legislature the level of those salaries, benefits and remuneration.

When we vote today, Madam Deputy Speaker, let it be very clear that we have no sense of where it will go because we have not excluded anything from consideration. Everything is included. Not only that, this bill essentially freezes, for example, existing pensions and allows the commission to do what it sees fit in terms of retirement benefits, if any.

It allows the commission to deal with salaries in whatever way, shape or form it sees fit, including in dealing with the question of whether there should be a tax-free allowance, something that I know has personally bothered me for many years and many other members of this House. It allows this commission to deal with allowances and disclosure and it does it in a way that is upfront, that is independent and that is binding.

I would point, Madam Deputy Speaker, to, I think, the increasing evidence that the vast majority of the public and the vast majority, if not all, MLAs support this. I think it is because we in this House are moving this way because we want to see perhaps some restoration of the faith of members of the public in terms of the political process.

I really feel, we saw just recently on the Senate, for example, the kind of cynicism that people have seen when you see a very self-interested direct move taken in that case by a body that was not even as accountable as Members of Parliament or members of the Legislature. It is not good enough just to criticize the Senate for its indefensible activities. We have to go forward beyond that and this bill sets up that process. It does not allow us in any way, shape or form to have any vested interest in this process. We are not cherry-picking. We are sending all issues and we will abide by those decisions.

Madam Deputy Speaker, I have no idea what the final result will be. There may be some adjustments but they may be up, they may be down in terms of the level of salaries or pensions or benefits. That is not the point. We are not bringing in this bill to get a certain result. We are bringing in this bill to bring in a process of fairness, and that is why I once again indicate on behalf certainly of our caucus and certainly of our Leader and the members who will be unable to attend this recorded vote, but I am sure will be here for third reading, that this is the route to go.

In fact, if this process works successfully, it may become an example to other Legislatures because there has never been another Legislature that has brought in such a comprehensive and such a binding process as this, Madam Deputy Speaker.

With those words we look forward to the vote and look forward to the public hearings tomorrow and look forward, hopefully, to a process that will provide a model to other Legislatures. Thank you.

**Madam Deputy Speaker:** Is the House ready for the question?

The question before the House is second reading of Bill 55, The Legislative Assembly Amendment and Consequential Amendments Act (Loi modifiant la Loi sur l'Assemblée législative et apportant des modifications corrélatives à une autre loi).

Is it the pleasure of the House to adopt the motion?

**Some Honourable Members:** Agreed.

**Mr. Manness:** Yeas and Nays, Madam Deputy Speaker.

**Madam Deputy Speaker:** All those in favour, please say yea.

**Some Honourable Members:** Yea.

**Madam Deputy Speaker:** All those opposed, please say nay.

In my opinion, the vote is unanimous.

**Mr. Manness:** A recorded vote, Madam Deputy Speaker.

**Madam Deputy Speaker:** A recorded vote has been requested. Call in the members.

(Mr. Speaker in the Chair)

\* (1510)

**Mr. Speaker:** The question before the House is second reading of Bill 55, The Legislative Assembly Amendment and Consequential Amendments Act; Loi modifiant la Loi sur l'Assemblée législative et apportant des modifications corrélatives à une autre loi.

All those in favour of the motion will please rise.

**A STANDING VOTE** was taken, the result being as follows:

### Yeas

Alcock, Ashton, Barrett, Carstairs, Cerilli, Chomiak, Cummings, Dacquay, Derkach, Dewar, Downey, Driedger, Ducharme, Edwards, Enns, Ernst, Evans (Brandon East), Evans (Interlake), Filmon, Friesen, Gaudry, Gilleshammer, Gray, Helwer, Lamoureux, Laurendeau, Maloway, Manness, Martindale, McAlpine, McCrae, McIntosh, Orchard, Pallister, Penner, Plohman, Praznik, Reid, Reimer, Render, Rose, Santos, Stefanson, Storie, Sveinson, Vodrey, Wasylycia-Leis, Wowchuk.

**Mr. Clerk (William Remnant):** Yeas 48, Nays 0.

**Mr. Speaker:** The motion is accordingly carried.

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**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, would you call Bill 48, please.

## DEBATE ON SECOND READINGS

(continued)

### Bill 48—The Statute Law Amendment (Taxation) Act, 1993

**Mr. Speaker:** On the proposed motion of the honourable Minister of Finance (Mr. Manness), Bill 48, The Statute Law Amendment (Taxation) Act, 1993; Loi de 1993 modifiant diverses dispositions législatives en matière de fiscalité, standing in the name of the honourable member for Kildonan who has 20 minutes remaining.

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, I had the opportunity yesterday of speaking on this bill, the hundred-million-dollar tax bill that this government has brought forward through its budgetary measures.

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

I indicated in my comments yesterday the difficulties we had with the government's tax measures, not the least of which were those tax measures that are on top of those already present in this bill, most notably, those taxes on the sick and the old that have been imposed by the Minister of Health (Mr. Orchard) in the form of taxes and user fees, in the form of the home care equipment supply user fees that have been introduced, in the form of user fees on colostomy equipment for the first time in this province and, in addition, the various fees and dramatic increases to nursing home rates and the like that have been perpetrated on the people of Manitoba by this government and this budget.

In addition to all those increases, we now have the hundred-million-dollar tax bill that this government has introduced, that is before us today. It is something that, as I indicated in my comments yesterday, we have a good deal of difficulty with, measures such as the expansion of the PST on goods, measures such as a retroactivity that is applied to the application of these taxes, and the other measures to reduce the tax credits to homeowners in this province, which is a very unfair and inequitable approach to taxation, because it is done across the board.

It is done regardless of income, regardless of the value of the property. It is simply a confiscation of \$75 from every homeowner and, in addition, an additional tax grab from senior citizens based on a means test, all of these measures at a time when our economy is probably the worst it has been perhaps since the Great Depression, at a time when our economy is stalled, and when Manitobans are having a good deal of difficulty finding the resources to make ends meet. Even those who have the resources to make ends meet are suffering the terrible effects of this lingering recession, which as we heard in reports this morning and as we heard in questions in Question Period, the recession that seems to be over in every other region of this country except Manitoba.

It is funny how members opposite are always willing to point to other provinces when it comes to health care, or any kind of measures, any other measures, but when you talk about Manitoba being the last economy to come out of the recession, when you talk about Manitoba's manufacturing jobs being the worst in this country, when you talk about the devastating effect that government policies

silence is very perceptible from members on the other side of the House when it comes to comparisons on that level.

Nonetheless, it is clear that the timing of these hundred-million-dollar tax increases by this government—all tax increases are invariably not positive, but the timing is particularly bad when so many Manitobans are hurting, the effect of this lingering recession. It is lingering in Manitoba, not fully, not completely, but certainly to some extent as a result of the lack of government policies and initiatives that have occurred in the five years and six budgets that have been introduced by this Minister of Finance (Mr. Manness).

So we find it very, very difficult to support these kinds of measures that impose further taxes on the backs of Manitobans, many of whom are already struggling to make ends meet. In addition, we have situations in this budget in particular, where we have taxes imposed on top of taxes, imposed on top of user fees, referred to by the Minister of Health (Mr. Orchard) as contributions, but taxes nonetheless, taxes imposed upon individuals who can ill afford it.

It is a double effect; it is a pyramiding effect. It is a cascading effect on individual taxpayers. Many of these individual taxpayers are double and triple whammied by these tax increases because they affect all in this particular budget.

\* (1520)

I need only refer to events in the constituency that I represent where every street that I have visited, there are individuals who are unable to find employment. There are individuals with university degrees who are unable to find jobs. These people are going to have a great deal of difficulty paying these additional hundred-million-dollar taxes that have been imposed upon them by this government in this particular bill, as well as the various user fees that have been imposed on top of them in the health care field this budget by the Minister of Health (Mr. Orchard) and the effect that may have on their services and, in particular, a lot of the measures, for example, the cutback on the home care maintenance program and the elimination of up to at least 2,000 people, if I use the Minister of Health's (Mr. Orchard) figures.

The deputy minister has given different figures and various departmental officials have given different figures, but at least 2,000 Manitobans are

cut off the home care maintenance program with a pitiful attempt on the part of the government to defend that by saying somehow it is a program that was put in place by the NDP, which can be nothing further from the truth when the program that was put in place in 1984-85 was of a co-ordinating nature which was to provide services in addition to those already provided by home care and for those already who were not qualified and could not get through the threshold of home care. The government persists in making the arguments on that basis, but I do not think that it is being accepted by any Manitobans.

What is being clearly acknowledged is that this government, with already the highest deficit in the province's history, \$862 million, as identified by the former member for Rossmere, this government, who says they are managing the economy well, have got the worst of all worlds, Mr. Acting Speaker. We have a hundred-million-dollar tax increase in this particular bill in the face of the largest deficit in our history, very poor management. In addition, we have the health care user fees that have been imposed which cascade on the backs of the very same individuals who are being forced to pay these dramatic draconian increases in taxes.

Mr. Acting Speaker, those conclude my comments. I am certain that many of my colleagues on this side of the House will have much to say about this particular bill and the measures that have been imposed on the backs, the hundred-million-dollar tax increases imposed on the backs of Manitobans. Thank you.

**Mr. John Plohman (Dauphin):** Mr. Acting Speaker, I am pleased to rise and speak to Bill 48, not because I am pleased with the government's actions with regard to this bill, but that I do have the opportunity to respond and react to what the government has done with regard to taxation by way of The Statute Law Amendment Act, 1993.

Some of my colleagues have called it the hundred-million-dollar tax bill. That is an accurate description of what this is from a government that says they do not tax, they will not increase personal taxes to the people of Manitoba. In fact, they have broken their promise many fold, many times in this one bill alone this particular year, a promise that they made in 1990 when they went to the electorate for a mandate.

The people of Manitoba at that time trusted them sufficiently as a result of that promise that indeed they would be given a limited majority. Now they have gone back on that promise and, of course, they will not want to tell the people of Manitoba about renegeing on that promise, but you know that we will ensure that the people of Manitoba know that this promise was not kept by the Conservatives across the way, the promise that they made in 1990. I believe the Premier (Mr. Filmon) actually said: no new taxes, read my lips. If we look at this situation now, we will have to say that his lips are not saying what he wanted us to read in any event, because this huge hundred-million-dollar tax grab in this particular bill belies the fact that the government said that there would be no taxes.

In addition to this huge tax increase this year, and I will go into elements of that which are contained in this bill, they had the largest single deficit in the history of this province, from a government, again, that said they are responsible, they are going to reduce borrowing, they are going to put the province on a sound financial footing.

Five years after coming into government, they are still running up huge deficits, larger than any New Democratic administration in this province, much larger. They are still trying to call it something that it is not. Instead of saying that they had an \$862-million deficit, over \$300 million higher than the previous high for a deficit in this province—a figure \$862 million was used by their former colleague the member for Rossmere before he resigned because he could not stomach this government's provision and statements about the deficit, was one of the reasons, misinformation that went out to the people of Manitoba that somehow it was only a \$562-million deficit.

The member for Rossmere said, no, that is not true, and as an accountant, he was eminently qualified to speak about that. He said, no, it is not \$562 million. It is not even \$762 million as the government would have us believe, as the Minister of Finance (Mr. Manness) stated, \$762 million by way of a \$200-million rainy day fund that was put back into the coffers of the Province of Manitoba. He said, well, it is \$562 million because we have \$200 million from the rainy day fund, so he was acknowledging grudgingly, I should say, that it might be \$762 million. He conveniently forgot about a hundred million dollars that the government owed the federal government here, this provincial

government owned the federal government, a bill that was sent during that fiscal year, '92-93, the previous fiscal year.

That hundred-million-dollar bill came due last year, and a bill was sent by the federal government, so it is another hundred million dollars on the deficit. So the deficit is \$762 million plus \$100 million, which equals \$862 million.

We did not get the response that we wanted from the Minister of Government Services (Mr. Ducharme) there because perhaps math was not necessarily his best class, but it is \$862 million. Now, the government is going to have to live by that figure when they go out to the people of Manitoba, whether it be in the next election, whether it be in the by-elections and defend spending and tax increases, spending increases that have resulted overall in an \$862-million deficit, and they will have to defend the complete failure of their economic policies to move the province out of the recession and the deficit position of the Province of Manitoba.

They have gone the opposite way, so that is going to be tough for them to defend. They would like to leave the image that somehow they are so frugal and that they are excellent managers. The results speak for themselves far better than any words can say, when you can simply show people an \$862 million deficit by the minister responsible for deficits, the Minister of Finance (Mr. Manness) in this province.

Yet they continue, Mr. Acting Speaker, to call down the previous New Democratic government as if somehow there were these great windfalls of revenue and the government was misspending in those days. Let us take a look, because in the final year of the Pawley government we left a \$58-million surplus in this province, a surplus—

**The Acting Speaker (Mr. Laurendeau):** Order, please. Could I ask the honourable member to explain to me how this is relevant to Bill 48?

**Mr. Plohman:** Mr. Acting Speaker, what has happened then is that they have ignored those facts, so now the government has to come back with Bill 48 and bring in tax increases to offset these huge deficits that they have put in place. I think that is something every Manitoban should be aware of and should be able to understand so that there is that connection, because even the Acting Speaker failed to see the connection when he asked that question of me. I think it all comes clear

now, not only to the Acting Speaker but also the members opposite, as to how that relates.

Why did the government have to bring in a hundred million dollars in tax increases this year? Because they failed in their economic policies, because they have run up the largest deficits in the history of this province. That is why they have brought it in. At the same time, Mr. Acting Speaker, they say, we do not increase taxes.

Let us look at one of the examples, Mr. Acting Speaker. In this bill, Bill 48, we see a substantial decrease in a property tax credit that people in this province have come to enjoy over the years from \$325 down to \$250. That means we have a poll tax that is applied to every homeowner in this province, regardless of income, of \$75—[interjection]

Now the Minister of Health understands that. He understands \$75. He says, well, that does not affect me too much, I can handle that. What about those people in the lower income levels who cannot afford his cuts in health care, in addition to the \$75 decrease in the property tax credit, which is in fact a poll tax increase of \$75 for every homeowner in this province?

\* (1530)

**An Honourable Member:** Silly, silly.

**Mr. Plohman:** That is a fact. That is not silly. That is a fact. It is like the Thatcher poll tax. That is what it is. This government likes poll taxes, so they put in place a poll tax that applies in the same number—[interjection] No, it is not a progressive tax, Mr. Acting Speaker. When you have a progressive tax, you use a percentage. When you use a percentage, it is related to income. They are not using any percentage here. They are using a poll tax, a set amount of dollars. It is Tory thinking, Thatcher-like thinking, Reagan-like thinking that comes up with those kinds of policies.

We have a \$75 increase in this bill for every homeowner for their property taxes, and the government has the nerve to say we are going to pass Bill 16 because we do not like to see property tax increases in this province.

What hypocrisy, Mr. Acting Speaker. Can you imagine? Here they are saying, well, it is okay if we do it. We can increase the property taxes by \$75 for every homeowner in this province, and we can increase the costs for pensioners by way of eliminating the pensioners' tax reduction of \$175, the pensioners' tax assistance. We can eliminate

that from pensioners. It is okay for us to do that, but we are not going to let those school boards increase taxes. No way. We do not believe in tax increases for property in this province.

Well, there is the most hypocritical statement by this government, actions by this government, which lay bare their true feelings. It is a matter of whether they increase the taxes, but no other level of government. They wanted to buy some leeway for the public to accept property tax increases, and they thought it would be really tough if the school boards increased the property taxes as well. So this was one way to buy a little slack in there so that they could jump in with their \$75 tax increase across the board.

There is nobody that is going to believe in this province of Manitoba that these people do not believe in increasing property taxes; that is for sure. Yet they still use that argument. The Minister of Education (Mrs. Vodrey) used that argument all the time in her Estimates, that she did not want to increase property taxes. I hope she stopped using it because I will tell you, no one believes it in the province of Manitoba, and they are going to find this out when they go out to the people of Manitoba by way of elections, whether it be by-elections or general elections in this province.

The people are not going to believe it. They are going to try and explain it in a straight-faced way, and the people are going to say: Go on, that is hogwash. Do not try and tell me that. I know it is not true. Who do you think I am? Do you think I believe that nonsense. They are not going to believe that nonsense, and I can tell the members opposite, do not even try it on the people of Manitoba. Do not even try it on them, abandon that argument, and say, yes, we increased property taxes because we felt you could pay and you were willing to pay. We have mismanaged the economy, and we have run up the largest deficit in the history of this province, so we have to do it. Now, please, please, will you please re-elect us anyway. We did it and we were devious. Yes, we did say that we were against increased property taxes. We are sorry about that now. We are going to withdraw that argument because we know that it belittles the intelligence of the people of Manitoba. We know you are not going to believe us anyway, so we are not going to use that argument anymore.

I think they can use that same argument that I am making with regard to their explanations with

regard to the Pensioners' School Tax Assistance Program; it can also be made here. There is a tremendous additional tax in addition to all the taxes that the Minister of Health (Mr. Orchard) is placing on people who are sick, children, youth in this province, people who need health care, the additional user fees which he calls contributions.

In addition to those special fees and taxes, which are being put on by this Conservative government, we get these major tax increases in this tax bill. We see them even to the level of the sales tax which they are now saying they are going to—without calling it that, by way of their actions, they are demonstrating that they believe in harmonization of the GST with the sales tax, something that they said, no, we are not going to do that. We are not going to harmonize the sales tax with the GST.

They did that in this bill, Mr. Acting Speaker. In this bill they have harmonized, to a great extent, the sales tax in the province of Manitoba with the GST, the hated GST, which they said they were against when the federal government was bringing it in, this Conservative government, this foreign Conservative government in Ottawa. Even though they voted Conservative, they went out and campaigned for that federal government which brought in those tax increases, the GST. They said they were against it, and they are going to go out and they are going to vote for them again. They are going to work for them in the next election, and they are going to provide contributions.

**Hon. Donald Orchard (Minister of Health):** You betcha. You betcha.

**Mr. Plohman:** There is the member for Pembina (Mr. Orchard) not realizing how transparent he is when he says, you betcha. I am going to go out and work for a Conservative.

(Mr. Gerry McAlpine, Acting Speaker, in the Chair)

They are trying to perpetuate the myth that somehow the federal government is going to change courses. They are going to be good Conservatives because Mulroney is going to be gone and Campbell is going to be in and somehow that is going to make some kind of big difference. Look at him. Now I say, Mr. Acting Speaker, what do they expect from the people of this province? Do they expect them to believe that nonsense? They believe that nonsense. I will tell you, when it comes right down to it, when push comes to shove,

the people are going to recognize that a Tory is a Tory is a Tory, even a provincial Tory is a Tory, and they are not going to be able to hide from that.

Mr. Acting Speaker, I find this bill galling, quite frankly, because it is this government when in opposition who said New Democrats are the only ones who increase taxes and that Conservatives do not increase taxes, and they have kept their promise. What do they do? Where are their priorities with regard to tax increases and tax decreases? That tells the story.

Are they in favour of the working people of this province and the poorer people, the low-income people, the middle-income people of this province? Are they supporting those people who generate the income and the taxation for the people of Manitoba for the programs that the government offers? Are they in favour of supporting those people? No, they support big business with the taxes that they have been reducing. That is what they have been doing.

We look at where they have given the breaks. The property tax increases that were made are one example, but where are the breaks? Look at the breaks. The post-secondary and health education levy, which the Tories call a payroll tax—now that was an effort when it was implemented to offset—[interjection] Yes, well, there is Pawley's payroll tax, they say. That was an effort to offset the decreases in revenue from Ottawa.

Now the Minister of Health (Mr. Orchard) should know that well now as Minister of Health. He argued, oh no, they are not decreasing their transfer payments. They are not decreasing them, but in fact the Liberal government nationally and then the Tory government nationally were over the years and still are decreasing overall the transfer payments for health and education, Mr. Acting Speaker. You know what that means. The government has to find the money. Where do they find the money? They put in place the health and education levy.

Now we have a government who comes along and reduces the revenue from that particular tax. Each year, Mr. Acting Speaker, we are seeing millions of dollars being lost by way of cuts in corporate taxes by way of this particular measure alone, and this is the kind of priority that this government displays when it comes to taxation relief. I would imagine they are still on their old kick

that somehow this trickle-down economics is going to work in this province, going to put people to work, that the corporations are going to be so pleased and thankful that their taxes were reduced, they are going to hire more people and create jobs in this province. No, they are not. They are not. They have not done it.

My colleague the member for Brandon East (Mr. Leonard Evans) just illustrated in the Question Period today that Manitoba is going the opposite way of the rest of the country. While Saskatchewan is improving and creating jobs, 6,000 jobs additional since the beginning of the year, in Manitoba we have lost 7,000 jobs during that particular time. There are many statistical pieces of information, but I will tell you, Mr. Acting Speaker, you cannot argue with those facts that the rest of the provinces are moving forward with job creation. Manitoba stands almost alone with Prince Edward Island, going backwards in job creation.

\* (1540)

That is the result of their trickle-down economics. So much for assisting and helping the average working people in this province, so much for putting people back to work. You know, Mr. Acting Speaker, they must realize that if they put people back to work, they would increase their tax revenues, and they would not have the record deficits that they have had in the last number of years.

They should put people back to work, but they are not doing it. They are throwing people out of work. They are sucking money by way of the VLTs out of rural Manitoba, and they are throwing nothing back to rural economic development. We see nothing from this government. A dismal failure, they sit and watch while rural Manitoba goes down the tubes under their stewardship.

We can look at the statistical information across this province, nowhere better is it illustrated, nowhere better is that failure of economic policy illustrated than in the Parkland of the province, as we saw from their labour profile. We have two ministers from the Parkland, and they are abandoning their region of the province. They do nothing while the unemployment increases in those areas and jobs continue to decline in those areas. These ministers stand by and defend the cuts for those programs that have taken place in this bill, in

other pieces of legislation and in other actions of this government by way of the budget.

Then they proceed to tax, then they proceed to increase the taxes to average Manitobans, and the result is that we have more and more poor people in this province, people who are having to rely on a dwindling social safety net which this government cuts as well by way of the social assistance payments in the province of Manitoba.

Now, I want to tell you, Mr. Acting Speaker, this Bill 48 typifies the government's callous treatment of the average people in Manitoba. It illustrates that the government has failed by way of its economic policies. It illustrates no better than any other act that has been passed or any action by the government that this government is failing to create jobs, failing to increase revenue by expanding the economy, and instead are increasing taxes and cutting services throughout the province of Manitoba.

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

Let us talk about—you know, these members opposite like to create artificial issues. They like to leave the impression to divert attention away from the real economic issues, from the fact that they are sucking money out of the rural economies by way of Bill 48 and the taxations that are taking place by way of VLTs, and there are no jobs being created. People are fleeing the rural areas of this province. Then they want to divert attention away from this by somehow saying, oh, the NDP is against PMU. The NDP is against Ayerst. What utter and complete nonsense! They will stop at nothing to cover up their failures in rural Manitoba.

We see one example of some success as a result of a plant that was started in the '60s and '70s, and that was improved upon during the Pawley government of this province. This government has done nothing to contribute towards that expansion; therefore they have to tax the people of this province by way of Bill 48, because they have done nothing to create jobs and expand the rural economy. That is what has happened in this province.

Let them not deflect from their failures by leaving the impression that somehow the New Democrats are not supporting the PMU plant in Brandon. Clearly the activities there are but a small example of diversification, success under this government,

but through no particular actions of this government. They cannot take credit for the expansion of the PMU. They cannot take credit for it, but they attempt to take credit because it happened at the same time they happened to be in government. It happened despite them being in government. It had nothing to do with any policy that this government put in place. The expansion of Ayerst had nothing to do with any policy of this particular government. They were in Brandon already because they were established under previous governments, and they needed to expand because there was a market for the product. That is why they expanded. It had nothing to do with this government.

Let them not attempt to take credit and discredit New Democrats in any way, shape or form, because that is simply not true, that is not factual, and the people of Manitoba do not believe it. They can say it as much as they want. They do not believe it, because it is not true.

Let us get back to the failures of this government as outlined in this bill—

### Point of Order

**Hon. Harry Enns (Minister of Natural Resources):** Mr. Acting Speaker, on a point of order, I wonder if you could ask the honourable member for Dauphin (Mr. Plohman) to speak up a little. We are having trouble hearing him on this side of the House.

**The Acting Speaker (Mr. Laurendeau):** The honourable minister did not have a point of order, but I would ask the honourable member for Dauphin to possibly remain relevant to the bill.

\* \* \*

**Mr. Plohman:** How much do I have left?

**The Acting Speaker (Mr. Laurendeau):** 15 minutes.

**Mr. Plohman:** Mr. Acting Speaker, I will attempt to speak as loudly as I can. I know it is difficult for members in this House when they are having all kinds of side conversations to hear what I am saying. They do not want to hear certain things. The Minister of Natural Resources would rather not hear that the information they have been attempting to put on the record and spread throughout the province of Manitoba is misleading information, is not true, inaccurate. He would not

want anyone to believe that, and he would not want to hear it.

I want to once again dwell on some of the major failures of this government with regard to Bill 48, The Statute Law Amendment (Taxation) Act, 1993, which was brought in, because in this document we find a tremendous number of tax increases that are going to hurt the people of Manitoba. They are not fair. They are not equitable. It is not progressive for tax increases. They are going to hurt the vast majority of Manitobans by way of this Bill 48.

I think that the government must admit to the people of Manitoba at the start. If they are going to have any success at all in repeating re-election in this province, they are going to have to explain and come clean with the people of Manitoba.

I want to give them some advice, because they always say all they get is criticism, they do not get any advice. I want to tell them, Mr. Acting Speaker, the first thing they are going to have to do in order to avoid these kinds of measures, which are poll taxes across the board to the people of Manitoba, like the \$75 tax increase on all properties and the reduction in the pensioners' tax assistance, all of those measures, they could avoid them by ensuring that rather than reducing jobs and supporting projects and programs and policies in this government that reduce jobs, they could avoid these tax increases by increasing jobs in this province. We have to put people to work. That has to be the primary consideration. People want to work. We cannot support our health programs and our education programs and social services unless we do have some major initiatives to put people back to work.

It is ironic that this government follows the same path of Grant Devine in Saskatchewan, because they increased taxes, they still ran up record deficits just like is being done in Manitoba now, only a few years later.

In Manitoba, once we have a reasonable government—and Roy Romanow and the New Democratic Government now, we do see that in fact the job creation is once again taking place, and they are reducing the deficit all at the same time because they are very much related.

\* (1550)

You cannot reduce the deficit if you do not have people working, and you cannot give your tax breaks to the corporations and hope they are going

to put people to work. It does not work. They do not have confidence in this government. They are not going to do it alone.

Sterling Lyon found that out. Sterling Lyon brought this province into a recession ahead of the rest of the country in 1980, and it took a New Democratic Government to move us out of that recession, because we made jobs a priority in this province by way of the \$200-million jobs fund.

But this government has no policies for job creation, so while people languish in their homes, on the streets, we get no jobs, we get no tax revenue, and it is a tremendous waste of dignity of people in this province. It is a tremendous loss of the human resource.

Somehow the people on that side of the House, this Conservative government, have to realize that if they do not make a primary goal and put in place programs for jobs, then we are going to see continued stagnation of the economy, we are going to see declines in revenue, we are going to see increases in the deficit, and the government is going to have to come in with more tax bills like Bill 48 to pay for it.

They are going to have more cuts like they are doing in home care, like the Minister of Health (Mr. Orchard) is trying to justify in this House, and call it something other than it is. They are going to have more cuts in the public education system like this Minister of Education (Mrs. Vodrey) has presided over.

They will attempt to explain them and justify them by way of deficits, and the deficit is precisely their failure. They do not know that yet. They do not realize that yet, but we understand that on this side of the House, and we are going to make that message loud and clear across this province every opportunity we have, because it is precisely because of the government's failed economic policies that we are seeing cuts in these programs and, I might add, Mr. Acting Speaker, the lack of commitment and a sense of fairness and justice by this government.

So where do they go? To the most vulnerable people in society, those who cannot fight back, the sick and the elderly and the disabled, and minorities, children. Those are the people they attack in their program cuts. That is what we have seen in this province over the last number of months in the last budgets that have taken place.

Then on top of it, we see a hundred-million-dollar tax bill in combination with those cuts. We look through—and I illustrated that—the Parkland labour profile, and we see where people are not working, where they cannot find jobs, where the average income in the Parkland—of which the member for Roblin-Russell (Mr. Derkach) is a minister and his colleague the member for Ste. Rose (Mr. Cummings) in the Parkland. They preside over a situation where people in the Parkland make only \$12,000 average yearly income versus \$17,000 in the rest of the province of Manitoba, and they sit back and do nothing.

They preside over the cut of the Human Resources Opportunity Centre, and they defend that cut rather than coming to the rescue of those people who are impacted. When I moved a motion in this House to have that money restored by way of reduced management, in that particular area, the member for Roblin-Russell (Mr. Derkach) and the member for Ste. Rose (Mr. Cummings) spoke against it, against their own constituencies.

We see no strategy by this Minister of Education (Mrs. Vodrey) to address those serious problems in the Parkland dealing with inequities and wages and the high unemployment rates that are taking place there, and the fact that there is nearly double the rate of people who have not completed Grade 9 education in the Parklands compared to the rest of the province. I say, Mr. Acting Speaker, that this government has to take responsibility and develop policies for that. If they are going to increase taxes, like Bill 48, they are going to have to bring in programs to address those problems and those inequities and those disparities across this province.

They are going to have to develop a labour force development strategy in this province, and put in place programs targeted to meet it, but they are not doing that. They are failing to do it. They are trying to deflect. The latest deflection, of course, is boundary review, Mr. Acting Speaker, because they can make that the major issue in this province over the next 16 months. Meanwhile all the other educational issues, they hope, will be forgotten, and their failures with regard to educational reform and failures in distance education and all of the other issues that we have been raising with the minister during Estimates.

So measures like Bill 48: failures; failures; failures to develop strategies; failures to put people

to work; failures in income for the province; failures in meeting the targets that the Minister of Finance (Mr. Manness) has himself set up. Always optimistic estimates, this year he finally went pessimistic with his estimates. Is he going to say, well, we are finally right; we are doing even better than we estimated? All the other years he has overestimated the revenues and underestimated the expenditures, said his deficit was going to be less than it was.

It is a record of mismanagement by that Minister of Finance who inherited a positive financial position in this province in 1988, a surplus, and turned it into a deficit, the largest in the history of this province, \$862 million plus the \$58 million he inherited as well—over \$900 million, almost a billion-dollar turnaround by this Minister of Finance. Let him not portray himself as a frugal manager of the resources of the people of this province. He is a temporary custodian who is going to be remembered for the largest deficit in the history of this province, and a minister who, along with his colleagues who sit there so complacently, brought in a hundred-million-dollar tax increases at the same time while running up those deficits. What a failure! What a dismal record!

The people will judge that record, Mr. Acting Speaker, when they have an opportunity to do so, and the sooner the better. As soon as the Premier (Mr. Filmon) has the courage to bring in either the by-elections or a general election in this province, then we are going to have an answer on this. That is when we are going to see the true colours come out. They are not going to be able to hide behind their slick media coverage and their veil of media protection in this province, because then the people are going to see their true colours during that election campaign. [interjection] Well, let us just see it.

Now, the Minister of Health says that is not the case, that I do not know what I am talking about. We will see about that. I wonder how pleasant his reception is going to be as he rides in his convertible in the parade in Morden this year, when the senior citizens there see the cuts that he has made and the disabled people see it, and the farmers in the area and the small businesses see the dismal record of this government. How many smiles is he going to get from the people of Manitoba as he rides through? They are waking up

to this government's dismal failure, and they are not going to put up with it, Mr. Acting Speaker.

As I say in conclusion, this bill typifies this government's insensitivity to the people of Manitoba and its utter and complete failure on the economic and fiscal front in this province. It will stand as their judgment, along with other tax measures that they are going to bring in.

They are going to continue to fail, because they cannot learn that jobs are the No. 1 priority in this province, and it will not happen through their tried and failed policies in this province, their trickle-down theories that they were trying to put in place from the 1930s. It did not work then; it is not going to work now.

These cutbacks are only hurting the vulnerable people. It is about time they woke up, changed the Minister of Health (Mr. Orchard), changed the Minister of Education (Mrs. Vodrey), and hopefully, some new blood in there will make a difference in the next session. I do not hold out a great deal of hope. I do not hold up much hope, but I know the Minister of Health's feet are getting pretty heavy. His boots are filled with cement, and he is going straight to the bottom of the river, Mr. Acting Speaker, that is where he is going. I want to say that the people of Manitoba are judging him and this Filmon government, and the Premier of this province will not stand for it. He is going to move him. He is gone out of there because he has failed dismally to reflect the interests of the people of Manitoba.

Mr. Acting Speaker, this bill is a testimony to this government, its failures. Thank you.

\* (1600)

**Ms. Rosann Wowchuk (Swan River):** Mr. Acting Speaker, The Statutes Law Amendment (Taxation) Act provides legislation authorizing the government to fulfill some of its budget promises this year, but in reality it is one of the biggest tax grabs that this government could have.

They like to walk around and talk around the province that they are not increasing any taxes; that they have not increased taxes, but in reality this is a hundred-million-dollar tax grab. There are many areas that this government is raising taxes in and reducing services throughout the province.

We have to look particularly at what they are doing with property taxes. The changes that they have made have hit everybody across the

province, but in reality it has hit those people on low incomes at a much greater percentage than it will hit those on high incomes. We see that pensioners will have to pay an additional \$175 in school taxes. The assistance program that was brought in place will now have to be paid by seniors and they will have to apply back for it on their income tax. There is a minimum property tax. It has been reduced from \$325 down to \$250.

It is unfortunate that this government makes attempts to say that they are not increasing taxes, but in reality, Mr. Acting Speaker, this act will allow them to raise many, many taxes. This government wants people to think that they are concerned about the economy of this province and that they are doing a good job.

When we look at the statistics that the member for Brandon put forward this afternoon that there are 6,000 less people working in this province than there were previously, the Minister of Finance (Mr. Manness) tries to indicate that is because of the dire straits this province is in. But when you look at other provinces, a province such as Saskatchewan which is addressing its severe deficits that were created by Grant Devine, they are still able to create jobs. They have created 7,000 jobs, whereas here in Manitoba we are having a decrease in jobs. [interjection]

The member for Roblin-Russell (Mr. Derkach) is grasping at straws again, trying to increase their image in rural Manitoba by trying to say that we are trying to shut down the PMU industry. Actually what they are trying to do is divert people's attention away from the real issues—this government. They are trying to divert people's attention away from the taxes they are increasing in this province, the taxes that are being enacted by this act here, Mr. Acting Speaker.

They may try to convince people that they are in support of the rural economy and that they are helping people in rural Manitoba, but the people in rural Manitoba, you have to give them much more credit than that, because they know what this government is doing. Those people in rural Manitoba have young children who want to go to school, but because of their financial situation many of them cannot go to school. This government has taken away those supports for those young people. They have cut many of the programs that would enable these people to go to school. If they cared about the people in rural

Manitoba, they would address the serious situation that has been revealed in the study of the level of education among the people in rural Manitoba, particularly in the Parkland.

I would think the member for Roblin-Russell would be very concerned to know that the percentage of people in that area who have less than a Grade 9 education is double what it is in other parts of the province. It is a very serious problem, but this government chooses to ignore the problem and not put in the extra services. They have restricted the school boards' ability to raise the funds if they want to bring in the extra services for the children. They have not addressed the issue that has been raised many times in many of the areas of first-year Distance Education that has been raised so many times and the need has been identified, but they have chosen to ignore it.

But more seriously, I think it is a shame when we have an area of the province that has such a high number of people below the standard post-secondary education, and such a high number of people who do not even have a Grade 9 education, and in other parts of rural Manitoba where we have such high unemployment and people on low income levels that this government is not addressing the concern of lack of jobs in those communities, and not looking at ways to stimulate that economy.

It is unfortunate that this government chooses only to use rural Manitoba as a place to drain revenues from, and that is what they are doing with the video lottery terminals. I believe that they have broken a promise to rural Manitobans, and rural Manitobans will not forgive them for it and will not forget the promise that they made when they installed those video lottery terminals. They said that the revenues raised from video lottery terminals in rural Manitoba would be invested in rural Manitoba, and, Mr. Acting Speaker, that is not happening. A percentage, a certain amount of money is going back, I do not deny that, but there is much more money going out. This government should look at how they can use that money to improve infrastructures in the rural area to give those communities that are interested in attracting industry, those communities that are interested in improving the economy, creating some jobs, then this government should look at addressing that and returning those monies to the communities for a

long-term investment, so that we can have those jobs in rural communities.

Mr. Acting Speaker, when we look at those statistics also we see the high number of people that are unemployed in rural communities and in the aboriginal communities. I would wonder whether any extra effort is being made to stimulate the economy in those areas and to create some jobs, rather than investing more money into social income security, into welfare. Why is this government not looking at how we can stimulate that economy and get more jobs in? [interjection]

The member across the way said that I want to cry, cut off welfare. Well, I think that if he took the opportunity to visit some of those people who are on welfare, he would find that the majority of them would much rather be working, and they would be very appreciative if this government would make the effort to do some job creation rather than putting more money into welfare—but to understand that you have to visit with those kinds of people and you have to understand where they are coming from.

Mr. Acting Speaker, I have many of those people in my constituency, and many of those people in my constituency on social assistance and on low incomes are going to be affected by the changes this government has made to taxation. They like us to believe that they have not increased taxes. They made an election promise that they would not harmonize the GST and the PST, and what did they do? They have in fact made a very significant increase in taxes by broadening the retail sales tax and expanding it to many, many items.

For example, meals under \$6, you have to pay taxes on; snack foods, prescription drugs and newspapers, a very important tool of communication in rural Manitoba, are now being taxed. I have in front of me here a letter from the Manitoba Community Newspapers Association, who are quite concerned and disappointed in this government's actions in expanding the retail sales tax to newspapers.

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

They go on to outline the importance of newspapers in rural Manitoba. They play a very important role in the community. It is a way of communication. Many communities do not have local television channels as you do here in the city.

People in the city and closer to larger centres have the opportunity to have their news broadcast on a daily basis over television and radio.

In rural communities, we more often rely on a weekly newspaper, but it is a very important source of information, whether it be advertising for business or various announcements, local news. There is a concern that this increase of taxes on the newspaper is going to reduce the amount of circulation, and it is going to decrease the circulation, hamper business, but then there are other things that this government has done that has hurt the rural communities. That is the whole issue of Sunday shopping.

\* (1610)

Although rural communities said loud and clear that Sunday shopping was going to hurt them, that it was going to drain revenue out of their communities and force businesses to close down, the government insisted on turning a blind eye to that. In fact, when they were asked to go to the rural communities to hold public hearings, they refused to do that, and they tell us that they care about the rural community. I find that hard to believe when they take these actions that have a negative effect on our communities.

So I think that it is very important that when people are in government, they do listen to the people and that they take actions that are of a positive nature. Certainly the actions that this government has taken are not positive, and they have not been able to fulfill the promises that they made when they indicated that they would not be raising taxes, that they would not be reducing services because, Madam Deputy Speaker, they have increased taxes in many areas by increasing the tax on many goods that are now subject to provincial sales tax and the GST and by increasing the amount of property tax, which is very devastating for many people, particularly, as I say, for those on low incomes. But considering the amount of taxes that this government is raising in additional taxes, I am surprised at the amount of services that they are reducing, particularly the services that they are reducing in the health care field.

Last year, we many times raised the cutbacks to the home care, particularly in the Parkland area. The Minister of Health (Mr. Orchard) told us many times that was not true, that the home care services

were not being decreased, even though many of the home care delivery people were having their hours cut to a minimal amount. Now we see the same effects happening here in Winnipeg and in larger centres, and the minister tells us, well, he is just making a level playing field.

When the services were being reduced, when we tried to get some information from the—although the clients were telling us that their services were being reduced, there was a gag order on the people within the department, and nobody would say how much the amount was that was going to be reduced. However, after all the cuts were made, we found out that each department or each home care delivery unit was told that they had to cut X number of hours and that had to be reduced, and they had to find them somewhere, and that is what they did.

What we have is many people now who are without service. It is unfortunate because many of these people will, in fact, be forced into personal care homes where they will in reality lose some of their freedom. They will not have the flexibility that they have or be able to live with the same dignity that they could live when they were living in their own communities.

So, Madam Deputy Speaker, there are many parts of this Statute Law Amendment Act which have had a negative impact on the community. There is one section that I have not been able to get a clear answer on, and that is the reduction of tax preference on gasohol by 1 cent per litre. When I asked that question in Agriculture, I was trying to find out whether that would be less of an incentive to produce ethanol in the province of Manitoba. I have never been able to get that answer. From what I have been able to understand, it is a reduction, less of an incentive. I find that interesting when there is such a great interest in the production of gasohol. When there are incentives being offered by the federal government to produce more ethanol, I do not know why this government would move in that direction to reduce those incentives, but we have not been able to get a clear answer on that one.

As I have stated before in this House, Madam Deputy Speaker, I am interested in that part of the act because there is tremendous interest in ethanol production in the Swan River area, and a group of people have done a tremendous amount of work and travelled into other provinces, both into

Saskatchewan and Alberta, to look at how those provinces are handling the production of ethanol and what kind of supports there are for those people. If there is a viable market, and if the people can get that industry off the ground, it will have great economic value for the area, but for that industry to get off the ground we have to have natural gas in the area.

I have had this discussion with the Minister of Rural Development (Mr. Derkach) many times. I look forward to hearing the results of the study that this government made a commitment to in the last budget, where they said they were doing a study of gasification of rural Manitoba. If they are as committed to the economic growth of rural Manitoba as they would like us to believe they are, I would hope that they would move quickly and tell the public what hope there is for them to get gas not only into the Swan River area but into the Interlake area. I know that there are other members who are interested in this as well. It is very important for any kind of economic development that we are going to have, any growth that we are going to have—natural gas would also help us.

The government should make up its mind what it is doing with the Repap cut area. There are people who are interested in, as I have indicated earlier, different types of operations using pulp, using the hardwoods in the Swan River area, but the government has to decide what they are doing with the Repap cut area. So really, Madam Deputy Speaker, that area of the province is being held in limbo right now as they wait for the results of the government decision on Repap and also wait for any indication of what the government might be doing with the gasification in rural Manitoba.

Madam Deputy Speaker, I guess that it is disappointing that the government would try to tell people that they are not raising taxes, but in reality there are many taxes that they are raising. The taxes that they are raising are causing the greatest difficulty for those who are on low incomes. It only stands to reason if it is an across-the-board tax, those who are on low incomes will end up spending a greater portion of their dollars on services. When we have tax increases on goods that these people have to purchase, it is going to hurt them more than other people. It is going to also be a problem when the tax bills start to come out very soon and the people get their tax bills and see what an increase they really have to pay because of actions of this

government. There will certainly be an increase for pensioners, when they get their tax bills—

**An Honourable Member:** You are talking in generalities. Give us some detail, please.

\* (1620)

**Ms. Wowchuk:** The Minister of Northern Affairs (Mr. Downey) wants to hear examples. Well, he knows full well what the examples are because he is the one that sat around the cabinet table and made the decision. He made the decision on property tax. He made the decision on the Pensioners' School Tax Assistance Program, so let him not sit there so innocently and ask somebody else to explain it, because he knows full well what they are.

He knows that he was part of the decision to expand the retail sales tax to many goods. He sat around the cabinet table when the decision was made to extend retail sales tax to newspapers, which the local newspapers association in rural Manitoba is very opposed to. He sat around the cabinet table when the decision was made to extend Sunday shopping, even though the people in rural Manitoba were opposed to Sunday shopping. They said it would hurt the rural economy. He sat at the cabinet table and made that decision.

He also sat at the cabinet table when the decision was made to drain money out of rural Manitoba for video lottery terminals and break the promise by not returning it. Madam Deputy Speaker, the actions that this government has taken will certainly not be of benefit to rural Manitobans.

I want to touch on one other area that this government has failed on in rural Manitoba in not listening to the people, and that is in the farming community when the farm groups in this province said that they were opposed to a continental barley market and they asked the government, they asked the Minister of Agriculture (Mr. Findlay) to stand with them to oppose it, they asked the Minister of Agriculture to talk to Charlie Mayer to try to change his mind on this, and this government sat silent.

The majority of people in rural Manitoba are opposed to the change of method of payment, the majority of them are. If we look at the study—this government spent money on a study on the method of payment. The majority of people said they were opposed to it, but they ignored those people and let

Charlie Mayer have his way, and they would not even stand up for rural Manitobans.

They would not stand up with rural Manitobans on the barley issue. Now we are going to have rail line abandonment speeded up in rural Manitoba, and the Minister of Rural Development (Mr. Derkach) sits there and laughs about it. He should realize the impact this is going to have on our communities. As we see rail lines removed—[interjection] I want to assure him that my research is far more extensive than what he has just indicated.

Madam Deputy Speaker, I think we will see the consequences of this government for many years. Rather than see increased activity in rural Manitoba, I am afraid that many of the actions taken by this government are going to hurt rural Manitoba—I think particularly when we see the change to the method of payment.

Some of those communities are quite worried right now because the rail line is washed out in the Swan River area. They are quite worried whether or not that line is going to be replaced or whether we are going to see an acceleration of rail line abandonment. That is an issue that I have raised with the Minister of Highways (Mr. Driedger), and I hope that he can have an answer for us soon and give people assurances that he will stand with them and not allow the railways to abandon the lines in those communities, that those lines will be repaired—[interjection]

That is right, and I hope the minister will keep his word, and I am sure he will. It is not only grain but there are other commodities such as pulp that are hauled out of that area, and it will be very devastating to the communities that are suffering right now. If you take a small community and you lose an elevator, to some it might be just one or two jobs, but in a rural community one or two jobs is a very great loss. It impacts on the businesses; it impacts on the schools.

I would hope that we would have the Minister of Highways (Mr. Driedger) standing behind us and those communities and fighting and giving us some assurance that those lines will be repaired, and we will continue to see activity.

Madam Deputy Speaker, people in rural communities are suffering enough and will have to pay out additional money because of taxes brought in under this Statute Law Amendment Act. They

cannot afford to lose jobs and they need economic growth. They cannot afford to lose services. The activities that are being promoted by the federal government and, I believe, supported by this government, because certainly they are sitting silent on the barley issue and on the change in the method of payment, certainly will not help the rural communities.

The other area, Madam Deputy Speaker, that I want to touch on is in the fishing community. This government has removed in this budget the freight assistance for fishermen and has also ignored many of the requests that fishermen have called for assistance and particularly with unemployment insurance.

They have talked to the Minister of Natural Resources (Mr. Enns) and hoped that he will talk to the federal Minister responsible for Fisheries to try to get some of the assistance that is in place for the East Coast fishermen, have it in place for fishermen here in Manitoba, but we have not had any responses to that.

So if we just do not address these concerns, we are going to have no economic growth in these communities; we are going to have more people going on social assistance. I have to say that I think it is far more important that this government invests some of these taxes that they are collecting as a result of this bill into job creation, into education, so those people who are in these areas where there is no source of income for them now have the opportunity to get an education so they can fill some of those jobs.

We hear that the jobs of the future are high-tech jobs, jobs that require a lot of education. So this government should be taking that money and investing it into those communities, investing it into distance education to give people in the remote areas the opportunity to get an education and fill some of those jobs as they become available.

Under this administration, Madam Deputy Speaker, there certainly are not very many of those jobs available. There are less jobs available right now according to the stats that have just been put out, but certainly we should be giving people the opportunity to get an education and be prepared for those jobs when they are available.

That opportunity should be there for not only people in urban centres, but for people throughout the province, in the North and in rural Manitoba.

The people who live in those areas should have equal opportunity to an education and equal opportunity to jobs. By this government, they are given equal opportunity to pay taxes, but they are not given the opportunity to earn an income and I am disappointed. I am disappointed for what this government has done and what they have failed to do to address the concerns in rural Manitoba. We see towns dying, and we see a government that is draining revenue out, but not addressing the real concerns.

So, Madam Deputy Speaker, the legislation that this government has brought in is a disappointment because they try to convince people that they are not increasing taxes, that they are not cutting services, they are not reducing the opportunity for education. In reality, they are doing many of these things, and they are creating a two-tier system. Those who have money will always have services, and those that do not have money will have less opportunities, and the actions that they are taking or lack of action that they are taking on farm issues is going to cause greater problems and cause farmers to end up in a much lower income bracket.

So, Madam Deputy Speaker, with those comments I want to say that I am disappointed in the steps that this government has taken, and I would hope that they would be more truthful in some of the things they are saying, particularly when they say that they have not increased taxes. They have to admit that they have increased taxes, but they have also dramatically reduced services in rural Manitoba.

Thank you.

**Madam Deputy Speaker:** Is the House ready for the question?

\* (1630)

**Mr. Conrad Santos (Broadway):** Madam Deputy Speaker—

**Madam Deputy Speaker:** Order, please. I wonder if I might ask the understanding of the member for Broadway to have the member for Gimli report committee changes prior to commencing your remarks. Would you give leave?

**Mr. Santos:** Yes.

### Committee Changes

**Mr. Edward Helwer (Gimli):** Madam Deputy Speaker, I move, seconded by the member for St.

Vital (Mrs. Render), that the composition of the Standing Committee on Law Amendments be amended as follows: the member for Gimli (Mr. Helwer) for the member for Brandon East (Mr. McCrae), the member for Sturgeon Creek (Mr. McAlpine) for the member for Assiniboia (Mrs. McIntosh), and the member for Niakwa (Mr. Reimer) for the member for Morris (Mr. Manness)

**Motion agreed to.**

\* \* \*

**Mr. Santos:** Madam Deputy Speaker, in passing Bill 48 the Progressive Conservative government of Manitoba, despite its promise of no taxes, is in fact imposing hidden taxes, particularly on the poor and the powerless in our province which the government generally is created to protect. In doing so, therefore, this government has lost its legitimacy to govern.

The Premier of this province in the general election when seeking mandate from the people said: read my lips, no taxes. But when we look at the activities of this government we find many, many new taxes. For example, there is now a tax on raw tobacco leaves, four cents per gram, 57 cents per ounce. The broadening of the scope of the retail sales tax, in fact, operates as a new tax on meals in restaurants even under \$6, tax on any snack food for the children.

They even do not stop taxing people who are not supposed to be subject to tax, because they are in fact, Madam Deputy Speaker, taxing infants when they tax the baby supplies of the little ones. They are taxing children, too, when the children need some clothing that will cost more than \$100, and they are taxing the kids in school because they are taxing school supplies. Not only that, in taxing school supplies do they not know that they are taxing knowledge and the process of education? In taxing education they are in fact prejudicing the future of this society and of this province.

They also tax the personal hygiene supply. Even the things that most people need in their personal care, for themselves, they tax. They tax circulation of information because they tax newspapers and magazines. They tax the sick who need some prescription drugs, because they are taxing the prescription drugs.

They are not truly complying with the promise that is the precondition of their getting into a position of power in this government. They say

one thing, and they do another. They are not really doing away with the taxes, but instead, they are hiding the taxes.

Many people who belong, they think, to the middle class in this province are thinking that they are still middle class. The fact of the matter is that they make too much money to avoid taxes and yet too little money to pay those taxes. After they pay their taxes, they suddenly discover they are no longer middle class.

The truth of the matter, Madam Deputy Speaker, is that taxes really never die; they simply change their names. So the government will always be in this dilemma of trying to raise revenue and yet still trying to fulfill their promise of no taxes. But that is no longer possible.

Taxation is a matter of supply and demand. The government demands; the taxpayer supplies. In fact, in this world, there are probably three things where the supply exceeds the demand: In matters of troubles in this world, there are more supply than demand; matters of advice; and matter of taxes.

They are not only taxing the money of the taxpayers of this province, they are taxing the patience of the voters of this province. There is nothing wrong in imposing legitimate tax in order to pay for legitimate public services if the government has the necessary courage to face up to the responsibility by explaining the rationale and justification of new taxes.

But it is certainly not up front to promise that there will be no taxes despite the reality that we need more revenue in order to run our public services. However, in imposing the taxes, they chose the very segment of the people who are least able to carry the burden of taxation. They are imposing taxes on the children. They are imposing taxes on the poor. They are imposing taxes on the elderly, on the disabled, this government of the day, the Progressive Conservative government of this province.

The government of the day, being the majority party in the Legislature, of course, has the necessary authority to make the decision, and the minority will have to be bound by the majority decision, but this government is selecting the wrong segment of the population to carry the burden of taxation.

They try to trim the budget, but it seems that there is a mishap. Instead they are trimming the

taxpayers without the taxpayers knowing about it, because the taxes are hidden. There is only one consolation among the poor of this province. The only consolation is that they do not have to worry about being audited for their taxes, because the taxes they do not know they are paying. The taxes are hidden, and the taxes are buried in such a way that they will not be held politically accountable for the taxes that they impose.

There is an instance where in doling out money to researchers and consultants who will study the conditions of the poor, that is a wasteful way of spending the public resources. If the government of the day will directly give the money that they spend in studying the poor, giving the money to those who need it the most, they probably will be alleviating the conditions of the poor in this province.

I have one suggestion so that people will not be poor. The suggestion that I will probably make is that we should win the war on poverty by abolishing buying on credit, abolishing credit cards. You can only spend money that you have got, but with the use of credit cards, you are spending money you still have not earned. How can you get out of a deficit position or a debt situation if we continue trying to buy things on credit?

In imposing the taxes on the poor in the form of hidden taxes, what this government is doing is that this government is trying to evade its political responsibility. They are afraid to explain to the public the need for new tax revenues and new taxes. We have seen across the border, for example, the newly elected president of the United States, Bill Clinton. He raised taxes, but he explained it to the taxpayer, and the taxpayer accepted the explanation that he needs more taxes.

There is only a rationale explanation that the new revenues of the government will be needed in order to finance needed and necessary public services. I do not think that the taxpayer and the people of this province will not be able to understand that.

\* (1640)

In imposing, this government is always saying, we are going cut the deficit, we are going to trim the budget, but what happened? When we compare the total deficit the year before, it is higher than the year after. They cannot escape increasing the deficit and they are even trying to hide that by

ignoring some of the liabilities of this government. Therefore, I say that despite the promise of no tax, this government, in fact, is imposing taxes and they do not want the people to know about it so that they will be able to evade that accountability to explain what the taxes are for. They promised tax cuts but the way they do tax cuts is so slow, even slower than a helicopter hovering over a nudist colony. They are so slow.

What they did actually, Madam Deputy Speaker, is that they authorized a reduction of tax preference on gasohol by one cent per litre. This is good, I want to be fair. I also point out the good things that this government is doing but I condemn their hypocrisy in hiding taxes. I condemn their insensitivity in imposing taxes on the sick, on the poor and on the elderly.

Sure they extend the 10 percent manufacturing investment tax credit to their friends. They increased the exemption for small businesses for the payroll tax. These guys, these are their friends and these are the people who are or should be expected to share a part of the burden of governing the burden of taxation. What they do is they abolish those programs that help the poor.

Let me make a quotation, Madam Deputy Speaker. It is written, like a roaring lion and a charging bear is a wicked ruler over poor people. I think it is immoral for any government who are supposed to protect the helpless and the powerless in society to instead impose the hidden taxes on those vulnerable segments of our people. For example, this provincial government decided to discontinue the Manitoba tax assistance office. This is simply to help those single mothers, immigrants, seniors, disabled people who cannot pay the professional help to properly prepare their income tax returns, but they cut this off.

These are people who need the help, and they deny the help. That is not a good act of government. We have pockets of poverty in this country and in this province. If we set a minimum of \$10,000 as the low-income cutoff, as early as 1986, 60 percent of our seniors with disabilities are below this poverty line. Now it is about 70 percent of seniors, and mostly among them the females are below this poverty line.

They do not have any income equal to or greater than \$10,000. They have less income than that. To impose the hidden taxes on these people who

are without resources, people who cannot pay them because they need the money for their survival and for their other basic necessities, is an act of an oppressive government.

Therefore, in imposing the hidden taxes on the vulnerable, powerless and helpless segment of our people, this government, in fact, is oppressing those people. It is an act of oppression on the poor and the helpless in our society. In doing so, I say that this government has lost its legitimacy to govern.

It is easier to be poor in terms of the purse, but if you are poor of justice, when you are poor and devoid of fairness, then it is worse than the poverty of the purse. My definition of a Tory is a politician who never meets a tax that he does not seek to hide.

Do they not understand that because of pockets of poverty in this province there are some Canadians who are with disability who have to drag themselves across the floor in their own home because they could not get any home care attendant to help them?

Do they not know that there are certain people with disability in this province who have to pile up enough food in their beds on Friday nights and Friday evening so that they can last through the weekend because they do not have anybody to help them during the weekend?

It is an act of oppression for any government to impose the burden on people who cannot carry those burdens of governance. This is no longer justice; this is oppression. It is written: Again I came and saw all the—[interjection] If the member so wishes, I will do so. Again I came and saw all the oppressions that are done under the sun, and behold the tears of the oppressed, and they have no one to comfort them. On the side of their oppressors there was power, and there is no one to comfort them.

\* (1650)

If any government charged with the responsibility of helping those who need help, if any government charged with the moral duty of making life livable for those in the shadow of life failed to carry out that responsibility and instead of helping those who need help were imposing the extra burden on those people, on their citizens who need help, this is an oppressive government, and an oppressive government will have no more power, no more

legitimacy, no more mandate to carry on governing the affairs of the people.

They are in fact applying the principle of justice that is no longer acceptable in life and in civilized society. They think that because they have the power, they will do what they want. This is the power theory of justice. This was espoused a long time ago by Plato in the republic speaking through the lips of Thrasymachus when he said justice is nothing else than the interest of the stronger, and as the government must be supposed to have power, the only reasonable conclusion is that everywhere there is one principle of justice which is the interest of the stronger.

That is what this government is displaying, Madam Deputy Speaker, in trying to destroy all the vulnerable groups in this province, in taking away their support, in destroying and removing some of the help that they need in order to become useful members of society. For example, they removed the grant to foster parents who are trying to help the children who have no parents grow up in a responsible way in our civilized society, because they think they are strong.

The reasoning is this. If they are strong, they have the right to exact from the weaker whatever serves their interests as the stronger. For the weaker, what will the weak do? They know that if they try to follow their own interests and oppose the stronger, it will be to their own detriment. Therefore, rather than follow their own interests and disobey the wishes of the stronger, now constituted into laws and regulations, they would rather silently suffer because they are weak.

If we pursue policies and programs that we ourselves cannot defend, it is the wrong way to run the government of this province. I appeal to those in government that we raise the standard of policymaking to a level that is wise and honest to which all reasonable people can support.

What has been true according to Lord Acton has been realized in this government. Lord Acton said, power corrupts and absolute power corrupts absolutely.

**An Honourable Member:** Who said that?

**Mr. Santos:** Lord Acton. But that is not exactly correct. If we analyze the situation, power is good if it is power over ourselves because the more power, the more control we have over ourselves and our condition of existence, the happier we are,

the more freedom we enjoy. It is the power therefore over others that is dangerous, because the more we increase our power over others, the more we get corrupted; and the more power we have over other people, the less power those other people have over themselves and the more oppressed they are.

The trouble even with our means of communication in civilized society is that we cannot really go and say things directly by saying what we mean and meaning what we say. There are certain conventional practices in our society that makes the truth of the observation that we are moral beings but we live in an immoral society, because we create social structures, social institutions that try to hide the truth.

### House Business

**Hon. Jim Ernst (Acting Government House Leader):** Madam Deputy Speaker, the hour is approaching five o'clock, and if you canvass the House, I think you would find a willingness to waive private members' hour.

**Madam Deputy Speaker:** Is there leave to waive private members' hour? [agreed]

\* \* \*

**Mr. Santos:** Madam Deputy Speaker, let me summarize what I have been saying. This majority government, like any other government, has a responsibility to help the helpless people in society, but in doing so, they said no taxes. Yet what they do does not jibe with what they say for they are imposing many hidden taxes. There is nothing wrong in imposing taxes except that it is imposed particularly on the poor, the powerless, the sick, the children, the elderly, who are least able to protect themselves.

I say, in doing so, this government, in fact, without knowing it perhaps, is oppressing these people. When they do, they lose the legitimacy, the mandate to govern for the general welfare of all the people. Thank you, Madam Deputy Speaker.

**Mr. Kevin Lamoureux (Inkster):** Madam Deputy Speaker, I just want to put a very few words on this particular piece of legislation because we do, after all, want to see it come to a vote. Unfortunately, given the government's majority, it will pass, but I did want to make it very clear in terms of where the

Liberal Party stands on this particular piece of legislation.

We oppose it. I would refer all individuals to read comments that have been put on the record from members of the Liberal caucus as to why it is we do not support this government's taxation policy. Having said those few words, again, we do not support the bill. That is all I have to say. Thank you, Madam Deputy Speaker.

**Mr. Doug Martindale (Burrows):** There are many things that were part of the Minister of Finance's (Mr. Manness) budget this spring that affected my constituents. There were cutbacks in child care. There was the elimination of the Student Social Allowances Program. There were many things that adversely affected many low-income people.

\* (1700)

I have had much to say about this in Estimates and in Question Period and will get another chance in Interim Supply. This bill is probably even more significant. When you consider how upset seniors are, disabled people and others who are receivers of home care services, when you consider how upset they are with the Minister of Health (Mr. Orchard) and with this government, imagine how upset they are with this government, with these financial changes, the financial impact of this bill and the Minister of Finance's budget.

These are kind of the hidden cuts, the things that have not got nearly as much publicity as they should have, because these are going to affect far more people than many of those other changes, cuts and elimination of programs. In fact, almost every day we discover more programs that have been changed that, for some reason, were not announced, or there were so many changes that we found out about them only in the Estimates process. Not having time to read the Estimates of all the other departments, we have to find out from our colleagues or from constituents and other people who phone us.

This spring, this Conservative government did a lot of sneaky things. There were many sneaky things, but one of them was to take things out of the Department of Family Services and put them in Education so that we could not ask the Minister of Family Services (Mr. Gillehammer) questions, or when we tried to ask questions of the Minister of Education (Mrs. Vodrey), she refused to answer

those questions and said we had to ask them of the Minister of Family Services.

So it was very difficult to get a handle on what was cut, what was eliminated and what was gone, unless, of course, we had time and took the trouble to ask our colleagues, which we have done. But it was very difficult to fit together all the pieces because of the shell game of moving things around from department to department, therefore, making it difficult to critique this government. It was like a puzzle, but it was a sneaky puzzle. That is the point I am making.

(Mr. Speaker in the Chair)

However, as time goes by people will feel the impact of these budget changes. The significant single-tax measure is the broadening of the retail sales tax base to include items previously exempt, for example: restaurant meals under \$6, snack foods, nonprescription drugs, newspapers and magazines, personal hygiene supplies, certain safety equipment, school supplies, baby supplies, sewing patterns and children's clothing items costing more than \$100.

Just to use but one example out of this lengthy list, school supplies, if people were reading the newspapers and listening to TV and radio at the time of the budget, they might have caught some of these items. Probably most people did not read all of the coverage. You cannot blame them for that. Budget documents are very thick. It does not always all get covered in the media. Probably people did not take notice if there was any coverage at all of the fact that school supplies were going to be taxed, so the impact of this will not be felt by the public, by children and their parents until August or September of this year.

Here we have a budgetary decision that was probably announced somewhere in April when the budget came down which people really will not feel until August or September. It is going to be the parents who are going to feel it. They are going to look at their receipt, and they are going to be paying 14 percent sales tax instead of 7 percent. They will suffer, particularly low-income people, particularly people who live in constituencies like Burrows and Point Douglas and Broadway and Wolseley and to a lesser extent a number of other constituencies. Certainly many, many constituents in rural Manitoba and northern Manitoba are going to be adversely affected by this change.

This is one of the sneaky proposals of this government, where publicly they stand up and they say, we are not increasing taxes, but it is quite obvious that they are.

### Point of Order

**Mr. Ernst:** Mr. Speaker, on a point of order, the member for Burrows (Mr. Martindale) has used I think inappropriate and very likely unparliamentary language on two occasions now during this debate in the last five minutes or so, and I would ask you to call him to order.

**Mr. Martindale:** Mr. Speaker, on the same point of order, I am trying to look quickly at Beauchesne and I do not find "sneaky" as being unparliamentary, but the Speaker might want to look and see whether it is and rule on this alleged point of order.

**Mr. Steve Ashton (Opposition House Leader):** Mr. Speaker, I am reading here on the list of items that have been subject to intervention. There is nothing between "sleazy" and, well, I do not know if I want to repeat the other word that is listed here, where it might appear alphabetically on the one list, Citation 492. I am looking here at Citation 489, which are all items that have been subject to being ruled unparliamentary. There is nothing that appears between "small and cheap" and "stealing," which is where I would understand this word would appear alphabetically.

So I would suggest to you, Mr. Speaker, that the word "sneaky" is not unparliamentary.

**Mr. Speaker:** On the point of order raised by the honourable acting government House leader and indeed commented on by the honourable member for Burrows and the opposition House leader, I would like to quote from Beauchesne's 491: "The Speaker has consistently ruled that language used in the House should be temperate and worthy of the place in which it is spoken. No language is, by virtue of any list, acceptable or unacceptable. A word which is parliamentary in one context may cause disorder in another context, and therefore be unparliamentary."

In this case I do not believe the honourable member's comments did cause any grave disorder, but I would caution the honourable member for Burrows (Mr. Martindale).

\* \* \*

**Mr. Martindale:** Thank you, Mr. Speaker, for your advice, but my observation still stands. This government is afraid to do things by the front door that they are doing through the back door through their budget. I would consider that sneaky because the public did not notice, and they got away with it. But they are going to pay the price at the polls, and people are going to take note of this, because we are going to tell our constituents.

We are putting out a tax guide to the Tory budget to translate their language, because they use things like a contribution when what they really mean is a tax on the sick, a Tory tax on the sick. This is a user fee, and they are afraid to call it a user fee. They are calling it a contribution—what hypocrisy, Mr. Speaker.

We will continue to highlight this kind of discrepancy in their rhetoric and in their budget and their actions and their words until everyone in Manitoba understands what they are really doing through this budget.

Another part of the shell game, particularly when it comes to language, is to say that they are not increasing taxes. That is what they would want the public to believe.

Now, at the next election, I think they are going to change their rhetoric. They are going to say, well, we did not really mean we are not going to increase taxes, and that is not really what we sort of said. What we meant was, we are not going to increase income taxes. They are going to qualify it.

But they do not need to raise income taxes because they are raising all these other taxes through numerous other means. That is what I mean by raising taxes through the back door and being sneaky about it. I have a number of items here, and I only talked about the first one.

The second is that through this bill, the Minister of Finance (Mr. Manness) is tightening the application and the provincial sales tax to private sales of automobiles.

\* (1710)

Then another sleeper, the \$175 Pensioners' School Tax Assistance Program will be income tested for all recipients. Pensioner homeowners with incomes under \$23,800 will now have to apply for benefits under their income tax return next spring. So they pay it up front this year, and they

get a rebate next year. That is my understanding of how it works.

There are a number of people who have phoned me and who phoned other MLAs saying, what is this government doing, and why are they doing it? We provided them with an explanation and said, this is the government that does not believe in raising taxes, but look what they are doing. They are raising it on your municipal property tax bill, an action which I have referred to previously as sneaky, probably the best way to describe it.

Pensioner tenants will continue to apply to Manitoba Housing for their assistance. The maximum remains at \$175 per year.

Next, the minimum property tax credit is reduced from \$325 to \$250. Well, the government would talk about not raising things, but if you lower a tax credit, in effect, you are raising taxes. This government will not admit to it, but that is what they are doing. It is an automatic tax increase. It affects everybody the same amount regardless of ability to pay. [interjection] It is offloading and taxes, as the member for St. Boniface says.

There are numerous problems with all of these tax changes, but this particular one is very unfair in that it is going to impact more on low-income people than higher-income people. In fact, that is the general effect of many of these taxes on people, to use my constituents as an example, who have modest homes in the north end, who are paying very low property taxes. If you compare their tax increases with people in Charleswood and Tuxedo and Lindenwoods, represented by members opposite, the impact is very, very different.

Next, all property tax claimants will be required to make a minimum contribution of \$250 towards their local property taxes directly as homeowners, or through their rent as tenants before they are eligible for provincial tax credits.

Now, once again, this is probably something that is going to affect only low-income tenants, and this is an example of Tory fairness. They talk about fairness, and they talk about sharing the pain, but when it comes down to it, in terms of tax changes, there is no equal sharing of the pain because those who can afford to pay are not taxed at the same rate as those who cannot afford it.

When you look at the programs that are being eliminated and the grants that are being eliminated,

certainly there is a bias against low-income organizations and individuals. When it comes to individuals, this government totally eliminated the grant to the Manitoba Anti-Poverty Organization. The Minister of Family Services (Mr. Gilleshammer) eliminated the Student Social Allowances Program.

Just today, I got a letter from someone, I presume a resident of the inner city, because their son was a student at R.B. Russell School. This parent was pointing out that this student has not finished high school and will not be able to go back as a full-time student, or if they do, will be living at home with no financial assistance. The mother is on social assistance, but there will be no assistance for her son.

This Minister of Education and Training (Mrs. Vodrey) somehow expects that these people can finish high school without any money to live on. It is a totally unrealistic expectation. This minister and this government is totally out of touch with my constituents and many others who are forced to live in poverty and now have less money to live on.

These people came out and they spoke very eloquently, and they made presentations to the government. Regrettably, very few students were able to attend, but school principals and others came and they were very angry. In fact, when the hearing was over, one individual could no longer contain his anger, having listened to all the presentations, and he screamed at the Conservative members on the committee as they were leaving, and they all walked by him on the way out of the committee.

I talked to this individual in the rotunda and found out where he lived. He told me that he had always voted Conservative before, but because your government eliminated the Student Social Allowances Program, so that he cannot go to the Adult Education Centre, he is going to work for George Hickes in Point Douglas to re-elect George Hickes and an NDP government. That is what this government is doing with their policies.

They are alienating even their supporters. Some of their supporters, amazing as it may seem, are also poor. What they did was they alienated another 1,100. Usually this government does not alienate 1,100 people at a time; they are more fond of alienating groups of, say, 10,000. Ten thousand nurses, they alienate, and then they alienate 12,000 teachers, and now 1,100 former students

who benefited from the Student Social Allowances Program.

So, Mr. Speaker, what is going to happen is that this is a gradualist bill, because people are gradually going to find out what the true impact is of this. As people realize that there is a tax on restaurant meals, as people realize that there is tax on school supplies, as people pay their property taxes, and eventually large numbers of people are going to realize that there is a total lack of fairness in the Minister of Finance's (Mr. Manness) budget, because it is impacting on low-income people, much more so than higher-income people.

That means that the people in the constituency of Burrows have been much more impacted by this budget than people in more affluent parts of Manitoba. In spite of what this government says about fairness, it is totally lacking in this budget and this bill is the proof.

Thank you, Mr. Speaker.

**Mr. Steve Ashton (Thompson):** Mr. Speaker, I will be speaking very briefly on this bill and then we will have a vote. Our caucus opposes this bill, and I will not use the word "sneaky," for the member for St. Boniface (Mr. Gaudry), largely because I think the member for Burrows (Mr. Martindale) has adequately made his case, that this is indeed a government that could be described in that form.

**An Honourable Member:** I am going to phone Mr. Beauchesne right now.

**Mr. Ashton:** I know the Minister of Urban Affairs (Mr. Ernst) wants to make sure the word is added in the next edition of Beauchesne. I think that is highly advisable.

I want to deal with a couple of issues, because this is a taxation bill. I want to focus in on the fact that this government can no longer claim that it has not raised taxes. In fact it has. A number of areas have been dealt with, but I want to focus in on some of the impacts that are happening in my constituency.

Let us look at the fact that we have an increased gas tax, Mr. Speaker. Has that resulted in better roads in northern Manitoba where we pay per capita a higher amount of gas tax because of our extended distances? Well, no. I raised my concern in the House just recently about the condition of Highway 391. There have been 92 accidents the last five years on Highway 391. There have been three fatalities, a rate of over 3

percent which is high in comparison to the 1 percent rate of all accidents being fatal accidents.

Sixty-five percent of accidents have been accidents where they have involved road conditions and more than 60 percent have involved run-off, people being run off the highway because of road conditions. That is a reality. I have raised the concern about 384 which affects the member for The Pas' (Mr. Lathlin) constituency. The fact is there are difficulties with the northern roads and they are particularly noticeable at this point in time. I want to say to the Minister of Highways and Transportation (Mr. Driedger) and I want to say to the government that I feel that there has to be action on those particular matters.

I can point to other problems in terms of Highways and Transportation. Mr. Speaker, on Friday there was a significant problem in the community of York Landing with the ferry. That is the only access to road service at this time of year. There is no all-weather road into York Landing because of low water levels in the community, because of Manitoba Hydro they were running the situation when the ferry was hitting the ground, the rocks, a very difficult situation, and threatened to cut off the community.

They attempted to contact both the Minister of Highway's office and the Department of Highways and Manitoba Hydro. Because it was a Friday and the reduced workweek, they were not able to get through, Mr. Speaker.

I am glad to see that the Conservative members are looking upward for inspiration. They have to look upwards for inspiration. They need some right now.

**An Honourable Member:** Steve, at least these babies have wings.

**Mr. Ashton:** To the member for Portage la Prairie (Mr. Pallister), I do not know if they were somehow praying, but they should be. We all should be for the condition of this province.

**An Honourable Member:** Things certainly are not looking up over there.

**Mr. Ashton:** Well, we do not have to look up for inspiration. We get it from our constituents on a daily basis when they phone us and tell us to keep raising these kind of issues in the House. In fact, it was only a couple of days ago I had a call from someone who lives in Leaf Rapids, commutes back and forth between Leaf Rapids and Thompson and,

in fact, pointed out the fact that she had just travelled the road.

I think the Minister of Environment (Mr. Cummings) should be aware of how difficult it is for northern residents in northern Manitoba living with the road conditions. I do not know if he faces that problem in his constituency, but I do not think he has a single road in his constituency that will match the poor conditions of Highway 391.

I raised in the House, Mr. Speaker, the fact—[interjection] Well, I ask the Minister of Environment has he ever been down Highway 391? Has he ever been down Highway 391? Indeed, if he has, I think he will acknowledge that it has to be one of the worst stretches of road in this province, matched only possibly by the road into Cross Lake and Norway House and possibly only by the road up to Gillam. I point out all of those just happen to be in northern Manitoba, something we have grown used to.

\* (1720)

Mr. Speaker, I want to deal with the reality of what is happening in terms of the situation that we are faced with in terms of those road conditions. You know, I asked the Minister of Highways (Mr. Driedger) to look into a problem that was identified with a stretch of road by Pisew Falls on Highway 6 close to Thompson. There were two fatalities. I wrote to the minister, and I indicated that concern had been expressed that that particular road was not of sufficient safety to deal with that.

I want to publicly do this, and I did it briefly in Question Period the other day. I am doing this obviously with no ulterior motives. In this case, I cannot refer to the presence or absence of the minister, but let us put it this way. I am not saying this only to the Minister of Highways in the House currently. I wrote to the minister. The minister investigated that, and it was determined that curve was rated for 100 kilometres an hour. The policy of the Department of Highways is to have 120 minimum, to have 20 kilometres an hour above the amount that is rated for the speed limit, so that curve should be rated at 100.

The Minister of Highways has written back and said he is going to consider reconstruction of that particular curve based on the concern that was expressed to me by people living in Wabowden and in Thompson, based on a very tragic set of circumstances. He has indicated he is looking out

for the next construction year. I want to say, Mr. Speaker, that I want to publicly thank the Minister of Highways for that response. I realize I will have to go through the process, and I am optimistic that something will be done.

It is in the same spirit I am raising a concern about the other highways, because sometimes in this House, we do get into differences on a partisan basis, but surely the safety of our roads should not be something that should have to become a partisan issue. I will make it an issue if there are still safety problems, but at least in the case of this one incident, the Minister of Highways has done a very good job in responding. I am looking forward to a response on Highway 391, which I have been raising in this House on a consistent basis, Mr. Speaker.

I wanted to raise in the context of this bill the statute law taxation bill, because this deals with taxation. We have not seen results of the increased taxes on highways in northern Manitoba. I would warrant a guess, Mr. Speaker, that no one particularly likes taxes or tax increases, but many of my constituents, if there was a direct correlation between the money that this government is raising through the increased gas tax and improving northern highways, would say we are prepared to pay the one cent extra on the gas tax to get better highways, more safe highways in northern Manitoba.

I would bet you, in the Minister of Environment's (Mr. Cummings) constituency in Ste. Rose, he would probably find the same reaction too. I do not think most people object to gas taxes when there is a direct correlation in terms of safer and more convenient roads. I know the Minister of Environment probably supports that principle in this particular case.

That was the comment I wanted to make on this bill, Mr. Speaker. I am opposed to many of the other sections of the bill that deal with the increased tax burden on seniors. That is something, I think, that has to be dealt with, and the whole taxation package of this government. The bottom line is that this bill is a continuation of the unfair policies announced in the budget. It is breaking a campaign promise from 1988 and from 1990 on behalf of this Conservative government. It does not surprise us.

The Minister of Environment knows that about the only thing that is biodegradable and recyclable in this House are Tory campaign promises. They seem to biodegrade after an election to get recycled for the next one. So that does not surprise us. It does not mean it is right. I was talking about the biodegradability and recyclability of Tory campaign promises. You announce them, they then kind of biodegrade, disappear, and then you recycle them for the next election. I really think that is about the only thing that can be said in terms of this particular bill.

The bottom line with this, Mr. Speaker, is we will be opposing this bill and letting Manitobans know that this Conservative government that made these promises in 1988 and 1990 has once again broken its word to the people of Manitoba. Thank you, Mr. Speaker.

**Mr. Speaker:** Is the House ready for the question?

The question before the House is second reading of Bill 48, The Statute Law Amendment (Taxation) Act, 1993; Loi de 1993 modifiant diverses dispositions législatives en matière de fiscalité. Is it the pleasure of the House to adopt the motion? Agreed? No? Okay. Hold it here.

The question before the House is second reading of Bill 48, The Statute Law Amendment (Taxation) Act, 1993; Loi de 1993 modifiant diverses dispositions législatives en matière de fiscalité.

All those in favour of the motion, please say yea.

**Some Honourable Members:** Yea.

**Mr. Speaker:** All opposed, please say nay.

**Some Honourable Members:** Nay.

**Mr. Speaker:** In my opinion, the Yeas have it.

**An Honourable Member:** On division.

**Mr. Speaker:** On division.

\* \* \*

**Mr. Speaker:** What is the will of the House? Is it the will of the House to call it six o'clock?

**Hon. Jim Ernst (Acting Government House Leader):** Would you call Bill 28, Mr. Speaker.

### **Bill 28—The Manitoba Intercultural Council Repeal Act**

**Mr. Speaker:** On the proposed motion of the honourable Minister of Culture, Heritage and

Citizenship (Mrs. Mitchelson), Bill 28, The Manitoba Intercultural Council Repeal Act; Loi abrogeant la Loi sur le Conseil interculturel du Manitoba, standing in the name of the honourable member for Burrows.

**Mr. Doug Martindale (Burrows):** Mr. Speaker, I would dearly love to speak on this bill, but I did not bring it with me so I am going to let my critic speak on this bill instead. Thank you.

**Mr. Speaker:** Okay—and also standing in the name of the honourable member for Wellington.

**Ms. Becky Barrett (Wellington):** Mr. Speaker, I would like to continue to place on record the comments that I began several months ago actually when Bill 28, The Manitoba Intercultural Council Repeal Act was first introduced and spoken to in this Legislature.

I have placed on the record quite an extensive background outlining the genesis of the Manitoba Intercultural Council, which was proclaimed in 1983 by the then-Minister of Culture, the Honourable Eugene Kostyra, and contrasting it with what the government of the day currently has done with the Manitoba Intercultural Council.

The Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson) in her discussions with the Manitoba Intercultural Council and the members of the Legislature and other interested parties has stated as one of her main reasons for bringing in Bill 28, which in effect repeals the Manitoba Intercultural Council as a legislated body of the province of Manitoba, that the Intercultural Council has concluded its work, that it does not need to have legislative mandate, that it needs to be, in effect, an external organization like all the other multicultural organizations in the province of Manitoba and that it can continue to do the work that it has been doing for the last 10 years just as effectively from outside the legislative framework.

Mr. Speaker, the minister continues to put this position on the record in the face of virtually unanimous opposition from the MIC in its last biennial meeting in April, and certainly in the face of opposition from both opposition parties in the Legislature.

Mr. Speaker, so that the people of the province of Manitoba do not just take my word for it, I would like to discuss at some length this evening what the Manitoba Intercultural Council has achieved in its 10-year history and, by extension, what will be lost

if Bill 28 actually goes through and the Manitoba Intercultural Council no longer has a legislated mandate.

I am going to read into the record, Mr. Speaker, 41 items. That is the list of publications of the Manitoba Intercultural Council as of January 1993, so in effect a little over nine years of existence. I am sure there have been additions since January, but this is a fairly exhaustive list. I think the people of Manitoba will be very interested to see the range and extent and depth of the publications of the Manitoba Intercultural Council.

Publications, Mr. Speaker, are only one aspect of the jobs that the Manitoba Intercultural Council has undertaken in its 10-year history, but it is, I think, an excellent indicator of the kind of work that this group has been able to achieve. It is an indication of the loss that will be faced by the people of Manitoba should Bill 28 pass.

\* (1730)

I will read this into the record. It should not take very long.

Number 1 was a survey on Supplementary Language Schools 1983-1985, published in May 1986.

Number 2 was a discussion paper: Taxation of Cultural Facilities, prepared by the Standing Committee on Cultural Affairs and Heritage Resources, December 1986.

I might add here that the MIC has a very extensive and well-developed series of standing committees that do remarkable work.

Number 3 was a report: The State of Ethnocultural Arts and Crafts in Urban Winnipeg: Needs and Aspirations, December 1986.

Number 4 was an issue paper: Media Coverage and Portrayal of Manitoba's Ethnocultural Communities, January 1987.

I would suggest that an issue paper dealing with media coverage in the portrayal of Manitoba's ethnocultural communities is an essential kind of paper and provides an essential kind of information for the government to be able to assess what is going on in the broader community. This is the kind of work that can only be done outside of government and was done very effectively by MIC.

Number 5 was a submission dealing with Manitoba Hydro's Affirmative Action Program, in January 1987, again, looking to the government

Crown corporation to bring some recommendations and some ideas to another government department.

Number 6 was recommendations dealing with the Department of Culture, Heritage and Recreation's Ethnocultural Heritage Support Program, March 1987, another advisory paper to the government of the day.

Number 7 was a submission to the House of Commons Standing Committee on Communications and Culture respecting matters relevant to legislative issues which should be addressed in a new broadcasting act, Bill 136, the Canadian Broadcasting Act, in April 1987.

This is not just a provincial piece of legislation, but this shows that the Manitoba Intercultural Council was able to bring recommendations and a report to the federal level as well.

Number 8 was another submission to the Report of the Task Force on Broadcasting Policy - Legislative Issues, April 1987.

Number 9, a submission on Family Reunification, to the Ninth Report of the Standing Committee on Labour, Employment and Immigration in April of 1987; April of 1987 a very busy month for MIC. Also dealing with a major issue that faces the multicultural community not only in Manitoba, but in the country as a whole, that, a family reunification.

The Manitoba Intercultural Council was able because of its legislated mandate and its staff complement and the resources provided by the government of the day to make a presentation to the federal government on the issue of family reunification outlining the Manitoba concerns. I would suggest, Mr. Speaker, that if Bill 28 passes, there will be no ability for any organization to make a presentation to the federal government on this kind of important issue.

Number 10, a report. Community Assessment of MIC Members, Alternates and Community Organizations. April 1987. Again, the MIC was not afraid to look at itself, was not afraid to look at its composition and was not afraid to talk to the community at large about what additional supports might be necessary or changes.

Number 11. In April of 1987, MIC made recommendations on the Prix Manitoba Awards. My understanding, Mr. Speaker, this was the first of such awards and MIC had some input there. The Prix Manitoba awards—I might put on the

record—was another project of the Culture minister the Honourable Eugene Kostyra and his very capable replacement the Honourable Judy Wasylycia-Leis.

The 12th report was a submission, again, to a federal body on Educational and Institutional Radio made to the CRTC in May of 1987.

13. The Report of the Task Force on Broadcasting Policy - Legislative Issues, May '87.

Number 14, Submission. Responses/Recommendations: Immigration Levels 1988-1990, Consultation Issues. June 1987. Again, a major issue of importance to the entire community, immigration.

Number 15. Manitoba Intercultural Council made a submission to the High School Review which was initiated by the then-Minister of Education the Honourable Jerry Storie. This submission was made in June of 1987. Again, this was the kind of input to a major issue of importance to the people of Manitoba by the multicultural community that will not be able to happen if Bill 28 is passed and a severe loss to all of the people of the province of Manitoba.

Number 16, Research Report. Multicultural Issues Related to Child Care. Prepared by a summer student in consultation with the policy analyst and the executive secretary in September of 1987. We will not have this kind of report after Bill 28 is passed.

Number 18, Report. Multicultural Policy and Initiatives of the Government of Manitoba 1970-1987 prepared in January of 1988.

Number 19, Submission. Observations on the Green Paper of the Task Force on Multiculturalism in Manitoba. January 1988. Two incredibly important documents that this current government has made use of since it was elected.

Number 20, a submission on Manitoba's recreation policies for the 1990s in March of '88.

Number 21, another submission, again to the federal government, House of Commons Legislative Committee on Bill C-93, The Canadian Multiculturalism Act in May of 1988.

Mr. Speaker, we are now into the time frame at which the provincial government in the province of Manitoba changed. The Manitoba Intercultural Council continued to make important presentations to the government at all levels.

A report on the Service Provisions to the Ethnic Elderly in August of 1988, another major issue which is still facing us.

Number 23, Research Report: Obstacles to Equality of Access to Employment. This is on credentials and accreditation, another issue that plagues all of us in Manitoba today, September of 1988.

An issue paper on the Affirmative Action Program in Manitoba Crown Corporations, October of 1988. Again, good advice prepared by the MIC to the government in Manitoba dealing with issues that other elements of the government should be looking at.

An issue paper on the Examination of University of Manitoba's TOEPL policy, October '88.

A submission on the Enhancement of Educational Opportunities for All Ethnic and Cultural Groups, December 1988.

A report on Manitoba Intercultural Council Recommendations, a listing of the recommendations made to government from the years of 1983 to 1988, reported in January of 1989.

A report on the Comparison of Recommendations of Task Force on Multiculturalism versus the Manitoba Intercultural Council's recommendations.

A submission on MIC's observations on the Report of Manitoba's High School Review Panel, January '89. Not only did MIC make a presentation to the high school panel two years earlier, but they also took the time to observe and make suggestions and comments on the review of that panel.

A submission on The Report of the Province of Manitoba's Task Force on Multiculturalism in February of 1989.

\* (1740)

A submission to the Province of Manitoba's Task Force on Child Care in February, 1990. Again, child care, an issue that has a major impact on the multicultural community in the province.

A submission on the Task Force on Meech Lake in April of '89.

An issue paper on eligibility criteria for the appointment as Commissioner of Oaths.

A submission to the Task Force on Folk Arts/Folklorama, June '89.

A recommendation on a background paper and recommendations on the multicultural policy for the province.

A submission to the Manitoba Arts Policy Review Committee.

So you can see as we are getting to the end, the depth and the range of the issue papers, the policy recommendations that MIC was able to present to all levels of government.

A submission in April of 1990 to the City of Winnipeg's Ad Hoc Committee on the Review of Police Department Policy re: Multiculturalism and Policing, an issue that still is with us today.

A submission to the University of Manitoba, Faculty of Education, Task Force on Initial Teacher Education Preparation, another major issue, May of 1990.

A report in October of 1990 on Combatting Racism in Manitoba, and I will read some government response to that in a moment.

A report in February of 1992 on the Perceptions and Evolution of Multiculturalism in Canada for the last 20 years.

Finally, in January of this year, a submission to the University Education Review Commission.

I thought, Mr. Speaker, that it was important to read into the record the list of external submissions and reports and recommendations made by the Manitoba Intercultural Council over the last 10 years. This does not include, which I could have read into the record had I had more time, the page after page after page of recommendations that the Intercultural Council has made to the provincial government in the last 10 years.

This council has done superlative service to the governments of Manitoba and to the people of Manitoba, and it is a crime to eliminate the governmental support for this organization.

As I stated, Mr. Speaker, in 1991, the MIC put forward a report and recommendations on combatting racism in Manitoba. I would like to quote briefly from comments that the Premier of the province, the Honourable Gary Filmon, member for Tuxedo, put on the record in the Manitoba Intercultural Council newspaper, In-Contact, for summer 1991, and I quote: Premier Gary Filmon has joined the growing list of public officials across Canada, commending the MIC for its report and recommendations on combatting racism in

Manitoba. Mr. Filmon, on behalf of his government, praised the MIC for what he considered an excellent report, which provide the government with sound advice and recommendations as they work towards the elimination of racism.

The government of the day, two years ago, commended highly the information that was given to them by MIC, yet just two years later, we are now debating in this House the death of the Manitoba Intercultural Council as an advisory body to the government and an advocacy body on behalf of the entire multicultural community in the province of Manitoba.

The Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson) has talked about how there are agencies within government today that can take over that advisory and advocacy role to the government on issues of multiculturalism. She speaks of the Multiculturalism Secretariat. We have talked in this House at length, both in Question Period and in Estimates, about the fact that the Multiculturalism Secretariat bears absolutely no relationship to the MIC, not the least of which, the Multiculturalism Secretariat is composed entirely of government appointments.

But the roles of the two organizations are very different as well. The Multiculturalism Secretariat is lodged totally within the Department of Culture, Heritage and Citizenship. Its staff people are government employees, and all of the people who work in the secretariat are government employees. As a matter of fact, they are Order-in-Council political appointments of the government.

Basically, the role of the secretariat is not to work with the multicultural community as an umbrella organization representing the interests and concerns of the multicultural community to the government of Manitoba, the Multiculturalism Secretariat is an internal organization that works and attempts to link various governmental departments together, and only marginally deals with external organizations and issues.

That is not to say that there is not a role for internal interdepartmental work on the issues of multiculturalism, and we have stated that is a very important role for some group to play, not only in multiculturalism, but in all other areas of the government. However, the Multiculturalism

Secretariat does not do what the MIC did do, which is link with external organizations.

Mr. Speaker, I would like next to spend some time in refuting what the Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson) has stated in various venues over the years as a reason for the elimination of MIC, and that is that MIC has become too political.

Mr. Speaker, the Manitoba Intercultural Council has become too political as a direct result of what this provincial Conservative government has done to MIC.

The first thing that the Minister of Culture stated, and that was several years ago, actually the government, when trying to implement some revisionist history, talked about how the then-Minister of Culture and Heritage, the Honourable Judy Wasylycia-Leis, politicized the process by appointing a certain person as chair of the MIC instead of having MIC appoint their own chair.

Mr. Speaker, I want only to deal with this issue in one element, because we have talked about it at length and I do not want to spend too much time on it. I do want to read into the record a letter written by the then-Leader of the official opposition, the man who today is the Premier (Mr. Filmon) of the province of Manitoba.

Mrs. Pamela Rebello, the woman in question, the woman who by this provincial government for the last five years has been pilloried and mocked and made fun of and accused of all kinds of things in the last five years, the woman that the Minister of Culture and Heritage points to as the instigator of the downfall of MIC—I want to read into the record a letter written to this woman by the then-Leader of the Opposition, the Honourable Gary Filmon. This letter was written February 25, 1988.

He says: Dear Pam, Congratulations on your recent appointment as chairperson of the Manitoba Intercultural Council. Your many years of experience and service to our cultural and artistic community will serve you well in this richly deserved appointment. Janice joins me in congratulating you on this honour. Yours sincerely, Gary Filmon.

This is the same person who along with his Minister of Culture and Heritage is now saying should not have been appointed because she politicized the process—very interesting. Not only that, but the current Minister of Culture and

Heritage says that she had no options because the then-minister Ms. Wasylycia-Leis, had appointed Ms. Rebello as chairperson.

I would like to read into the record another letter, dated June 9, 1989, a year and two months after this current Conservative government had been elected, identifying to the acting chairperson of the Intercultural Council that she was pleased to inform you that the Manitoba government has chosen to appoint the following for a two-year term to the Manitoba Intercultural Council, and then goes on to list 17 names that the provincial Progressive Conservative government appointed to the Intercultural Council.

This is from the same government that now talks about how the former New Democratic government had politicized the process by appointing people to the MIC. Did they make a change to the legislation eliminating that? I think not, Mr. Speaker. In fact, they appointed more people and a higher percentage of people to the MIC than the New Democrats ever did. I would like to say that in the two-year term 1985-87 there were 48 elected representatives to MIC, nine appointments by government for a percentage of government appointments of 19 percent.

In 1987-89 there were 48 elected appointments, elected members, and seven appointed by the government, which is a reduction to 15 percent.

\* (1750)

Then, Mr. Speaker, we come to the Progressive Conservative years, to the Minister of Culture, Heritage and Citizenship, who talks now about how the New Democrats politicized the process and politicized MIC to the point where its utility is gone. In 1989 to 1991, there were 46 elected representatives and 16 appointments by the government for a percentage of 35. Over one-third were government appointments. In 1991 to '93, which are, if this bill goes through, the last appointments, there were 43 members elected and 15 government appointments, again for a percentage of 35 percent.

Now I would suggest to members opposite and to the people of the province of Manitoba that for the Minister of Culture and Heritage to say time and time again in the House, to make personal accusations, personal comments about the previous Minister of Culture and Heritage, the current member for St. Johns (Ms. Wasylycia-Leis),

is unfair, untrue and should—I am putting on record right now what actually has happened to the Manitoba Intercultural Council.

Not only did the government not choose in its authority to make changes to the MIC act which would have eliminated political appointments, which we on this side of the House are not in opposition to, and which the Manitoba Intercultural Council itself approved in principle; the government chose not to take that avenue of amendment. No, the government for five years now has used the authority that it has in the current MIC act, which is not, the government shall appoint, but the government may appoint. So it is not prescriptive legislation; it is enabling legislation.

The current Progressive Conservative government has actually in many cases more than doubled the percentage of political appointees, government appointees, to the MIC council than did the New Democrats, and I think it is shameful on the part of the government as a whole, and most particularly shameful on the part of the Minister of Culture, Heritage and Citizenship, to continually stand in her place in the House and in public and chastise the previous minister for what she says is overpoliticization of the process when she herself has taken politicization to a new height.

In another area, the government has been saying that the changes to the authority of MIC, which took place, I believe, in 1989 when the funding and granting authority of MIC was removed from MIC and given to the Multicultural Grants Advisory Council, otherwise known as MGAC—the government stated at that time and has stated since then that one of the main reasons for doing that was that MIC was unable to effectively grant monies to multicultural communities in Manitoba, and that there was some question about their ability to effectively do that.

I would like to state that the Provincial Auditor's Report, which was released in September of 1988, did identify some problems. Well, Mr. Speaker, the Provincial Auditor identifies a huge number of problems every year in the Auditor's Report about the government of the day, the problems that they have in their audit procedures and the recommendations that are made.

It does not matter what political stripe that government is. It is a huge process and you expect to have recommendations made as to how to be

more effective and fair in your auditing procedures. The Provincial Auditor's Report in no way suggested that the granting authority should be removed from the Manitoba Intercultural Council.

In fact, the Auditor's Report states quite clearly, and I quote: The system for approving and disbursing grants has the basic controls one would expect in an entity such as the Manitoba Intercultural Council. The system has served the province, the Manitoba Intercultural Council and the ethnocultural communities reasonably well.

The Auditor gives the MIC auditing process at least as high a mark as it has given the provincial government in the last few years. So there is no financial reason for removing the granting function from MIC.

There is a political reason. All of the members of MGAC are politically appointed. Every single one of them is an Order-in-Council appointment. So here again, Mr. Speaker, is another indication of this Conservative government making political hay out of an organization such as MIC which should not have been politicized.

The current Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson) at the time that the Provincial Auditor's Report was released said in her news release of September 16, 1988, and I quote: I must commend MIC, said the minister, not only for their long-standing dedication to the ethnocultural community, but their willingness to work towards implementing the recommendations of this special audit. Together these recommendations will assist in the development of a long-term strategy for the council to ensure it is fulfilling its primary role of representing the ethnic community's concerns to government.

Now, Mr. Speaker, in September of 1988, shortly after the minister, as government, had been elected, she is on record as saying the Manitoba Intercultural Council was doing its job and doing it well. She was also agreeing with what MIC's job was, which was representing the ethnic communities' concerns to the government.

Well, what will happen, if Bill 28 actually does pass, is there will be no effective umbrella organization representing the multicultural ethnocultural communities' concerns to the government.

There will be a number of small and not-so-small, well-organized and not-so-well-organized communities and organizations that will ask for and receive financial support from the government, but there will not be an overall, overarching umbrella organization that has representatives from virtually every major ethnic community in the province, that together has a voice to make recommendations and raise concerns on behalf of those communities to the province.

What will remain in place is a politically appointed funding body, the MGAC, and a politically appointed Multiculturalism Secretariat whose stated goals are basically internal government linkages and information and recommendations. So the multicultural community in the province of Manitoba has lost its best, most effective voice in dealing with the provincial government.

What concerns me, Mr. Speaker, is not only the loss of MIC, but the real reasons for that loss. It is not because MIC was not representing the community. Nothing is further from the truth. It is not because it had outlived its usefulness. Nothing could be further from the truth. But the reason—we state very clearly on the record—for the elimination of the Manitoba Intercultural Council was: This government does not want to have an effective, external, objective organization bringing recommendations, concerns and constructive criticisms to this government on behalf of the multicultural community in the province of Manitoba.

What it has done is it silenced that voice, and it has put in its place political hacks. I use the word "hack," and perhaps I should not have—political appointees who, by definition, are not objective and external to the political process. In the guise of depoliticizing the multicultural community—

**Mr. Speaker:** Order, please. This matter will remain standing in the name of the honourable member for Wellington (Ms. Barrett).

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**Mr. Speaker:** The hour being 6 p.m., this House is now adjourned and stands adjourned until 10 a.m. tomorrow (Friday).

