



Fourth Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

41 Elizabeth II

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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 |
| CHEEMA, Gulzar | The Maples | Liberal |
| 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, Clif | Interlake | NDP |
| EVANS, Leonard S. | Brandon East | NDP |
| FILMON, Gary, Hon. | Tuxedo | PC |
| FINDLAY, Glen, Hon. | Springfield | PC |
| FRIESEN, Jean | Wolseley | NDP |
| GAUDRY, Neil | St. Boniface | Liberal |
| GILLESHAMMER, Harold, Hon. | Minnedosa | PC |
| 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 |
| MANNESSE, Clayton, Hon. | Morris | PC |
| MARTINDALE, Doug | Burrows | NDP |
| McALPINE, Gerry | Sturgeon Creek | PC |
| McCRAE, James, Hon. | Brandon West | PC |
| McINTOSH, Linda, Hon. | Assiniboia | PC |
| MITCHELSON, Bonnie, Hon. | River East | PC |
| NEUFELD, Harold | Rossmere | PC |
| ORCHARD, Donald, Hon. | Pembina | PC |
| 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> | Rupertsland | |

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, March 17, 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. Cheema). It complies with the privileges and the practices of the House and complies with the rules (by leave). Is it the will of the House to have the petition read? [agreed]

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

WHEREAS the principles of health care, namely the universality and comprehensiveness, should apply to the Pharmacare program; and

WHEREAS the Pharmacare program's effectiveness is being eroded; and

WHEREAS in the most recent round of delisting of pharmaceuticals, approximately 200 have been delisted by the government of Manitoba; and

WHEREAS the strict submission deadline for Pharmacare receipts does not take into consideration extenuating circumstances which may have affected some people; and

WHEREAS pharmaceutical refunds oftentimes take six weeks to reach people; and

WHEREAS a health "smart card" would provide information to reduce the risk of ordering drugs which interact or are ineffective, could eliminate "double prescribing," and could also be used to purchase pharmaceuticals on the Pharmacare program, thereby easing the cash burden on purchasers.

WHEREFORE your petitioners humbly pray that the Legislative Assembly urge the government of Manitoba to consider taking the necessary steps to reform the Pharmacare system to maintain its comprehensive and universal nature, and to implement the use of a health "smart card."

TABLING OF REPORTS

Hon. James McCrae (Minister of Justice and Attorney General): Mr. Speaker, I am tabling today the 1991 Annual Report of the Manitoba Human Rights Commission. The report has a cover, and on the cover, is an important message for honourable members—

Mr. Speaker: Order, please. Notices of motion—

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, I would like to table—

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

Mr. Cummings: Mr. Speaker, I would like to table the 1992 Annual Report for The Manitoba Public Insurance Corporation and the 1991-92 Annual Report for The Clean Environment Commission.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I would like to table the Quarterly Financial Report, first quarter, Manitoba Public Insurance Corporation, and also an instructive booklet on Provincial Tax Comparison throughout this country as of 1992.

ORAL QUESTION PERIOD

Student Financial Assistance Program Alternative Programs

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, yesterday I asked the Premier a question on student social allowance programs, a program that trained young people who were on welfare and provided them the kind of innovative assistance to get on their feet and have an economic future.

At that time the Premier did not answer the question. His minister did not answer the question in talking about tough choices.

Mr. Speaker, I would like to ask the Premier, in light of the fact that he said yesterday that the decision to cut all the social services was based on alternatives for people, what alternatives for education and future job prospects will these people have with the cutback by the provincial Conservative government that they announced on Monday?

Hon. Harold Gilleshammer (Minister of Family Services): Mr. Speaker, I refer to the member's words on Monday when he indicated there were difficult choices to make. This was one of the difficult choices. Manitoba was the only jurisdiction that had a special program which was in place for basically 18- to 24-year-olds for social allowances, and the only reason that they qualified was that they were students.

For many of these young people who are trying to finish their high school, they can remain at home with their parents; others can access other support from programs within the Department of Education and other sources.

* (1335)

Social Assistance Training Allowance

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, the rate of poverty and the increase in poverty in Manitoba under the Conservatives has been staggering. We all talk about collectively trying to solve that problem. Everywhere we see the impact of poverty affects all government departments, whether it is health care—even the Premier's own sustainable development document, where he is on the board of directors, talks about poverty and its effect on environmental and economic decline.

Mr. Speaker, these cutbacks are affecting the most vulnerable people in Manitoba's society. There are tough choices.

Three years ago the government announced in the budget that they would have training grants of some \$7 million as part of the reductions in the payroll health and post-secondary tax, the payroll tax.

In light of the people who are most vulnerable in our society today, would the government reconsider its priorities and reinstate the training allowances for people on social assistance so they can get jobs, and reallocate that money from the corporate grants that the government has announced?

Hon. Gary Filmon (Premier): Mr. Speaker, the member opposite keeps railing away against the training that is being invested in upgrading the human resources capability of hundreds of corporations and companies in Manitoba. This is something that every government in Canada and throughout the developed world is attempting to do, is to get those corporations to invest in the

upgrading of their human resources capital, to invest in training, invest in education.

This government came up with an innovative program to do that. It has been working. There have been thousands and thousands of Manitobans who have been trained and benefited from that program. Now, I cannot understand why the member opposite wants that program cut. It just does not make sense.

Student Financial Assistance Program Funding Elimination Impact

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, the \$7 million is being spent for many companies that are not increasing their workforces. Some companies that are getting this training money from the government, were they paid for it before? Mr. Speaker, it may be a nice luxury for the government to provide these training grants. Were they paid for that before? In tough times, perhaps the people who are most vulnerable should be protected, rather than the people who are the least vulnerable.

My question to the Premier is: What is the long-term cost benefit for the province of Manitoba for people who are trying to get off social assistance to be cut off of their educational training and future job possibilities?

What is the long-term impact of that cutback of the Tories versus the long-term economic impact of the \$7 million in training that they are now providing to these corporations in Manitoba? Do you have the study? Do you have the facts or are these just your biases in terms of these decisions?

Hon. Gary Filmon (Premier): Mr. Speaker, the only person who speaks just straight from his biases every day is the member opposite. We all know that he has an antibusiness stance that he brings to every Question Period, that he brings to every statement he makes, for every comment he makes. His biases show, and we know and understand those biases. But, what he is asking us to do is to cancel the program that provides an incentive and an encouragement for business—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please.

Manitoba Foster Family Association Funding Elimination Impact

Mr. Doug Martindale (Burrows): Mr. Speaker, the Manitoba Foster Family Association have been negotiating a new agreement on basic maintenance

rates for the care of foster children. The Memorandum of Agreement commits both the government and association—and I quote from their Memorandum of Agreement—to maintaining and enhancing a working relationship based on trust and good will.

How can this Minister of Family Services say this in the Memorandum of Agreement and then cut the funding to the Foster Family Association?

Hon. Harold Gilleshammer (Minister of Family Services): Mr. Speaker, as I indicated to the member yesterday, one of the major functions of the Foster Family Association was the training of foster parents. I have indicated that child welfare agencies are responsible for recruiting and licensing foster homes, and at this time we are asking them also to be responsible for the training of those foster parents.

I met with the agency presidents and executive officers yesterday and working with our department and with some existing funding, we think that this is a workable solution.

* (1340)

Per Diem Negotiations

Mr. Doug Martindale (Burrows): Mr. Speaker, why did the minister not respond to the letter of the Foster Family Association of March 4 in which the Foster Family Association said that they understood that negotiations were completed successfully on January 11? Why did he respond by cutting the per diems? Why did he respond by cutting their—

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

Hon. Harold Gilleshammer (Minister of Family Services): Mr. Speaker, I indicated yesterday that even with the small reduction in the daily fee for foster parents of \$2, Manitoba is still considerably higher than Saskatchewan and Alberta and has a similar fee to the province of British Columbia. There have been discussions since the ending of the Memorandum of Understanding that was entered into in 1988. There have been discussions of rates. Manitoba is still amongst the highest rates in Canada.

Mr. Martindale: Mr. Speaker, the problem is the cut was nearly 10 percent and parents are saying how are they going to provide for these children.

Funding Reinstatement

Mr. Doug Martindale (Burrows): Will the Minister of Family Services reverse the decision to cut funding to the Foster Family Association, a valuable

organization which provides advocacy, training and support for foster families? Does he really believe that his department can take over all those functions being carried out now by the Foster Family Association?

Hon. Harold Gilleshammer (Minister of Family Services): Mr. Speaker, the short answer is no. We will not change that position, but the member has not been listening to the answer. The department is not taking over the training function. The agencies who currently recruit and license those foster homes will now also do the training of those foster homes and foster parents.

Manitoba Anti-Poverty Organization Funding Elimination Notification

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, I went this morning to meet in person with the Manitoba Anti-Poverty Organization, a place I have visited frequently in the past, but I wanted to go back today to meet with them with respect to the impact of the decision made by the Minister of Family Services. At that meeting, they told me that the minister himself had been there for a visit about a week and a half, two weeks ago, and they had outlined for him the effect of their organization, the programs of their organization.

Can the minister tell me today why he did not tell them then that they were going to have their funding from his department completely eliminated?

Hon. Harold Gilleshammer (Minister of Family Services): Mr. Speaker, we would love to get into the broader discussion of these issues in the Estimates process.

Funding Alternatives

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, on January 8 the minister wrote to the Manitoba Anti-Poverty Organization. He congratulated them on having presented a budget which was identical to 1992-93. He asked them if, in his appreciation of their efforts to really try and limit their cost increases, that he would ask them to look if they could take even a little bit less—no indication that they were going to have no funding whatsoever.

Can the minister tell this House today how he expects this organization to fund themselves when two-thirds of their funding came from the grant of the province?

Hon. Harold Gilleshammer (Minister of Family Services): Mr. Speaker, the many inaccuracies and misunderstanding that the member exhibits

would best be handled through the Estimates process.

* (1345)

Manitoba Anti-Poverty Organization Meeting Request

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, today the Premier received a request from the Manitoba Anti-Poverty Organization. The request was specifically that the Premier meet with this organization and its board.

Is the First Minister going to accept this invitation or does he lack the courage to meet with those who advocate on behalf of the poor of the province of Manitoba?

Hon. Gary Filmon (Premier): Mr. Speaker, speaking of lacking courage, we have the Leader of the Liberal Party who lacks the courage to debate the Estimates on the entire Department of Family Services. We know the games that are being played by the Liberal Party, and that is why they are the third party and sinking like a stone.

I do not lack the courage to meet with anybody, Mr. Speaker. I will have to examine my schedule.

APM Management Consultants Contract Tabling Request

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

The minister has publicly stated that he will make public the tender and produce the contract entered into between the government and Connie Curran and/or APM associates.

Will the minister undertake to table and make public not just the contract but the four or five contracts that are negotiated and may already have been entered into between the government, Connie Curran, St. Boniface Hospital and/or the other institutions that our government is negotiating on behalf of?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, as I have indicated to my honourable friend, yes, we are in discussions with that organization. When we conclude and receive approval, if in fact we do, I will be pleased to make my honourable friend fully aware of the contract, its importance if it is entered into, et cetera, and the full rationale, should that process be concluded, to him for his information and for Manitobans' interest.

As I speak to you, Mr. Speaker, my honourable friend does not have accurate information, wherein

he speculates that a contract has been completed and signed. That is not accurate, Sir.

Expenses

Mr. Dave Chomlak (Kildonan): Mr. Speaker, can the minister then advise this House under whose auspices Connie Curran flew in two months ago? Under whose auspices is she flying in for tomorrow to speak to a conference? Who is paying for her expenses if she does not have a contract between the minister and herself? Is she doing it of her own free will?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I realize my honourable friend may not have a significant understanding of basic business principles. When any organization approaches any business, any government and attempts to sell their services and the advantages of their services, to do so they often come to those to whom they proposed their services. That is the case in which APM, Connie Curran has been in the province at her own and her business's expense.

Surely my honourable friend would not expect the government of Manitoba to fly down to Chicago, if that was the case, and pay the expenses. Surely it would be a good business practice to have those proposing plans and initiatives to government to pay their expenses to get here to try and achieve a contract with government.

My honourable friend again is wrong in some of his allegations, Sir.

* (1350)

Mr. Chomlak: Mr. Speaker, my final supplementary to the same minister is: Is the minister saying that no expenses and no monies, to this point in time, have been paid to Connie Curran or are being intended to be paid to Connie Curran with respect to all of the visits she has had up here, the six consultants who flew up two weeks ago and some of the negotiations and the projects that supposedly are already in the process of being undertaken?

Mr. Orchard: Mr. Speaker, supposedly and allegedly and possibly and well who knows, for the member for Kildonan.

Mr. Speaker, in terms of the specifics of the question that my honourable friend has posed, is the province paying for any of the expenses to negotiate a proposal—no. Has the province paid Dr. Curran to come up and meet with nurses and other organizations in health care in the past unrelated to this contract—yes.

I want to tell my honourable friend, the reason for that is that the nurses of Manitoba and Canada brought Connie Curran to Winnipeg two and a half years ago to be the keynote presenter on nursing initiatives for the Canadian health care system. Mr. Speaker, nurses of Canada have paid for Dr. Connie Curran to come here in the past.

In further discussions with nurses, we also have provided support to have her in here for a daily consulting basis a couple of times, but not, as my honourable friend alleges and tries to do the public impression that we are paying a negotiating cost. That is balderdash and false, Sir.

Oak Hammock Marsh Wetland Development

Ms. Marianne CerlIII (Radlsson): Mr. Speaker, this government does not seem to understand that the ends do not justify the means with these cuts.

Mr. Speaker, I have an article from the USA Today newspaper. It says that it is the first in daily readership—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please.

Ms. CerlIII: Mr. Speaker, this paper was sent to us by concerned environmental organizations. They are concerned about the poor reputation that this government is forging for Manitoba in environmental areas.

I want to quote Monte Hummel, who is in the article, of the World Wildlife Fund. They are concerned about the destruction of prime waterfowl habitat near Winnipeg, Manitoba, and they say: We do know that we do not like the process they used.

That is a quote from Monty Hummel. Of course, they are referring to the way that this government manipulated the Clean Environment Commission hearings.

My question is for the Premier. Can the Premier explain his answer to my question, when I raised this issue the other day, when he said the people of this province want to have their wetlands developed, and how pouring concrete and sewage from more than two—

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

Hon. Gary Fillmon (Premier): Mr. Speaker, in conjunction with the project, 160 acres of wetland habitat were added to the Oak Hammock Marsh in return for a dozen or so acres that were removed.

That is the way in which wetland habitat is added and developed in Manitoba.

Ms. CerlIII: Mr. Speaker, I would like the Premier to explain the cost of cutting the organizations like the Federal-Provincial Parks Council and the Ecological Council as opposed to the cost of paving Highway 220, which goes into the marsh, and this as a direct subsidy to Ducks Unlimited, and what that cost the taxpayer—

Mr. Speaker: Order, please.

Mr. Fillmon: I wish the New Democrats could get their act together. Her Leader just yesterday condemned us for reducing highway construction. Now she says that we are spending too much on highway construction. Get your act together. Come on.

Ms. CerlIII: Mr. Speaker, I hope that the minister can understand that this is a highway in a wildlife management area and a parking lot in the wetlands.

Mr. Speaker: Order, please. This is not a time for debate. The honourable member, with her question.

Ms. CerlIII: I would ask the Premier: Are they or are they not going to spend more money from the current budget coming up that will go to paving more area in Oak Hammock Marsh?

Mr. Fillmon: What the member opposite does not understand, aside from her not understanding what a provincial road is, is that this project went through a process that was set up under legislation passed by the New Democratic Party in government, an environmental assessment, a review process, with full public hearings and participation of experts on all sides, the most thorough review of its kind that was ever conducted in this province.

Following that review, and following the analysis of reams and reams of material, a decision was made under the auspices of the act and the process that was laid out by the New Democratic Party when they were in government. All aspects of it met all the tests and all the requirements, and she fails to understand that.

* (1355)

Pharmacare Double Benefits

Mr. Gulzar Cheema (The Maples): Mr. Speaker, my question is for the Minister of Health.

This morning on CJOB, Mr. Peter Warren pointed out that a multimillion-dollar double-dipping scam is going on in our Pharmacare system, and that is in the community of Flin Flon.

Can the Minister of Health tell this House how long the department has known about this scam?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, this anomaly, or this difficulty with people receiving in effect a double benefit from the Pharmacare program has been, I think, fairly wide knowledge for some time. We have attempted over the last couple of years—and I realize that sounds like an interminable amount of time to try to come to a solution which can protect the taxpayers of Manitoba.

Mr. Speaker, I have some confidence that we are approaching within the next number of weeks that solution, and it will be part of initiatives that will receive announcements in due course.

Mr. Cheema: We were astonished to learn that the member for Flin Flon (Mr. Storie) was asking that the money received by the Flin Flon resident be diverted to another fund. Rather than correcting the problem, he has been reported as—[interjection] Mr. Speaker, it seems that—

Mr. Speaker: Order, please.

Mr. Cheema: Mr. Speaker, somebody is very sensitive because they know they have not corrected the problem here.

Can the minister—[interjection] Well, keep on laughing for millions of dollars.

Mr. Speaker: Order, please. The question, please.

Mr. Cheema: Mr. Speaker, my question is to the Minister of Health.

Can the Minister of Health tell us, what are the special steps he has taken to correct this double-dipping problem?

Mr. Orchard: Mr. Speaker, there is one option which ultimately I may have to bring to the House, except I am hopeful that I do not have to necessarily bring in legislation which would require co-operation from all members to pass. My preference is to attempt to use the existing regulatory authority, and quite frankly, Sir, that is where we have had substantial debate, over whether the initiative, which is inappropriate, can be curtailed via regulation under the existing legislation. That is my preference because I think it achieves what everyone wants in terms of protection of the taxpayer in this instance.

Pharmacard System Implementation

Mr. Gulzar Cheema (The Maples): Mr. Speaker, can the Minister of Health tell us whether now he will

introduce the Pharmacare card system, and also the health "smart card" system, to make sure these problems do not occur in the future?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, yes, that is certainly initiative that is again—I will give my answer to my honourable friend. The announcement that was in this throne speech to introduce this session introduced the concept of a health card. It is the hoped-for intention that we not narrow the introduction of that card only to the Pharmacare program, but that that card have utilization or value across the health care system, physicians' offices, optometrists' offices and others who routinely bill the system.

I think there is some desire on behalf of many care providers. I recently met with the family division of physicians in which several of the members of that family division of medical doctors asked if we would in fact have the card wide enough to include their services, Sir.

* (1400)

Flin Flon/Crelighton Crisis Centre Inc. Review

Mr. Jerry Storie (Flin Flon): Mr. Speaker, my question is the Minister of Family Services.

In a March 15 information release from the government of Manitoba, the minister talks about protecting the social safety net for the less fortunate in Manitoba. On that same day, the minister was announcing the elimination of the total grant to the Flin Flon crisis centre in Flin Flon, which currently houses an abused teenager and a family that was in an abusive situation, in a community that is under pressure and for which there are no similar services.

Mr. Speaker, the minister has reported in the press to have said that there was a review of the circumstances in Flin Flon prior to this callous decision.

Can the minister now tell this House who did the review? Will he table the results of that review for members of the Legislature?

Hon. Harold Gillehammer (Minister of Family Services): Mr. Speaker, what I have indicated is that we have to look at these services on a regional basis, and when we look at the Norman region, it has similar services to other regions of the province. I indicated in the Westman area of the province that all of that area of the province relies on the shelter in Brandon, but also resource centres and groups within communities.

I would also mention that one of the additional services in the Norman region is through the Victims' Assistance Fund. They have provided the RCMP with some funding to develop a victim assistance program in that area, and a half-time co-ordinator has been hired with responsibilities to access the shelter in The Pas or other services that may be required by individuals in that area.

Mr. Storle: Mr. Speaker, this minister intentionally misstated the facts when he suggested there was a review.

Mr. Speaker: Order, please. I would tell the honourable member for Flin Flon that "intentionally misstated" or "intentionally misleading" does not quite fit in this Chamber. I would just simply ask the honourable member for Flin Flon to withdraw that remark.

Mr. Storle: Mr. Speaker, I did not realize "intentionally misstated" were unparliamentary words. I did not say "mislead," but I will withdraw the words.

Mr. Speaker: I would like to thank the honourable member for Flin Flon.

Funding Elimination Justification

Mr. Jerry Storle (Flin Flon): Mr. Speaker, the minister left the impression that the department had done some sort of objective review of the circumstances in Flin Flon that require a crisis centre. I have a letter that I would like to table from Reverend Brian Bigelow, who is the chairperson of the Flin Flon Crisis Centre, in which he says there was no review, no consultation with the crisis centre staff or the board before this decision was made.

Will the minister now acknowledge that this was a politically motivated decision that is denying the benefits that should be there to the women and children who are in abusive situations in Flin Flon?

Hon. Harold Gillehammer (Minister of Family Services): Mr. Speaker, what I have indicated is that Family Dispute Services, the area of my department responsible for the shelter system, has been involved with all of the services provided by shelters and resource centres and safe homes and abuse committees throughout the province. We have indicated, and I indicated the other day, that we looked at this on a regional basis and that the Norman region has services similar to other regions of the province.

Review Tabling Request

Mr. Jerry Storle (Flin Flon): Mr. Speaker, I call the minister's bluff.

Will the minister table any information, any internal departmental review, any objective review of the circumstances in Flin Flon that would warrant the withdrawal of services that are critical to life and death situations when it comes to family abuse in the Flin Flon area?

Hon. Harold Gillehammer (Minister of Family Services): Mr. Speaker, I have acknowledged, as the member's Leader has acknowledged, that very difficult decisions have to be made within this budget and that our Family Dispute Services have worked with all areas of the province. I indicate to you again that the Norman region has services similar to many other areas of the province.

Grain Transportation Proposal Method of Payment

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, the Minister of Agriculture this week attended a meeting with all western Agriculture ministers, discussing the western grain transportation assistance.

Can the minister tell us today the results of that meeting? I want to ask him, has he made a decision? Can he tell us what his position is? Is he now supporting retaining the payment the way it is or is he supporting the idea of paying the producer?

Hon. Glen Findlay (Minister of Agriculture): Mr. Speaker, yes, as we normally do every three or four months, the ministers of Agriculture met. Saskatchewan was there, Alberta, the federal government and myself. We talked about a number of issues, most particularly about the issue of the changing world environment for what we are producing, where we are exporting it and the costs of getting it there.

That discussion involved, as I say, the province of Saskatchewan which now has a different view when they come to the table and are looking at the opportunities of the future, and the discussions shall continue.

Ms. Wowchuk: Mr. Speaker, the issue of the method of payment is very serious for farmers.

Will the minister tell farmers today what the proposal is that he is supporting? How does he propose that money will be transferred to the farmers? Farmers are being held in limbo. We have here a government who is saying that—

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

Mr. Findlay: Mr. Speaker, what is really going on is that the costs at the farm gate are going up and up. I guess the member supports that. I do not support that. I want to keep the costs down. We are looking at the whole system, from farm gate to consumer, how to reduce the costs so the farmer has an opportunity to have a viable income from the overall grain industry, that is, a simple question like that.

Ms. Wowchuk: Mr. Speaker, since this was a very sensitive issue amongst farmers last year when the public meetings were being held and farmers were so divided on the issue, will the minister take his position to farmers and again let them have a say? Will the minister lay very clearly on the line what the consequences of these changes that he is proposing are going to mean to farmers?

Mr. Findlay: Mr. Speaker, the member should speak to her counterparts in another province and find out that the discussions have not led to any proposals yet. There are a lot of issues on the table. There are many dimensions. We have a changing global marketplace. More and more grain from Manitoba goes into the United States, does not use one dollar of that subsidy.

Maybe we should do some other things to promote the production of commodities in Manitoba that access markets that are viable for the farm community.

I can tell you, Mr. Speaker, no proposal is ready to be taken to the farmers on any particular angle. The whole issue is very complex.

I see a resolution later this afternoon. I will be interested to see if the members of the old-think or the new-think, at five o'clock this afternoon—

Mr. Speaker: Order, please.

Eye Examinations Insured Services

Mr. Conrad Santos (Broadway): Mr. Speaker, the eye is the light of the body. If the eye is good the body will be full of light.

Effective January 1, 1993, the government, the Health Services Commission has restricted eye examinations, every two-year period, only one eye examination.

My question is directed to the honourable Minister of Health. Will the honourable Minister of Health consider the failing health of senior citizens as one of the valid reasons that could justify ensuring adequate eye examinations within the two-year period?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, the provisions and the regulations around that change in routine eye examination provide for that service.

Mr. Santos: Mr. Speaker, I have a supplementary question.

What procedures are in place to monitor the effect of this restriction adequately so that no eye patient with some concern not presently covered by the approved list of the commission will be placed into unnecessary risk or hazard and fall into the cracks under the regulations?

Mr. Orchard: First of all, Mr. Speaker, my honourable friend has to understand that a number of other provinces have provisions which are similar. In other words, they provide as an insured service a routine eye examination once every 24 months.

Our regulation in general provides that provision of service but has established a number of medical conditions for which Manitobans, whether they are newborns through to seniors, for certain medical conditions, can receive more frequent eye examinations based on medical need.

The last time I checked the responsibility of government and Ministers of Health, it was to try and provide insured services to meet medical need, and Sir, with this change we have some confidence that we have done that in terms of the conditions which are provided in the regulation to meet medical needs of eye examinations more frequently than the routine eye examination of once every 24 months.

Mr. Santos: Mr. Speaker, if, under certain situations, there are certain medical concerns not presently recognized by the Health Services Commission as a valid medical reason, and if experience proved that there was a real medical reason, would the honourable minister be open-minded to expand, at least, all exemptions?

Mr. Orchard: Mr. Speaker, that is exactly the process that we went through in terms of establishing the medical conditions which have been included in the regulation.

I apologize, Sir, in not being able to provide off the top of my head the medical conditions for which we are providing additional coverage beyond the routine coverage of one examination every 24 months, but glaucoma, cataracts and a number of conditions are within those. I think that sort of investigation has been reasonably undertaken by the ministry in co-operation with the professionals providing service.

* (1410)

St. Theresa Point Youth Court Service Cost Savings

Mr. George Hlckes (Point Douglas): My question is to the Minister of Justice (Mr. McCrae). St. Theresa Point youth program is getting funded by this government, a total of \$100,000 for two years. Their total budget is \$120,000 per year. There is a shortfall with their funding of about \$20,000 every year and they have a hard time to raise those funds.

They have asked the Minister of Justice to help them to prepare a list of how many dollars this program is saving the province of Manitoba by having the youth court in St. Theresa Point instead of bringing in lawyers and magistrates. They cannot get an answer from this minister. Why not?

An Honourable Member: He has been rather busy recently.

Hon. James McCrae (Minister of Justice and Attorney General): The St. Theresa Point Youth Court, as I have said many times—I am glad the honourable member is noticing—has been providing an extremely valuable service not only to the people of the community but also to the people of the province of Manitoba, because indeed their services save the taxpayers of this province many dollars.

I am unable to quantify that. I will endeavour to find out if there is such information available, and if there is, to share it with the honourable member.

Interestingly, yesterday as a result of a suggestion made by Associate Chief Judge Giesbrecht, the Birdtail Sioux Band had a healing circle with regard to a minor criminal offence that had been alleged to have been committed. They went ahead and did that at Birdtail Sioux. We are very interested in seeing if that kind of process might be able to be used again in the future many times.

Aboriginal Organizations Funding Elimination Justification

Mr. George Hlckes (Point Douglas): Mr. Speaker, that is very encouraging to hear the Justice minister talking about supporting an aboriginal justice system, the Aboriginal Justice Inquiry recommendations, yet was this minister consulted and did he support the cuts to the aboriginal organizations that would have worked towards implementing the AJI Report?

Hon. James McCrae (Minister of Justice and Attorney General): We have been asking a number of important aboriginal groups here in

Manitoba for over a year to join us in helping to put in place some appropriate responses to the problems that exist in aboriginal justice in Manitoba. They have done everything but assist us, and indeed, we have had to work with communities that need services to be improved. We have been doing that, Mr. Speaker. St. Theresa Point is one example. I can give a long list of examples.

Not so long ago, the Grand Chief of the Assembly of Manitoba Chiefs said, well, we are not going to support the government because it wants to improve in its efforts to improve justice services. I find that very hard to understand, but we are going to go ahead anyway because the people in those communities need better justice, and they are going to get it, Mr. Speaker.

Mr. Speaker: Time for Oral Questions has expired.

Nonpolitical Statements

Mr. Brian Pallster (Portage la Prairie): Mr. Speaker, may I have leave to make a nonpolitical statement.

Mr. Speaker: Does the honourable member for Portage la Prairie have leave to make a nonpolitical statement? [agreed]

Mr. Pallster: Mr. Speaker, I know all members of the House will join with me in recognizing St. Patrick's Day. Today is a day of great significance for those of Irish descent and for all of us. It is a day recognized and celebrated and proof of the old saying, I think, that on St. Patrick's Day there are only two kinds of people—those who are Irish and those who wish they were Irish.

Around the world, St. Patrick's Day has come to mean all things Irish and is celebrated and observed in groups and events such as parades, cultural celebrations or individually through something as easy as the wearing of the green. I would like to extend best wishes to all people in our province who celebrate St. Patrick's Day, Mr. Speaker.

I would also like to take this opportunity to recognize the contributions of Irish-Manitobans. They have long been a vital and dynamic part of our province's social, economic and cultural identity. Like many families from many cultural backgrounds, Irish immigrants often arrived in Canada with little more than a dream, determination and the clothes on their backs. Their work and toil has helped lay a foundation upon which Manitoba has built a strong, thriving and caring society.

Amid the global, social and economic upheaval, we should pay tribute to those many communities such as our Irish Manitoba neighbours who have helped to make possible in Manitoba a quality of life in community that is rarely matched anywhere in the world. Today, on St. Patrick's Day, we ought to reaffirm our appreciation of the accomplishments of the Irish and our pride and our fortune in having Irish-Manitobans as integral members of our communities throughout our province.

I extend best wishes to all Manitobans of Irish descent. May they enjoy good health, fortune and prosperity for many, many years to come. Thank you, Mr. Speaker. Happy St. Patrick's Day.

Mrs. Sharon Carstairs (Leader of the Second Opposition): Can I have leave to make a nonpolitical statement?

Mr. Speaker: Does the honourable leader have leave to make a nonpolitical statement? [agreed]

Mrs. Carstairs: Mr. Speaker, I would like to join with the member for Portage la Prairie in the celebration of St. Patrick's Day. Although I go by the name of Carstairs in this House, of course, my maiden name is Connolly, which makes me, I think, to a very great degree, a full-fledged Irish woman, at least on my father's side. My mother's side, of course, was an equally 100 percent French component of my heritage.

You know, as I was a child—and I know the member for Charleswood (Mr. Ernst) has certainly been treated to this kind of lesson in doctrine and religion classes when he was a little boy. We would be held up the shamrock, and we would be shown that the shamrock was the way in which St. Patrick defined the Trinity, that it proved there was one God represented by the one stem, and a trinity of God the Father, God the Son, and God the Holy Spirit.

The Irish heritage is present here in Manitoba, but I have to say not to quite the same degree that it was present in Nova Scotia, where half of the citizens of the city of Halifax were of Irish descent and almost all of those Catholic. In fact, one of the heritage of that particular city is their school system, which was brought to them in the first instance not through public dollars but through the funding of the Catholic school system, which was the first public school system.

That led to a tradition in which schools in Halifax are totally funded by the public, because they were originally Catholic schools and not public schools. That is why we have the same tradition by the way

in the province of Quebec, where there are English-Catholic schools which were originally Irish schools, and there were English-Protestant schools as well, and they all got to be publicly funded. That is one of the traditions that has led, in this province, to the support of Catholic school funding and through that private school funding.

Mr. Speaker, the Irish have, in fact, contributed not only in their religious upbringing, because of course Irish are not just Catholic, they are Protestant as well, they have also been known far and wide for the excellence of their singing voices and of course a very special form of dancing in the Irish jig, which is not often the one we frequently see that is danced but the one which certainly classical dancers dance with great proficiency.

Mr. Speaker, the shamrock that we have been given today, I pay tribute to the nursery for having provided them to us in memory of this special occasion.

Let me give the following Irish blessing and wish to those who are assembled here: May the wind always be at your back, and may you wake up in heaven a moment before the devil knows you are dead.

Mr. Speaker: Does the honourable member for Wellington have leave to make a nonpolitical statement? [agreed]

* (1420)

Ms. Becky Barrett (Wellington): Mr. Speaker, I would like to put on record our caucus's comments on St. Patrick's Day. I am sure I am not the only member of the House with Irish blood, so I am asked to be able to make these remarks.

An Honourable Member: Barrett?

Ms. Barrett: Doherty.

I would like to echo both the Leader of the second opposition party and the member for Portage la Prairie (Mr. Pallister) in their comments about the role that the Irish have played in Canada and in the province of Manitoba, and in particular the way the Irish community in the city of Winnipeg and throughout the province has been able to overcome the divisions and the problems that face the Irish in their own country and have managed to work together to make our province a much stronger and more fun community.

As well, I would like to place on the record, as the critic for the Status of Women, the fact that the Irish just did a very progressive thing by electing the first

woman Prime Minister. I would suggest that is also a very positive move that the Irish have made in their own country. Again, I congratulate the Irish on St. Patrick's Day. Thank you.

Committee Changes

Mr. George Hickes (Point Douglas): I move, seconded by the member for Swan River (Ms. Wowchuk), that the composition of the Standing Committee on Economic Development be amended as follows: Interlake (Mr. Clif Evans) for Burrows (Mr. Martindale), for Thursday, March 18, 1993, for 10 a.m.

I move, seconded by the member for Swan River (Ms. Wowchuk), that the composition of the Standing Committee on Economic Development be amended as follows: Swan River (Ms. Wowchuk) for Interlake (Mr. Clif Evans); Selkirk (Mr. Dewar) for Elmwood (Maloway); Brandon East (Mr. Leonard Evans) for Flin Flon (Mr. Storie), for Thursday, March 18, 1993, at 8 p.m.

I move, seconded by the member for Swan River (Ms. Wowchuk), that the composition of the Standing Committee on Public Utilities and Natural Resources be amended as follows: Transcona (Mr. Reid) for The Pas (Mr. Lathlin) for Thursday, March 25, 1993, for 10 a.m.

Mr. Nell Gaudry (St. Boniface): Mr. Speaker, I move, seconded by the member for River Heights (Mrs. Carstairs), that the composition of the Standing Committee on Public Accounts be amended as follows: Osborne (Mr. Alcock) for Inkster (Mr. Lamoureux).

I move, seconded by the member for River Heights, that the composition of the Standing Committee on Economic Development be amended as follows: Inkster (Mr. Lamoureux) for Osborne (Mr. Alcock).

Mr. Speaker: Agreed? [agreed]

ORDERS OF THE DAY

Hon. Clayton Manness (Government House Leader): Mr. Speaker, would you call Bill 12, please?

DEBATE ON SECOND READINGS

Bill 12—The International Trusts Act

Mr. Speaker: On the proposed motion of the honourable Minister of Justice (Mr. McCrae), Bill 12, The International Trusts Act; Loi sur les fiducies

internationales, standing in the name of the honourable member for Thompson (Mr. Ashton).

Mr. Steve Ashton (Thompson): Mr. Speaker, I am very pleased to be able to speak on this particular bill. It is an interesting act that, as was outlined by the minister in his introductory comments on December 14, deals with an international convention adopted by The Hague Conference on Private International Law in October 1984, and essentially recognizes the essential characteristics of a trust in countries that are members of the conference and whose legal systems do not recognize the concept of a trust.

I think it is particularly appropriate that we acknowledge, in discussing this bill, the importance of the changing face of our country, the growing representation in our population of people from throughout the world, the fact that many new immigrants to this country come from jurisdictions that are not under common law, basically those outside of the British Commonwealth, and that it is important for us to keep up with the attempts internationally to, in terms of international law, provide greater consistency—in this case, in regard to the equivalent of trust.

I say "equivalent" because not all jurisdictions have trusts. It allows for individuals that do emigrate to this country, wherever they may come from, to be covered under this particular convention through the Province of Manitoba introducing this law.

I note that we are not the only province that has dealt with this issue or is in the process of dealing with the issue. Alberta, British Columbia, New Brunswick, Newfoundland and Prince Edward Island are also in that same situation. I find it interesting that we are similar to New Brunswick and Alberta in the sense that the act will not be retroactive. That means, Mr. Speaker, that it would not apply to trusts created before Manitoba's legislation came into force.

Mr. Speaker, it is interesting on this particular bill that the government has decided not to be retroactive. One might ask the question, in following through, the rationale for that. I hope that the Justice minister, if he can tear himself away from his other interests and activities at the current point in time, when we do complete debating this bill, can perhaps outline why the decision was made not to introduce a retroactive law. I ask that as a question, not making any statement or policy one way or the other. I know he is a very busy individual right now with other activities. Well, I suppose I could mention

it, but I think everybody in the House is quite aware of the minister's federal ambitions, shall we say.

Mr. Speaker, I would point out there is some inconsistency in this matter, because when we are dealing with, for example, Sunday shopping, we have a bill that is, by definition, going to be retroactive. I asked the question because I think it is an important debate on principle that we are dealing with in this House as to the degree to which we as legislators can support in some cases retroactivity and in other cases not support retroactivity.

In the case of Sunday shopping, we have a bill that has been introduced that is sitting, waiting to go to committee after second reading, that has already been implemented throughout the province. The police of this province are not enforcing the existing legislation, Mr. Speaker. They are ignoring what would be considered violations of the existing legislation.

The government is under no hurry to bring the bill in; it has gone through second reading. They have not scheduled a committee. I have a sinking suspicion here that they may actually bring in the bill after the trial period is over. I do not know what leads me to think that, Mr. Speaker. I get the feeling that this may not only be retroactivity in the sense that we will have a bill that is passed, not just retroactively implementing something that is in process. We may have to deal with a bill that will be of historical interest only if it is passed, because it will validate what already will have come and gone. What a bizarre situation.

Mr. Speaker, I ask, in terms of the retroactivity, too, because I think this is one of the problems that the government runs into when it deals with retroactivities. What would happen if this Legislature was, say, to reject a bill that was being brought in retroactively? Perhaps that is the reasoning on Bill 12.

What if, for example, in terms of Sunday shopping, someone on the Conservative side, if a coalition of people on all parties got together and said, no, we are against this trial period? What would happen if the Legislature voted down the bill? Would the RCMP be retroactively prosecuting people? Would the government be in the position of asking everybody to return whatever they bought on a Sunday? Well, obviously not, but it shows the kind of absurdity that one can run into when one

deals with legislation that, as in this case, when I am talking about the other bill, would be doubly retroactive, not only retroactive in the sense of the trial period but the fact that the trial period would be over. I note that, Mr. Speaker. I think it is interesting, in this case, that the government has chosen not to bring in retroactive legislation.

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

I appreciate hearing the views of the minister. Madam Deputy Speaker, I know the minister outlined the fact that, as I said, five provinces have dealt with this. Many countries have ratified the convention, the United Kingdom, Australia and Italy, Luxembourg and The Netherlands, I believe. Also, a number of institutions in the United States have endorsed the convention, as well as the State Department of the United States, which has initiated the process for the signature of the United States.

Madam Deputy Speaker, I am very pleased that this government is paying heed to international conventions. I think it is ironic because this government does not always follow the international community. We have seen the number of times in which this government has violated international labour organization conventions, has had the dubious distinction of ignoring the ILO on many occasions, the standards set by governments from across the world, from the right to the left with all different kinds of ideologies, all different types of government.

* (1430)

This government will turn around on such bills as Bill 70, and as they are currently doing now, will just say, yes, we signed a collective agreement, but it does not mean anything. We saw today in terms of foster parents that when this government signs something, it does not mean anything. We know that politically. We have already seen a number of the key promises of the government in the election that were signed, Madam Deputy Speaker, that did not mean anything.

Who can forget the infamous commitment by the Premier for inflation rate increases in funding to education, for keeping the deficit in line, for no major increases in Autopac, no political interference in Crown corporations? We have seen biodegradable campaign promises from this government, and we have seen their word does not mean anything when it comes to labour relations. I find it interesting again

that when it comes to international trusts there is no retroactivity, and they are living up to international obligations. But, when it comes to the labour law in this province, it is another question. So, Madam Deputy Speaker, I look forward to receiving perhaps some answers from them.

I am reading the background of this bill; I am satisfied—the difficulty in noncommon law jurisdictions because the concept of a trust is essentially a common law concept. It is important to a whole series of financial transactions. It is important to the legal system. It plays a very important role. I do believe that it is important that we recognize the reality of Canada today that we are truly international, and I am proud of that. I think that one of the things that makes Canada special is the fact that we have people from throughout the world. That is going to increasingly be the case in the next 10 and 20 and 30 years, and I think that is to the benefit of this country. I think it is important in areas such as this, as we have done for example in terms of pensions, that we provide for international portability and international compatibility in terms of the kinds of rules and regulations that were put in place.

This, indeed, I think is important in this particular case, Madam Deputy Speaker, because as the minister pointed out it also is important for a common law trust. The jurisdiction of common law trusts allows for them when they have international operations and connections to operate properly. One has to recognize that in Canada we have a dual system of laws. We have the common law system, but in Quebec we have the civil system. I know that we have, within Canada, dealt with questions of compatibility and that is important.

I really think that this kind of legislation is something that we should be extending. I think it is about time that this province adopted as a matter of policy following international conventions. I mention the terms of labour legislation, Madam Deputy Speaker, because the sad part is that we have one of the worst reputations in terms of labour policies in the world. I tie in the connection because I think that when one puts one's head in the sand in terms of international convention, one makes a mistake.

Canada has traditionally had either the highest or the second highest rate of strikes. We have had one of the most adversarial labour-relations systems in the world. We have had governments,

including this government, that have threatened the very basis of collective bargaining.

I ask the question, is there not clearly a tie-in between the fact that we, in our labour legislation, have one of the worst records with ILO, and we also have some of the highest strike rates, highest lockout rates and some of the greatest problems in terms of labour relations?

I take that one step further, Madam Deputy Speaker. You know, Conservatives like to talk about globalization. Would it not make more sense, when we are talking about globalization, not to start just with international trust acts, but to start with labour legislation? Start by endorsing the conventions of the International Labour Organization, all of them, and abiding by that, recognizing the right of working people to collective bargaining and recognizing the collective bargaining process, not, for reasons of short-term fiscal or political reasons, attempt, as this government has done, to not only violate in a technical sense those international conventions, but to fly in the absolute face, to be condemned by the ILO, to be reprimanded essentially, which is the only persuasion one can have, which is moral suasion.

How can this government talk about having compatibility with other jurisdictions when it reserves the right on a periodic basis, in 1991 and 1993, when we see again the policies of this government in terms of its civil servants and Crown corporations, when it ignores international conventions?

We have seen fascist regimes and communist regimes. We have seen democratic governments. We have seen governments of all stripes adopt many of those conventions, and we end up with a bizarre situation where we have mostly conservative governments, but not exclusively, particularly at the international level, ignoring them.

In fact, even federal legislation under the Conservatives in terms of labour law legislation is more consistent and more compatible with international conventions as established by the International Labour Organization.

I ask that rhetorically to the Minister of Justice (Mr. McCrae). I look forward to his response, if any, in terms of when this bill completes the second reading process because I think it is very fine indeed to bring in this bill, and subject to committee hearings and hearing from members of the public on this,

obviously we do not have any tremendous difficulty with the principle, although I know we do reserve judgment, depending on the committee hearings, as we always do, based on public presentations to make our final decision. I hope the government will do the same.

As I said, Madam Deputy Speaker, it is interesting when we have a bill that rejects retroactivity and accepts international conventions, that we have selectivity on the part of this government. They do it on one bill, and when it comes to labour legislation, it is something completely different again.

With those few comments, I know that the member for Kildonan (Mr. Chomiak) has some comments on this particular bill. I look forward to his comments. We have a couple more speakers, and at that time we will be prepared to take it to committee.

I would just say, Madam Deputy Speaker, I hope the government House leader (Mr. Manness), would call committees soon. We have a number of bills that we have passed through. I believe there are three bills currently which have been passed through committee.

One of them, coincidentally, is the Sunday shopping law. I do not know why the government would not want to bring that bill in now when we have committee time available, and I know we will schedule—and I will make the offer right now on behalf of our caucus—we will schedule any time, anywhere, that the minister wants the hearings on these bills. We can do it starting next week. Maybe the midterm. I do not know—[interjection]

I am just reminded of the fact on Tuesday of the midterm break, most of us will be out in Brandon visiting the Brandon Winter Fair. Perhaps we could schedule a committee hearing on Sunday shopping in the afternoon in Brandon. What an idea. I am glad I remembered that. [interjection] Well, I am going and I will volunteer for the committee.

If we give names of those going to Brandon, do I have the commitment of the government House leader he will call a legislative committee on second reading on Sunday shopping in Brandon? Talk about outreach. What a tremendous opportunity. We could actually go and announce it at the Brandon Winter Fair. We could go there in our usual activities and announce it, redo it the following day. We could tell the 3,000 or so people gathered for the various activities that if you have something

to say on Sunday shopping, come on down the following day. Maybe we could schedule it in the Keystone Centre itself, Madam Deputy Speaker. What a tremendous way to take the Legislature out of the confines of the bunkers of this building, the mental bunkers, and get it out to the people.

Anyway, Madam Deputy Speaker, when we pass these bills, I do look to the minister seriously to respond soon by getting these bills through to public hearing. We are doing our work as legislators dealing with these bills. We expect that the government will do its part by allowing members of the public to present on these bills now, not at the tail end of the session when we normally deal with bills. When we are passing these types of bills, it is in good faith, and we expect the same good faith back from the government. Thank you.

* (1440)

Mr. Dave Chomiak (Kildonan): I rise to speak on The International Trusts Act, Madam Deputy Speaker, and the bill brought forward by the minister. The member for Morris (Mr. Manness) asked whether we will be at the winter fair. We will be at the winter fair in response, and we would be happy to deal with the Sunday shopping issue on that occasion if the government had the courage and the integrity to go out there and to hear the public on that issue. We have been waiting for a government response on this for some time.

Madam Deputy Speaker, I rise to deal with the issue of The International Trusts Act, which, to my mind, is an interesting piece of legislation. The whole concept of trusts, as you probably are aware, arises out of a reaction in the law of equity and a response to the rigidity of a common law in dealing with certain situations of conveyance of property and providing for distribution of assets and the like. The common law was relatively rigid in this area and trusts were brought in as a solution in order to facilitate transactions and to facilitate commerce and to deal with some of the transactions that were required in not only a commercial and thriving industrial evolving economy, but to deal with personal matters as well.

We note in this act that now the government and the minister is bringing in an act that would allow Manitoba to adopt the convention as recognized by the private international law conference in The Hague. I note from the comments of the minister that five jurisdictions in the country have adopted this legislation including the federal government and

that the legislation is now before us in order to bring Manitoba in line. I do not, in principle, see any difficulty or any problem, Madam Deputy Speaker, in our dealing with this particular convention and its effect, which is being brought in in the form of legislation. In fact, there are a number of interesting questions that arise concerning international trusts or in their applicability.

In fact, the minister referenced in his statements in dealing in general with the bill that generally these matters can be dealt with by international conflict laws which are extremely complex and complicated and entail specific courses at law schools and specific expertise in order to ascertain and work one's way through the labyrinth of international law. This is an attempt to bring, by convention and by legislation in our jurisdiction, the appropriate law concerning trusts before Manitoba.

It is an interesting concept, Madam Deputy Speaker, and I only speculate briefly with relation to the generality of the bill, as is the requirement in dealing with this reading, about the passage of money and property via trusts internationally. I note that the minister said in his statements that we have a large immigrant population and that many of these newcomers hold property or investments in their home countries, and in these jurisdictions they do not have common-law systems. This convention will allow them, I assume—if the provisions of the trust entered into, I would presume, in the home territory match all of our appropriate common-law provisions as they apply to trust, then the applicable trust law will apply in Manitoba.

As I read the minister's comments, one of the speculative questions that came to mind was the whole question of illegal transactions and those transactions dealing with perhaps laundered money and matters of that kind. That is simply a question that arose in my mind concerning the applicability of this law, although, as I recall from my training concerning trusts, an illegal transaction is null and void as it applies to trust law. Therefore that kind of an occurrence could not occur, but it is an interesting point, speculative point. Perhaps the minister may address it in committee as to whether there is a transaction that is considered legal in a jurisdiction, albeit illegal in our jurisdiction. If a trust was entered into that would pass property, would it therefore be applicable under our provisions if this convention was signed, Madam Deputy Speaker?

In my quick glance through the provisions of the convention, I do not see any prohibition on this, although again, I would expect, although I am not certain, that applicable Canadian law would apply to nullify and make void the trust if in fact the transaction itself was illegal under Canadian common law or under Canadian jurisdiction, but I do not know that, Madam Deputy Speaker. [interjection]

As my able friend the member for Broadway (Mr. Santos) indicated, the law of the forum would apply in this particular instance. So it is an interesting question, and I think we would still have to look through—albeit that we have signed a convention, we would still have to deal with international conflict laws as they apply to that kind of a situation.

There is no doubt, and it also makes for an interesting question as to the application of this law in a retroactive situation, Madam Deputy Speaker. I note that the member for Thompson (Mr. Ashton) made a fair amount of reference and discussed the question of the retroactivity and its nonapplicability under this particular statute. What is of interest that those individuals who wish to take advantage of the provisions of this, I would assume, soon-to-be-passed law would not have the opportunity to have it apply, although I would expect that the pre-existing laws that are already in existence as they apply to conflict of laws would apply in this case and would take effect, but there is in effect no retroactivity.

Madam Deputy Speaker, the other question that occurred to me in my quick review of this legislation, and one area that probably was addressed, is the whole question of not inter vivos transactions, that is, not those passing between people in lifetimes, but those transactions that pass from an individual to another individual upon death. Those are generally thought of in terms of trust situations set up as a result of wills, estates and other transactions.

I have not had the opportunity to review how this act would interact with The Wills Act and other legislation in our jurisdiction as it applies to those kinds of transactions, but I think it is more than an academic question to determine the effect of wills and transactions of those kinds as they relate to trusts because generally when a transaction occurs at that time a trust situation is set up. It may be that all members of this House are not specifically aware

of that, but, in fact, trust situations occur on many occasions.

While on the point of the creation of trust situations—

Ms. Judy Wasylycia-Lels (St. Johns): What about Liberal and Tory tax exemptions on private trusts?

Mr. Chomlak: The member for St. Johns makes a very valid point about the question of the tax exemptions for the establishment of children's trusts that allow for the raking in of millions and millions of dollars and the benefits to those taxpayers to the tune of millions of dollars that have been provided for in federal Liberal and Conservative platforms. She makes a good point. It would be interesting whether or not tax plans in international jurisdictions now entered into by someone who will be coming to Canada will now be construed valid as a result of this act and will be a further, if I can use the term, ripoff of the Canadian taxpayers and people of Canada. That is a valid point that is raised by the member for St. Johns when dealing with a question of trusts.

* (1450)

As indicated, I am assuming, Madam Deputy Speaker, that the instrument as mentioned in the legislation is one in writing and not one that is made without writing. I assume that is part of the applicability of the legislation. I quickly, although we do not do clause-by-clause in this particular part of the debates, as I cast my eye generally upon the applicable articles as contained in The Hague Convention that has been entered into, I do note that this legislation applies only to trust entered into in writing, which I think is a safe and appropriate provision to have in legislation of this kind that allows for that.

Another interesting point that applies to the flow of capital and finances, Madam Deputy Speaker, vis-à-vis trust, is the whole question of the Free Trade Agreement and the North American Free Trade Agreement that has been brought in by the soon-to-be-departed Prime Minister. The whole question of the Free Trade Agreement and the flow of assets and the establishment of trust and the transfer of funds back and forth across the 49th Parallel and beyond is an interesting, not strictly academic issue, but indeed is an interesting issue of capital flows and how the capital could flow via trust provisions and trust arrangements entered into.

Again, it would be an interesting and valid pursuit of the question concerning the transfer and the establishment of relationship business and otherwise between the jurisdictions when this legislation is passed, which will allow for the acceptance in Canadian law, for example, Madam Deputy Speaker, of trust entered into and the flow of capital ensuing thereof in the United States or in Mexico for that matter, and the requirement, in fact, that we must recognize in our law those trust arrangements that are entered into.

As I pursue this issue, Madam Deputy Speaker, with the encouragement of the honourable member for Lakeside (Mr. Enns), it does raise a red flag in my own mind concerning this legislation, how it might very well be intermeshed and interwoven in the Free Trade Agreement and the requirement for business transactions to occur between the various jurisdictions.

I might add that while I am not opposed to the business transactions being entered into between Canada, the United States and Mexico, I am concerned about many of the provisions of the Free Trade Agreement, Madam Deputy Speaker. It is interesting how this act may further move us toward that North American integration that appears to be the goal of the present federal government.

Otherwise, other than posing those questions concerning The International Trusts Act, as the member for Thompson (Mr. Ashton) indicated, we are interested in this and many other bills. Following debate, I expect that the matter will go to committee where the minister will have the opportunity to deal with some of the questions that have been posed by not only myself but by the member for Thompson and others who have dealt with this bill.

Thank you, Madam Deputy Speaker.

Mr. Paul Edwards (St. James): Madam Deputy Speaker, it gives me some pleasure to rise and speak on Bill 12, The International Trusts Act. I anticipate that I will be the only speaker from our caucus on this bill. Let me indicate, at the outset, that our caucus is prepared to have this move to committee at the earliest opportunity. I want to put a few comments on the record.

I want to start by saying that I have not had a chance to peruse the minister's comments, but I have looked at the bill, and I want to put the minister on notice now, that when we get to committee I would like to hear from him the consultation process

that I assume he went through to come up with this bill and, in particular, would appreciate any information he could give me as to the approval or the comments of the relevant associations and, in particular, the Bar Association. I know that there is a wills and trusts subsection of the Bar Association, and they often take a keen interest in legislation in this area. I assume that they have in this case as well, and I will look forward to hearing their comments in that regard.

Madam Deputy Speaker, one of the interesting things about this act is that it talks about the international convention on the law applicable to trusts. In the last number of days in this House, we have become embroiled in debates over what—a convention. What is a convention? Well, what it is [interjection] Yes, that is one definition of convention. The Minister of Natural Resources (Mr. Enns) brings forward a convention, a grouping of people. That is one convention, and I understand that there may or may not be a convention coming up for some of the members on the other side this June in respect of their leadership. I serve notice now that I will not be involved in that one. That is one convention.

Another type of convention is a pattern of conduct which is followed over a long enough period of time and without significant exceptions that it gains the force of law. That is what a convention is. Members will remember that the last time a convention was discussed on the national scale, a legal convention, was when the former Prime Minister Mr. Trudeau wanted to bring back the Constitution Act, 1982. At that time, there was a dispute as to what sanction he required from other provinces before he could that.

The Supreme Court said that there were two types of laws in effect here. There was the written law, and there was the law of convention, that is, past practice. They said, according to the written law he did not require any consent of any of the provinces, but they said according to convention, that is according to the pattern of history which also gains the force of law, he did require the approval of seven out of 10 of the provinces.

Now convention has become an important topic in this House in the last number of days because the government has proposed to breach what is a parliamentary convention in this House on the issue of Estimates. This bill affords us an opportunity to consider conventions. [interjection] Well, Madam

Deputy Speaker, you have raised with me that this is The International Trusts Act. You will notice that in the definition section and throughout this bill what is being talked about is conventions. It is indeed relevant to talk about what is a convention and the different types of conventions.

So the parliamentary convention which this House had respected for many, many years, many decades, indeed centuries, throughout the parliamentary world had clearly gained the force of law, the equivalent of law as much as you can have laws in the parliamentary form. Of course, we control our own destiny in this House, but to the extent that that practice had gained the force of law or the equivalent thereof, I believe and our party believes it is absolutely obvious that it would be irresponsible for us to breach that convention at this point.

* (1500)

Madam Deputy Speaker, having said that, the other aspect of this bill that is notable is that the world has essentially, or a good chunk of the world has come together and come up with a standard set of rules on the issue of international trusts. That is a good thing, putting together nations on issues like this and many other issues facing the world, like the law of the seas, the law of the air, the laws that we need as a world, not just a nation but as a world to get together on. This is a good practice.

I suggest that it is a good step for the people of Manitoba to, through this act, be linking hands with nations from all over the world to ensure that our citizens do not have the opportunity to essentially avoid our laws in our country, in our jurisdictions, by moving some money, setting up trust accounts, setting up corporate accounts in other nations, thereby avoiding our laws. That is something which primarily of course the wealthy have been able to do on all kinds of fronts throughout our history. This act attempts to cast in law in this jurisdiction a set of rules which is in place in other jurisdictions thereby allowing us to stop citizens from escaping the rightful application of our laws.

Madam Deputy Speaker, when we talk about international movements and the move to an international set of standards, I have said that is good, and it is good. What is not good in this government's past record is their willingness to sacrifice our integrity as a province, as a nation to

international interests. These are two separate things.

This is not to be confused with things like the Free Trade Agreement. That is certainly moving to the international forum but at an enormous cost, indeed the cost of our sovereignty, our ability to control our own destiny. That is not good. Those are things that were spoken on in this House yesterday afternoon on the resolution put forward by the member for Concordia (Mr. Doer).

This legislation, moving as it does to an international standard in the area of trusts, on first reading, from my perspective, seems reasonable, seems like a positive move to standardize international laws in the area of trusts. We do not want people to be able to escape our tax laws. We do not want people to be able to escape our various regulations in the area affecting trusts by taking them offshore, by setting them up in other jurisdictions. We want a standard, and that is good.

I only hope that this government and their colleagues in Ottawa are taking the same approach or would take the same approach to even more pressing issues like international environmental standards. What about those?

Madam Deputy Speaker, there is no area where there is more reason to standardize international standards than in the area of environmental protection. The law of the sea, the law of the air, these are the issues of the 21st Century. We must solve the international competition in those areas. We can have all the laws we want governing the fishermen of Newfoundland about how much cod they can take out of the Atlantic Ocean and when, stay away from the spawning locations in the spawning season. We can have all those laws, but if you have international trawlers from other nations up there scooping the seas it is not going to be worth anything. Worse yet, you essentially take away from our own fishermen and give and allow others on an international scale to rape and pillage our wealth of resources in this country.

We must move to some international standards in the area of wildlife habitat protection, environmental protection, because these things know no bounds. They do not stop at borders. We draw these borders on a map, but wildlife, air and water, they do not respect those boundaries. That is the lesson of our current situation in this world and increasingly will be the lesson of the future.

I think that while we are provincial politicians we have our jurisdictional limitations, but surely it is time for us to lead even though we just represent this little province on the globe of Manitoba. It is time for us to lead and to say to the rest of the world, to the rest of our country, let us get together on these things. Let us set the standards which are going to apply to us all and let us have international enforcement of those rules, Madam Deputy Speaker. That has got to be the way of the future.

However, my view is that if you want to be an internationalist in Canada, you have to be a nationalist first. We need a strong central government. We need a strong nation before Canadians can be true internationalists. We have to deal on the international stage with some strength, and if we sell our resources and we open our doors unwittingly and without restriction to the United States, other jurisdictions, as we have, we will not be international players. We will not have the ability, Madam Deputy Speaker, to lead with strength and credibility on these issues.

That is my thesis today, that you have to be a nationalist first in Canada as a part of being an internationalist. Madam Deputy Speaker, I look forward to this small step in the move toward international standardization as part of a larger debate in this House and in the coming years in this province and in this nation toward international laws, international enforcement of those laws. We have to be prepared to give up some of our total control over these issues and look at the global situation and be prepared to accept global standards. It will serve our interest to do so.

Ms. Rosann Wowchuk (Swan River): Madam Deputy Speaker, I move, seconded by the member for Burrows (Mr. Martindale), that debate be adjourned.

Motion agreed to.

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Hon. Clayton Manness (Government House Leader): Madam Deputy Speaker, would you call Bills 2, 3, 5 and 8, please?

Bill 2—The Endangered Species Amendment Act

Madam Deputy Speaker: To resume debate on second reading of Bill 2 (The Endangered Species Amendment Act; Loi modifiant la Loi sur les espèces en voie de disparition), standing in the name of the

honourable member for Brandon East (Mr. Leonard Evans).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand? Is there leave to permit the bill to remain standing? [agreed]

Bill 3—The Oil and Gas and Consequential Amendments Act

Madam Deputy Speaker: To resume debate on second reading of Bill 3 (The Oil and Gas and Consequential Amendments Act; Loi concernant le pétrole et le gaz naturel et apportant des modifications corrélatives à d'autres lois), standing in the name of the honourable member for Elmwood (Mr. Maloway).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand? Is there leave to permit the bill to remain standing? [agreed]

Mr. Paul Edwards (St. James): Madam Deputy Speaker, Bill 3 is a relatively lengthy bill, which I understand from the minister's comments has come forward after some significant consultations and deliberations within his department and throughout the industry in this province.

I have read the minister's comments. Let me say at the outset, I do not intend to take issue with the minister's openness about his ownership of shares in oil and gas interests in southwestern Manitoba. He was good enough to come forward at the outset of his comments and indicate that conflict. Madam Deputy Speaker, I only regret, on his behalf, that he indicates the share values did nothing but go down since he bought it, but in any event, that is not an issue here for this party.

I will be the first to admit that I am not prepared today to go through the intimate intricacies of this bill. This is not an area of natural expertise for me. However, I have read the minister's comments carefully, and we will have, I am sure, at the committee hearings, experts available to go through this in some further detail. I know it is almost ironic that this bill comes forward at the time it does in the sense that the oil and gas industry just is not doing that well in this province.

* (1510)

As the minister indicates, there was a boom of sorts in the 1950s, when there was a discovery of oil. There was another burst of activity in the 1980s, and since then, there has not been a lot, due to a number of factors, mostly regulatory control as well

as, just simply, international prices. There just is not the interest, which is occurring worldwide, and certainly that is mirrored in Manitoba.

Madam Deputy Speaker, as I have reviewed the provisions of this act, one thing which I think has to be mentioned at the outset—and I am going to be looking for some detail further on in the committee hearings—are the new environmental provisions on the protection of the environment. Part of that is the rehabilitation fund, which is going to be set up as a fund of last resort to rehabilitate sites where exploration work has been done, drilling has been done, when the developer cannot afford, has gone out of business, and there is no opportunity to recover funds to do that rehabilitation work. That is a good thing, that we have a fund which is paid for by some of the developers in the field, to provide that fund of last resort for rehabilitation work.

Madam Deputy Speaker, the other part of this bill which I think is positive, and perhaps in no small part is responsible for its length, is that, as I understand it, the philosophy of the department in drafting this bill was to take the regulatory regime, that is, through regulations, Orders-in-Council, guidelines and other legal and quasi-legal provisions and pull them together in one act. That is good.

We do not want a patchwork regulatory regime, where some things are in the act, others are in the regulations, others are in Orders-in-Council, ministerial guidelines, et cetera. It is too difficult for those who do not have experience in the field to understand what the law is.

We as legislators should do everything possible to clarify the law and as much as possible to put it together and make it understandable within a relatively short period of time to those wanting to participate in this industry. That is a positive move, to have brought these various legal instruments together in one act. I understand that has meant that there may well be a—it is a much bigger act than the former legislation; but, to the extent that this is an inclusive piece of legislation, that is appropriate.

Madam Deputy Speaker, the minister indicated in his comments that times have changed. The people of this province are no longer willing to tolerate, nor should they be, unregulated activities in oil and gas or mining or any other activity, forestry. The government has an obligation on behalf of the people to ensure that these are done as much as

possible in keeping with the principles of sustainable development.

The unfortunate reality of this government and its efforts on sustainable development is that this government is largely responsible for turning that term almost into a term of mockery, Madam Deputy Speaker. Most people have heard it so often from the mouths of cabinet ministers opposite, with so much meaninglessness attached to the rest of the sentence and what actually happens, that they just treat it as a nothing statement. They have come to see it as a purely political statement to be thrown into one speech as many times as possible in the hopes of getting some votes.

Sustainable development means nothing in the words of this government. They use it. They send out nice-looking books and reports and this and that and all of these nicely laid-out things, sustainable development in every sentence, but have they done anything, Madam Deputy Speaker? Have they actually done anything to move this province towards an economy based on sustainable development? The answer is patently no. They have failed all the way down the line to put some meaning to their words, to have the courage of their convictions.

You know they talk about it. They talk about it constantly. When the going gets tough on wildlife management areas, the going gets tough for the Minister of Natural Resources (Mr. Enns), he cannot seem to get a development through that he wants to get through, what does he do? He amends the act. He cannot live with his own act, so he amends it. That is what this government does when push comes to shove.

All kinds of environmental issues—I think of the report of the Clean Environment Commission on the Abitibi-Price extension into Manigotagan. I think of that report, and the first time in my memory—and I have read all the Clean Environment Commission reports—the Clean Environment Commission had ever really said no to the government. They stood up, they wrote a lengthy report, and it was quite a well-known Conservative supporter from Brandon, Randy Smith, who chaired the board. I think he might even have been involved with the Minister of Justice (Mr. McCrae) at one point or another. Anyway, he wrote a very good report on that development. What happened? The government looked at it, was probably shocked. Probably the minister fell off his chair when he heard about that,

because he, like me, is used to reading these reports which, by and large with a few modifications, accept what the government wants to do. This one did not, Madam Deputy Speaker.

What was the message from the government to the Clean Environment Commission? The message was, don't you dare do this again. Don't you dare come to us telling us that the plans we support cannot be done. They slapped the Clean Environment Commission down within minutes of hearing that news. What did they say? They said, oh, well, they wanted to couch around it. They did not want to actually deny it. They said, well, we are going to have some more public hearings on this. They pretended that they were going to be creating some new public hearings, but in fact it was the public hearings which had already been scheduled on other issues. They could not deal with a strong decision of their own board.

Well, Madam Deputy Speaker, why do they have the board? Surely, they want that board to have credibility in the eyes of the public. Surely, they understand that this board listened to days and days of expert testimony on those issues and came to a reasoned decision, and it was their obligation to respect the decision of that board and not deal with it as summarily as they did.

Madam Deputy Speaker, this is just another example of how this government in the end really does not know anything about sustainable development. They talk about it and, as I say, they lace every speech and most speeches from the Throne with lots of talk about sustainable development. Maybe that is why the Minister of Natural Resources (Mr. Enns) was one of the first signatories to the special places convention wilderness federation. He signed on, one of the first to sign on, happy to do that, but what happened? Within one year, they were saying biggest disappointment in the country, Manitoba's Minister of Natural Resources, biggest disappointment. Much fanfare at the time of signing—oh, I am in, no problem.

In that publication of the association, there was the minister signing on, one of the first in, but very quickly that association learned this government, this minister, is not committed to what they sign to. They will sign almost anything that has the words sustainable development in it. They love those words. Say it and we will sign, but they never follow

through, Madam Deputy Speaker. They never follow through.

Now, on the issue of the rehabilitation fund, this sort of reminds me of the amendments to The Environment Act and The Dangerous Goods Handling and Transportation Act provincially which deal with the ability of the government to assess liability to companies that pollute ground or air or water or whatever.

Of course, in their rush to get something into place, this government put into place an absolutely nonsensical provision. It said that the director in the Department of Environment could assess liability to almost anyone—past owner, present owner, past handler of goods, present handler. There was no theoretical framework for the assessment of liability. It was all left in the hands of the director.

* (1520)

That just wreaked havoc in the business community and the legal community as people were trying to determine, well, where does exposure stop, where does it start? What protection do we need before we lend money, before we get involved? What role do subcontractors have who happen to be involved in these activities? All kinds of problems.

I notice in the Speech from the Throne that the minister has committed in this session to coming forward with a framework for assessment of liability in those cases.

I have seen the report, which has been on his desk now, I believe, since October, if I am not mistaken, of '92. I think Mr. Cantor was on that committee, and Mr. Pannell and others—[interjection] Pardon? Yes, and they came forward with some criteria, and the minister has had that for a number of months.

Maybe I will just use this opportunity to serve notice to him that I am eagerly awaiting a decision from the government on those issues and I think other members are too. I know that the business community, whom this government is keen to please, are eagerly awaiting some guidance on liability on these issues of cleanup for pollution spills in this province.

Madam Deputy Speaker, I am pleased that this bill attempts to cover that area, as well as the area of setting some environmental standards. I have some concerns. I am not sure how this bill is going to be impacted by, or impact with, The Surface

Rights Act. Perhaps the minister would be prepared, at the committee hearings, to talk in some detail about that.

I also want to ask the minister, and I assume that he will be there with some people from his department who have studied this in depth, perhaps he himself has, but I would like to further understand some of the reasons for the changes in this act to the mandate of the board, which is set up under this act. I am not clear on why it is that those changes have been made, that is, the five-member board which has the power to make inquiries under this legislation.

I want to say to the minister that in keeping with the mines and energy act which was dealt with in the last session, I think it is positive that we are bringing together the various types of legislation in this area—regulations, Orders-in-Council—pulling them together in one act. I think that is good.

To that extent, albeit with the comments I have made today and reserving, obviously, the right to question in detail as we go through this clause by clause at the committee, I look forward to debating this on a detailed basis in the committee. Thank you, Madam Deputy Speaker.

Bill 5—The Northern Affairs Amendment Act

Madam Deputy Speaker: To resume debate on second reading of Bill 5 (The Northern Affairs Amendment Act; Loi modifiant la Loi sur les affaires du Nord), standing in the name of honourable member for Radisson (Ms. Cerilli).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand? Is there leave to permit the bill to remain standing? [agreed]

Bill 8—The Insurance Amendment Act

Madam Deputy Speaker: To resume debate on second reading of Bill 8 (The Insurance Amendment Act; Loi modifiant la Loi sur les assurances), standing in the name of the honourable member for Elmwood (Mr. Maloway).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand? Is there leave to permit the bill to remain standing? [agreed]

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Hon. Clayton Manness (Government House Leader): Madam Deputy Speaker, would you call Bills 10, 11, 13, 14, 15 and 16, please?

**Bill 10—The Farm Lands Ownership
Amendment and Consequential
Amendments Act**

Madam Deputy Speaker: To resume debate on second reading of Bill 10 (The Farm Lands Ownership Amendment and Consequential Amendments Act; Loi modifiant la Loi sur la propriété agricole et apportant des modifications corrélatives à d'autres lois), standing in the name of the honourable member for Point Douglas (Mr. Hickes).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand? Is there leave to permit the bill to remain standing? [agreed]

Ms. Rosann Wowchuk (Swan River): Madam Deputy Speaker, it gives me pleasure to stand and add my comments to this bill, The Farm Lands Ownership bill.

The minister, when he spoke on this bill, said that these were just minor amendments that would make the operations of government more effective and decrease the costs to citizens in this province in implementing this bill.

As I looked at the bill, I thought I would do some research and find out when the bill was introduced and why it was introduced, the original bill, and in looking back, this bill was introduced back in 1982, and I understand that there was some very heated discussion at that time on farm land ownership.

Our party then, Mr. Bill Uruski, indicated that they were very concerned about the preservation and the strengthening of family farm operations. That is something that we still continue to be very concerned about, the operations of the family farm and the survival of the family farm, and those family farms appear to be in very great difficulty, particularly now with the financial pressures that the family farm is under.

At the time, when this bill was being introduced, there was a great concern about absentee owners, foreign ownership of land, and the research that was conducted at the time indicated that there was a dramatic increase in the amount of land that was being owned by foreigners. There was very little regulation to control this transfer of land, and much of the prime land was being transferred out to absentee owners and nonfarm corporations, foreign speculators. This was contributing to the inflation of land, but also it was hurting small farmers with the

rising cost of prices. It made it more difficult for young farmers to get started.

Also, Madam Deputy Speaker, we were very concerned and should be concerned that, with foreign owners, a tremendous amount of revenue leaves the smaller communities, and there is not nearly the concern for small communities when you have absentee owners. It is just a very great drain on the communities when the people who own the land do not actually live there.

The minister says that these things are just going to clean up the legislation, make it more easy for the operation of the department, and those parts of the bill do appear to make sense.

Also, the cleaning up of the personal relationship of families, spelling it out more clearly, will also benefit people, families, who are holding joint family farm corporations, so we have no difficulty with that section of the legislation, Madam Deputy Speaker.

However, there is some concern, I believe, with the change in the legislation which changes from two-thirds ownership to 50 percent. This, I believe, is a problem. It is weakening the original legislation. It is weakening the intent of the original legislation which keeps the control of the family farm corporation within the family farm. With two-thirds you can see that there is more control. If you weaken it and take it to only 51 percent, there is more opportunity for foreign investors and also for corporate ownership of farms for various large companies that have the opportunity to buy into family corporations, which is happening at this time. With the pressure that farmers are under, they have to sometimes look for outside investors. With these leniencies we could see the control of more farms falling into the hands of corporations if we do not have the two-thirds ownership of the shares by the owners of the farms.

* (1530)

With the regulations that we have in place right now, Madam Deputy Speaker, there is room to deal with those people who fall outside the regulations through the Farm Lands Ownership Board. There are decent guidelines in place. The onus should be on those people who want to become participants in this family farm corporation to prove that they have a valid reason for taking up a larger portion of the farm, and the exemptions can then be made through the Farm Lands Ownership Board.

However, from what we see here, the Farm Lands Ownership Board has not been doing their work properly and all applications have been approved. In fact, when I called to check, they said on the average they have 275 to 300 applications, and there is 100 percent exemption, so the Farm Lands Ownership Board is approving everybody. The minister is saying that they should change the legislation because everybody is being approved anyway. In reality what I believe should be happening is maybe the Farm Lands Ownership Board should be being more strict in approving these applications.

When we get to committee, we will want to know what is happening. Why are all applications being approved? Is anybody being denied an application on this ownership of land? This is very much a weakening of the legislation, and the guidelines should be followed much more closely than they are. Cases should be approved on a case-by-case approval. There is no need to open up the legislation and expand the ability for people to have the ownership of farmland.

Again, I go back to the concerns that were raised way back in 1982. People were concerned about their farmland; people wanted the land to stay held by the family farm rather than outside foreign ownership, rather than ownership by corporations. There were many people at that time who raised those same issues. There were public hearings and many presentations where people spoke out and asked for this kind of legislation to be brought in to protect the farmland.

I have difficulty in understanding why we would be moving in the direction of weakening the family farm ownership from that particular farmer and allowing corporate investment into the farms, Madam Deputy Speaker. This is something that has to be given serious consideration and something that we will, as I say, raise with the minister when we get to the committee on this. There are other members who have concerns as well, and we will be looking at it.

On the other sections of the bill, Madam Deputy Speaker, when we talk about the annual report not being tabled any more, we have no difficulty with that section of it. We think that is not a major problem as long as a report is going to be included in the department's annual report. That would not be any problem.

The section that allows for the fees to help recover costs of the board also does not seem to be a major problem. People are having services. There is no problem with that section.

Madam Deputy Speaker, the section of opening up the act and minimizing the amount of the shares that have to be owned by the family farm or people who are related to that particular family is a concern. Again, we would think that if we are at all concerned about the rural community, about having people live in the small communities, we would be offering supports in those areas and trying to strengthen that community rather than opening up the ability for corporations to take over the ownership of land.

It is interesting and worrisome to know that the Farm Lands Ownership Board is not acting within its guidelines and is being very lenient in allowing land to be transferred out or not sticking very closely to the guidelines of keeping the land within the confines of the family farm corporation. Madam Deputy Speaker, we have to be concerned about the number of people this is affecting as the land becomes controlled by a smaller group of people, falls into the hands of corporations, and we have many corporations.

We hear about that every day, about who is controlling our farm economy right now. We have many people who are concerned with the power of companies such as Cargill and McCain and those companies which have the funds and the ability to take over not only the production of food but also the processing of food and really removing any control of the farming community, of the actual farmers who are in the business, and also siphoning an awful lot of the revenue that will not be invested back into the community and also not having the interest in the community that should be having some of the benefits of the farming industry instead of having all of the revenue drained out.

I would hope that the minister, when we come to deal with this, would reconsider that change that he is proposing to decrease it from one-third of the issues of all classes of shares to a majority, or 51 percent. I hope he will reconsider that, because I believe that it will have a negative impact on the farming community.

Madam Deputy Speaker, there is legislation in place. With the board acting properly, we could live within that legislation. There is no need to change the act each time there is a change of government.

I think that we should be able to live within that and the government should be working towards assuring that the Farm Lands Ownership Board implements and works within those regulations and, when there is a need, give the necessary exemptions. There is the ability to give the exemptions, but there is no need to change that part of the act.

So I hope, Madam Deputy Speaker, that we can deal with that when we come to committee. I know that there are other members on our committee who want to deal with this. When we are looking at the farming community here, we have to look at all aspects of the farming community. What is happening right now? We are seeing a group of people in business who are suffering from low revenues, low return for their product and, in fact, we were just about in the process of having other services taken away from these people. That is going to increase their costs and also make it more difficult for them to operate.

I am speaking about the plans and the movement on this government to change the method of payment, to have the Crow benefit which is presently paid to the railways to provide services for the farmers so they can make a living, so they can produce food for our country. We have a government that is looking at changing that, Madam Deputy Speaker, to have it paid to the farmers. Now this is going to have a devastating impact on the farming community.

* (1540)

We hear about railway lines that will be closed. We hear about loss of services. We have farmers out there very concerned. A majority of them have said, although it would be a narrow majority, that they are very concerned. They do not want the method of payment changed because of the impacts that it is going to have on their farm operations. We still see a government who appears to be very supportive of what the federal government is doing and moving along the lines of changing the method of payment but not giving a clear message to the farmers about what their plan is. How are they going to change it? What method are they going to implement to have this money transferred back to the farmers if this is what they are proposing to do?

Although many farmers do not agree with that, the government has to come forward and tell farmers

what this proposal is, because this will have a negative impact. This is going to have an impact on their family operations. It is also going to have an impact on seeing which farmers are going to be able to survive. It could mean a whole change to the agriculture industry in Manitoba, to the grain industry in particular, Madam Deputy Speaker, and the legislation that is here before us will—farmers are facing difficulty.

There are going to be people who are put out of business, and there will be, I believe, larger farms made with the difficulties farmers are facing, opportunities for foreign investment, opportunities for corporate investment, but again I do not believe that the legislation has to be changed. There are guidelines within which we can work, and there is a system in place that should work. We do not have to change the regulations to allow leniency on the Farm Lands Ownership Board. Instead, the Farm Lands Ownership Board should operate within those guidelines and, when necessary, give the exemptions that are necessary. That ability is in there right now. The exemptions can be made for those cases in which they are needed, and again, no reason to change that particular part of the legislation, because it is weakening legislation rather than strengthening. It gives more leeway.

Madam Deputy Speaker, with that, I will close my comments. I know there are other members of our caucus who want to add their comments, because after all the farming industry is a very important industry to Manitoba. We as government, as representatives of the people, have to look at how best we can protect that, and offer the best services to the farmers. But we also have to look at how we can protect our farmland so that it is there for farm use and also that the revenue that comes from farms stays in our province, that we do not have foreign ownership, corporate ownership, that takes the revenue away from this province. We see the revenues of this province where it is right now. We see a government that is in trouble financially because they do not have revenue. The more foreign ownership you have, the more corporate ownership you have, the more revenue you have siphoning out of the province. It is very important that we look at ways we can keep revenue in this province.

Madam Deputy Speaker, the most important people in the rural community, or I should say, one of the most important groups of people is the farm

people, and for our communities to survive, we have to have many families there, many farm families there. We see that every time a farm closes down we see a family leave the community. There is an impact on the schools; there is an impact on the hospitals; there is an impact on the business in the community. So we have to look at ways of protecting and supporting those farmers whom we have there right now. That is vital to the survival of our rural community.

For the survival of those farmers also, we have to have services in place, and one of the services we have to think about is how these farmers are going to get their products to market, and those types of things. We have to have services for the families as well that live in those communities, but we cannot provide health care and education properly if the number of our farmers is going to decrease.

So, Madam Deputy Speaker, I think we have to be looking very carefully at how we can protect that land, how we can maintain the land from becoming concentrated in the hands of very large operations, how we can keep the price of the land stable so that young people can take up in the agricultural industry if that is what they want, Madam Deputy Speaker.

We will not be passing this bill to committee immediately. There are still other members who want to add their comments to this and the impact that this is going to have in the communities. So with that, Madam Deputy Speaker, I will close my comments and look forward to in a short time having this bill go to committee where we can have further discussion on it.

Mr. Neil Gaudry (St. Boniface): I move, seconded by the member for Osborne (Mr. Alcock), that debate be adjourned.

Madam Deputy Speaker: The bill was previously stood in the name of the honourable member for Point Douglas (Mr. Hickey).

Bill 13—The Manitoba Employee Ownership Fund Corporation Amendment Act

Madam Deputy Speaker: To resume debate on second reading of Bill 13 (The Manitoba Employee Ownership Fund Corporation Amendment Act; Loi modifiant la Loi constituant en corporation le Fonds de participation des travailleurs du Manitoba), standing in the name of the honourable member for Flin Flon (Mr. Storie).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand? Is there leave to permit the bill to remain standing? [agreed]

Bill 14—The Personal Property Security and Consequential Amendments Act

Madam Deputy Speaker: To resume debate on second reading of Bill 14 (The Personal Property Security and Consequential Amendments Act; Loi concernant les sûretés relatives aux biens personnels et apportant des modifications corrélatives à d'autres lois), standing in the name of the honourable member for Thompson (Mr. Ashton).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand? Is there leave to permit the bill to remain standing? [agreed]

Bill 15—The Boxing and Wrestling Commission Act

Madam Deputy Speaker: To resume debate on second reading of Bill 15 (The Boxing and Wrestling Commission Act; Loi sur la Commission de la boxe et de la lutte), standing in the name of the honourable member for Interlake (Mr. Clif Evans).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand? Is there leave to permit the bill to remain standing? [agreed]

Bill 16—The Public Schools Amendment Act

Madam Deputy Speaker: To resume debate on second reading on Bill 16 (The Public Schools Amendment Act; Loi modifiant la Loi sur les écoles publiques), standing in the name of the honourable member for Thompson (Mr. Ashton).

An Honourable Member: Stand.

Madam Deputy Speaker: Stand? Is there leave to permit the bill to remain standing? [agreed]

Mr. Kevin Lamoureux (Inkster): Madam Deputy Speaker, I wanted to speak on this bill, because this is a bill that I believe once again demonstrates very clearly to all Manitobans the type of government that they elected back in September of 1990. I do not believe for a moment that Manitobans would be pleased with the manner in which this government is not only treating the Legislature in this Chamber but is also treating the 350-plus school trustees scattered throughout the province of Manitoba.

I believe that this government's approach to fellow politicians, at whatever level it might be, has not been one of a courteous government that wants to respect, to operate in a fair fashion. Why is it that I

say that? Well, I had the opportunity to meet with the Winnipeg School Division No. 1, an area which I happen to also represent, and had the opportunity to speak to a number of the school trustees, and they were not necessarily very kind to the government. [interjection] The Minister of Government Services (Mr. Ducharme) says that his were kind. No doubt you will find some school trustees that will say the government is doing a fine thing. You will see there are some school trustees that will say the government is not doing a good job and so forth. No doubt about that.

I think that could be said about any government in any given time, but, Madam Deputy Speaker, this is a government that has gone a bit further than deciding a policy which they have responsibility for. This is a government that has decided to take away from elected officials the opportunity to provide for their constituency what they believe is important in terms of providing that quality education.

* (1550)

Why is it that I say that? Well, we know as legislators that when we are elected to this Chamber, we have a responsibility. That responsibility, depending on the party or if you are in opposition or if you are in government, varies. If you are in the government situation and there is a majority government, there is a good chance that you will be making budgetary decisions that will have a better chance at passing. This is something that, as legislators, whether you are in government or you are in opposition, you have an opportunity of giving input in hopes of having the chance at passing.

Madam Deputy Speaker, the government cannot necessarily take that away from us, but they have chosen to do that to the school trustees. That is very, very unfortunate because what they have told the school trustees is that they are limited in terms of the services they can provide. Yes. That is what they have told the school boards across the province. On the one hand, just last year, we had the municipal election where we saw, as I say, in excess of 350 school trustees elected, given a mandate and now we have a government, a Tory majority government, that, even though the school trustees were given a mandate, is taking a part of that mandate away from them.

This is, again, something that is unique, but it is not the first time that this government has done

something completely unique. They do provide—[interjection] The Minister of Finance (Mr. Manness) is right, I do not like. I do not like. I believe that most parliamentarians would not support, and most Manitobans would not support what this government is doing because whether the Minister of Finance likes it or not, the school trustees were given a mandate. This minister has decided, in his wisdom or lack thereof, that the school divisions and the school trustees, which were duly elected, are not capable of providing a budget that they feel reflects what the wishes of their constituents are. [interjection] Yes, we will see what the convention says. If the Minister of Finance feels that a resolution that passes out of the convention justifies what the government is doing, well, maybe that will ease his conscience somewhat.

Madam Deputy Speaker, the fact remains that this is not a government that went and talked to the different school boards and sat down to try to find out where it is that they are coming from and how they might be able to co-operate.

Instead, they treated all the school boards, all three school boards, in the same heavy-fashioned way in which they are treating, to some extent, the legislators or the MLAs with respect to the precedents of the rules of this Chamber. They kind of just throw it out the window, and they want to do whatever it is they feel needs to be done.

Madam Deputy Speaker, what they have said—and again you have to realize that these are school trustees that were elected just last year, and those school trustees have a responsibility of providing to the parents that elected them and to the children that they represent a certain level or quality of education. Well, that implies to me that the school trustees have to decide as to what services that they have to put additional resources into in order to maintain what they believe the constituents that they represent ask them to do, the level of education, the quality of education, not necessarily what the government—and it is somewhat interesting, and I know I had an opportunity to make reference to it before.

The government has mandated school boards to provide certain services such as the transportation, and that is through legislation, where we see increases, in particular, I know, through Winnipeg School Division No. 1. That is something that they do not have an option on. That is something that they have to, while on the other hand the delivery of

that education and the training and the expertise or professional development, things in which the schoolboards are responsible for, there they are put into a strait jacket.

Those are the issues in which, in most part, I would argue, they have to go back to their constituents in the next civic election and defend the actions that they had to take. In fairness to those school trustees, how can they defend some of the decisions that they are going to have to make, knowing full well that they have been limited, that they cannot do what they feel is the right thing to do?

That might mean raising the property tax at 4 percent in some area. If the school trustees can justify an increase, whatever that increase might be, then they should be allowed, because we have the legislation that allows them to do that, to increase the property tax. It is not up to the Minister of Finance or the Premier to say no or to release or to fire our school trustees. It is not up to them. It is up to the constituents that they represent.

When they make those decisions and they go into the next municipal election, the constituents that they represent have that opportunity so that if they do not like what the school board is doing, they can turf them out if they so choose.

The government is not even giving them the opportunity to provide what they feel is necessary in order to have that level of education that they believe that they have been given the mandate to provide. What upsets me most is the fact that I can feel for the individuals that have been put into that elected position. Now they see that has been taken away from them.

* (1600)

Can you imagine if the House of Commons had the constitutional ability to do the same thing within the province? If they said, you cannot increase personal income tax more than 1 percent for the next 10 years, you cannot increase your sales tax, you cannot increase your fuel and your tobacco taxes, what would the Minister of Finance (Mr. Manness) be saying then?

Whether that is a part of the Minister of Finance's agenda on increasing taxes or not is irrelevant. What is relevant is the fact that this Minister of Finance, if the federal government told him that he could not do that, would be standing in this Chamber yelling and screaming, demanding that his rights had been infringed upon as a legislator.

Do you know what, Madam Deputy Speaker? I would support the Minister of Finance doing just that, and I am somewhat disappointed that same standard is not, in fact, being used for our school boards, because I must admit, you know, Winnipeg School Division No. 1 and the school trustees do not do things that I like either, and I do get my opportunity and I had the opportunity to register my feelings in the last civic elections, and I lost. My vote did not get to count that time around in terms of the candidates I supported, but at least I had the opportunity to express it.

There are a number of things that I would like to see changed, but you know something, Madam Deputy Speaker, the difference between myself and the Minister of Finance and the Minister of Education (Mrs. Vodrey) is, I am willing to operate within the rules of this Chamber and within the rules of the constitution.

Madam Deputy Speaker, I like to think that I have never been one to bow out of providing solutions, some positive solutions that would make a difference in the province of Manitoba. This is where I am going to give the Minister of Finance, in particular, and the Minister of Education, because I know she has heard me speak on this issue before—if the Minister of Education or the Minister of Finance wants to save some money, I have a way in which he can save some money even within the Department of Education.

An Honourable Member: Unbelievable.

Mr. Lamoureux: Not unbelievable, because this is something that the Liberal Party has been providing throughout the last four and a half years. We call it, Madam Deputy Speaker, a responsible opposition, and if the government followed a number of the ideas that the Liberal Party has put forward, and some have—I will give credit where it is deserved. The Minister of Health (Mr. Orchard) adopted one of our principles which our Leader introduced back in the '86 election. We called it the Pharmacare card, a wonderful idea. They changed the name of it but the thought is still there. It is the same card, and the government, in fact, will save money by doing that.

The Minister of Health will ensure, I am sure, that the health-care card will come off and we will in fact save some dollars, because I do not believe that the Minister of Health would be talking about it unless he could save dollars. So, Madam Deputy Speaker, I am sure that in fact will occur, but whether it is the Department of Health or whatever other department is out there, you will find that the Liberal Party has

been providing the ideas for change that will make a difference, a change that will see the positive reforms.

Now because I am talking on education, I am going to take the opportunity to talk about some of the changes that I believe will make a difference. Even the Minister of Finance, the Conservative Minister of Finance (Mr. Manness), I believe, would support me on one or two of these things. Actually I would like to think that he himself might be somewhat frustrated in the sense that the Minister of Education (Mrs. Vodrey) has been unsuccessful in really accomplishing something that would not be that difficult if the political will were there.

All we need to do, Madam Deputy Speaker, is create the political will. If the government, in particular the Minister of Education's will were there, we could see some very positive changes in the Department of Education, educational reform, the type of reform that I would suggest to you would probably allow this government to repeal this current bill that they are proposing. What it would do, I believe, is take money away from administration and put it back into the classrooms.

As I represent constituents in Winnipeg School Division No. 1, I live in the riding, and I get a property tax bill just like everyone else. I compare my property tax to other ridings throughout the city of Winnipeg in particular, and you will find that those of us who happen to live in Winnipeg School Division No. 1 pay, I believe, the highest school tax than anyone else.

Madam Deputy Speaker, I think there are a number of inequities that are scattered throughout the school divisions, and again I am going to concentrate and I will allude to the rural school divisions in education also, but I know the divisions more so in the city of Winnipeg, so I am going to concentrate some of my remarks on those school divisions. I believe that there are many inequities in the city of Winnipeg, in particular in the ways in which we have the school divisions. You know, in Winnipeg School Division No. 1, we have in excess of 33,000 students. In Norwood, there is, I understand, less than 1,500 students.

(Mr. Speaker in the Chair)

An Honourable Member: 1,400, to be exact.

Mr. Lamoureux: Mr. Speaker, 1,400, less than 1,500. Some school divisions tender out virtually everything; other school divisions do not. What

about bulk buying? Think of the advantages of a Winnipeg 1 going to purchase something for its schools compared to a Norwood, or a St. James, or a Transcona school division. Think in terms of the city of Winnipeg, 11 school divisions, 11 administrations. I would argue that the city of Winnipeg needs no more than two school divisions. This is not something that is new. I look to the city of Calgary, larger than the city of Winnipeg, and they get along apparently just as well as the city of Winnipeg is in terms of quality of education, yet they manage to do it with one public and one independent school division.

Well, this is something I believe is a direction that the province of Manitoba—if you want to bring in legislation to address education in this forum or in this Chamber dealing with the public education and trying to change the way in which we are administering education, do not try to put it on in terms of limiting school trustees and the responsibilities. Bring it in in terms of changing the number of school divisions or making it that much more equitable throughout the city of Winnipeg.

I would argue, Mr. Speaker, that by downsizing, in particular in the city of Winnipeg, to not more than two it will allow us to refunnel the administration dollars, the dollars that would be saved through other means into the classroom. Let us put more emphasis on the classroom in teaching our children education.

An Honourable Member: It does not have to be overnight.

Mr. Lamoureux: No, and it does not have to happen overnight, but you have been in government for five years. Just last year the Minister of Education (Mrs. Vodrey) said that it was going to be put on the back burner. That is not overnight, five years. [interjection] The Minister of Consumer and Corporate Affairs (Mrs. McIntosh) says, be responsible on it. Well, when it came to reducing the number of city councillors in the city of Winnipeg they sure acted fast on that.

If the government has the will it can do it. Mr. Speaker, the government does not have the will to address the whole issue of school divisions. You know, I believe that, no doubt, the government has to have some reason for why it is that they do not want to address that particular issue, and I wait anxiously to hear why because the Minister of Education has not been able to answer that question, why it is that we need to have 10 school divisions in the city of Winnipeg.

The New Democrats will tell us at least why they believe 10, if anything, is not enough, but at least tell us why it is you have to put it on the back burner and not even deal with the issue. They talked that there are so many other issues that were out there. They talked about the Francophone governance issue. They talked about other reforms in the education. Well, they are blowing it on all the other aspects that the minister said that she was putting it off for. They are not even doing a good job at that, education and reforming education.

* (1610)

We talk about the curriculum, something that has to be addressed, what in fact is necessary in our educational facilities. The curriculum—and I am not going to say only do we need to concentrate on the Rs or the Cs. There are other issues, issues like racism or multiculturalism, racism in particular, issues such as domestic violence, those types of issues. How are they going to be incorporated into our educational system?

Well, how is a good question, and why is this Minister of Education (Mrs. Vodrey) not dealing with it? [interjection] No, she is not dealing with it, to the member for St. Norbert. She is not dealing with it, because we do not hear anything coming out. We do not hear her talking about these issues and what it is that she is doing. At least I have not been able to hear her in the comments that I have addressed with her or anything of that nature.

The issue I have heard that she has dealt with was the whole issue of destreaming. Mr. Speaker, I am not convinced. In fact the arguments that I have been receiving say that she is going in the wrong direction on the destreaming issue. I would ask for the minister—and I know there are a number of constituents that I represent through the Sisler-Rosser association.

In fact, there is another association that has just formed, and it is throughout the province of Manitoba—at least I believe they have both urban and rural membership on it—that is looking at the whole destreaming issue and is saying to the government, before you implement this change that you at least give us the information that you are basing this decision on before you go ahead and you do it.

This is, Mr. Speaker, not coming just from parents. This is coming from professionals, everything from the high school principals to the parents to other

interest groups from individuals who know what it is that they are talking about. The Minister of Education has not given them or provided the pros and the cons and justified why it is that she is moving in that direction. One would like to think that the Minister of Education would approach issues of that nature.

When it comes to reform of education, Mr. Speaker, the government's heart has not been in it. They talk about it. They talk about reform. The closest they have come to reform has been the bill that we have before us. That is not reform, that is a clear indication on this government being a big bully and not allowing the school trustees to fulfill their responsibilities. It disappoints me that this is the only type of real legislation that we have seen dealing with reform.

I guess, you know, they can make reference to the governance issue. Yes, they did act on the governance, but they somewhat made a mistake in that in itself, it is better, there is no doubt about it, by allowing the individual colleges to have a bit more independence through governance as opposed to the Department of Education having to run them.

What they did was they made it a bit more expensive by having three boards as opposed to one. Mr. Speaker, not only does it cost more, but what is it that they are doing? Are they saying, okay, you are going to be competing against each other? Where is this co-ordinated approach?

When we talk about the education and retraining, what you need to do, Mr. Speaker, is you have to have a plan. This government does not have a plan in many, many—

Hon. Clayton Manness (Minister of Finance): Nonsense.

Mr. Lamoureux: To the Minister of Finance, no, it is not nonsense. You really and truly do not have a plan. I have not seen a plan. Just dealing with education, you do not see a plan. Decisions are made in an ad hoc way, and you see, as I say, three boards.

Would it not be nice to have had a bill that would have seen one board established so we could have seen better communication and co-ordination coming out of the different colleges? Would it not have made it that much easier to ensure that our colleges are that much better equipped to take on the challenges? [interjection] Well, the Minister of Finance says, tell The Pas that.

I would ask the Minister of Finance (Mr. Manness), did he tell the school divisions what he was doing with this bill? Did he consult or did he indicate to other schools divisions that in fact this is what we are going to do? Did he say, yes, we got their permission and this is the reason why we do it? He is implying that if I went to The Pas and The Pas said no, we do not want one board, then the government responded to it. I should not say I, the government responded to it because The Pas did not want one board. They want to see three boards is what he is telling me.

So the school divisions, Mr. Speaker, did not want this, yet they did it. So the Minister of Finance cannot say, well, it is one college or two colleges or one community or another community that did not want the school board or did not want the boards, independent, or the three separate boards. In fact, had the minister gone against the wishes if in fact The Pas was wanting it the other way, they probably would have received less criticism than they are receiving now with what they are doing with the school divisions.

I would suggest to you, Mr. Speaker, the government needs to do a lot of soul searching and find out what it is that they want to do, even though we are two-and-a-half years into this current mandate, that they are still not too late, that there is more to governing the province of Manitoba than jumping on a pedestal and saying, we have not increased personal income taxes. Can you imagine that? Twenty-five years from now, the Premier (Mr. Filmon) of this province and the Minister of Finance (Mr. Manness) can say, the proudest moment of our governance is the fact that in five years we did not increase personal income tax. That is it.

Well, I, personally, Mr. Speaker, believe that this is not any great plan or overall scheme. One would like to think that a government would have something that it would like to be able to do to make the society that we live in a bit better.

I would suggest to you that if the government really wanted to contribute to the future generations of the province of Manitoba, that what they should do is take what I believe is the No. 1 issue facing Manitoba today and that is education, training and retraining, that if this government does not want to address that issue, Mr. Speaker, the province of Manitoba is not going to be able to compete in a fashion that will be able to see us grow for the turn of the century. It might be nice to be able to say that

we have not increased personal income tax for five consecutive budgets while at the same time not necessarily acknowledging all the offloading, as the member for St. Boniface (Mr. Gaudry) points out. The consequence of government inaction on education, on real education reform, is going to be with us for now and the turn of the century. That is really what I believe is the great tragedy of this government's lack of action, that they are not dealing—

Mr. Reg Alcock (Osborne): From a full deck.

Mr. Lamoureux: The member for Osborne says, from a full deck, but I will not be quite that mean. I will not say that.

* (1620)

Mr. Speaker, I do not believe that this government has a plan in dealing with education because we have only really seen their two pieces of legislation, one on the governance, which they made a bit of a mess of, and now this one. What are they saying? We do not have a plan and we do not want any of the school boards to have a plan.

Mr. Manness: Who said we did not have a plan?

Mr. Lamoureux: The Minister of Finance says that they do have a plan. Well, you know, Mr. Speaker, the Minister of Finance has had some rough days lately. He has been feeling that the Liberal Party has not been co-operative, and I am hoping that between now and tomorrow he will have ample opportunity to think about a plan on how he can at least save some face, maybe bring in a Main Estimates so that we can get down to business. Whether it is education or the current session that we are in, there is no plan.

How many times have we adjourned the House prior to six o'clock since we have been in? What type of agenda has the government put before us? [interjection] The Minister of Agriculture (Mr. Findlay) says, let us go into Estimates. We have to have the Main Estimates. It is not like this is the first time it has been asked. Every other Legislature in Canada and the House of Commons have had the Main Estimates, so this year they want to do it a week in advance. Next year you want to do it two months in advance, three months in advance. Let us just abandon parliamentary tradition. Who needs it? From the Minister of Agriculture, is this what he is saying? I cannot accept that. He says he cannot eat it. Well, he cannot eat tradition, the Minister of Agriculture says.

We do need democracy. We do need to follow the principles and traditions of the Legislature. The Minister of Agriculture is in government today; tomorrow he could be in opposition; and he no doubt would be the person who would be standing up where I am today if another government tried to do the same thing and be saying the very same things. Do not be like the New Democrats. I have always said you have four parties in this Chamber. You have the Conservatives, you have the Liberals, you have the NDP in opposition, and you have the NDP in government. Do not do that, Mr. Speaker. It is not right.

Well, Mr. Speaker, I digress somewhat, and I would like to try to get back to the issue at hand. It is something which again, I feel, that this government should rethink, that this is one of those bills that I feel the government should reflect on. You will have some time to reflect on it because I trust and I hope that there will be a number of people who want to speak on this bill. Before we pass this bill, there is an onus on all of us in this Chamber to realize the impact and what it is that we are actually saying to, in particular, the school trustees scattered throughout the province, all 350-plus of them, which kind of leads me into something else I want to talk about, but I will save that for another minute.

All of us should be aware of the fact that what the government is doing to the school trustees is something that we would not accept if it was done to us from the federal government. So if you believe that is the case, then the question is how can you support what the government is doing?

Another issue that I wanted to talk about again, because it is an issue dealing with, again, administration of the school divisions, the reason why I want to bring this up is that hopefully we will see another bill from the Minister of Education (Mrs. Vodrey) and, in that bill, it will deal with other concerns that are being expressed right now.

Mr. Speaker, I would ask how much time I have, because this one is going to take about 20 minutes to explain. I only have two minutes. Is there any chance I might have 20 minutes? I will make a commitment to the government; I will be easy on them and concentrate the next 20 minutes on the NDP. If I had leave, I would criticize the NDP in the next 20 minutes. Well, so much for trust.

Mr. Speaker, I would like to take the opportunity to conclude by saying that we are very disappointed

in the government and the manner in which they have decided to treat the school divisions in the province of Manitoba. We do wish that they would reconsider this particular bill and, well, at the very least give the opportunity for the different school trustees to speak with the government, to express the concerns, to allow the school trustees the ability to be able to do what it is that they were elected to do. If the government allows them to do that, then we will find that there would probably be a bit more sympathy towards the passage of this bill, because if a school trustee feels that they have to increase the property tax at 4 percent, even though I hope my school trustees do not in Winnipeg School Division No. 1, at least allow them the opportunity to make their decisions. They were elected to make those decisions. You cannot take that away from them. It is not right. It is not parliamentary.

Thank you very much, Mr. Speaker.

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, I am very pleased to rise and speak on Bill 16 because it is an education bill. I think everyone in this House knows that education is an area in which I have a long and abiding and somewhat consuming interest.

I find this bill fascinating. I would like to go through a little bit of the process by which this bill hit this floor and then to show you the kind of tactic which I think has becoming epidemic in this particular government.

You know the day that the minister wanted to introduce the bill, it had not even been on the Order Paper. She asked leave to introduce the bill. It was not on the Order Paper. One asks what kind of a plan does this government have? Do they not know when they want to bring down their bills?

* (1630)

We have been out of session since December. They had a number of months to prepare the bill. They made the announcement several weeks before we came into the Chamber. Yet they were not prepared to put it on notice the day we came back, on March 1. They had to wait and put it off for a few days. Then, having decided they were now ready to introduce it, they wanted to introduce it without notice.

They were not allowed to do that. I should think that the NDP were quite correct in not allowing them to do that. That is the way the rules of this House function. The House leader, also the Minister of

Finance (Mr. Manness), has to have an understanding that we have rules, they have rules and the rules have to be abided by.

Lo and behold, we get the introduction of the piece of legislation. It is tabled in this Chamber. I sat here that Monday all afternoon because I was convinced that the Minister of Education (Mrs. Vodrey) would rise to speak on the bill. After all, Mr. Speaker, she wanted to introduce the bill without notice, so one could hardly wait. One assumed, on the part of the minister, that she wanted to rush to her feet at the earliest possible opportunity and speak eloquently about this bill.

An Honourable Member: She did not.

Mrs. Carstairs: No, she did not. She sat here. I went over and I said to her, are you going to read Bill 16 into the record today? Are you going to introduce it for second reading? No, she was not going to.

An Honourable Member: Why would she do that now?

Mrs. Carstairs: I cannot understand that. I mean if it was so important to her that she get it on the Order Paper without any notice, why was she not prepared to speak to it? She was not, so I could not speak to it on that occasion. I had booked my time to speak to it because I knew how anxious, at least I thought I knew how anxious, she was to deal with it, but I did not get the chance to speak that time. I am delighted that I do have the opportunity to speak to it today because this is a very critical bill.

It is a critical bill not just because of what it does, which I think is very, very negative, but for what the implication is. What this government is saying is that we have a big hammer and every time that we do not get everybody to stand in line in exactly the way we want them to stand in line, we are going to use it. That is the issue of Bill 16.

I think the member for Inkster (Mr. Lamoureux) very eloquently built the case with respect to the Minister of Finance (Mr. Manness) and his reaction. If his federal counterpart was to start telling the provinces just what the limits of taxation that they were allowed to impose would be, and they could say you cannot increase personal income tax; you cannot increase your sales tax; you cannot increase your gas or fuel taxes; you cannot increase your sales tax. We, the federal government, have decreed that we are not going to allow you to increase your taxes.

I think that every member of this Chamber, no matter what their political affiliation, would stand in this House and say that is wrong. A senior level of government cannot tell a junior level of government, who is accountable to the electors who voted for them, that you cannot do that. Yet that is exactly what this government has said to school trustees.

The school trustees of this province were elected in November of 1992. That is much shorter a period of mandate in terms of their having to go to their electorate than this government has, because this government was elected in September of 1990. So in 1992 in October, and I used November because that is the day they officially took office, Mr. Speaker, they went out and they campaigned on October 28, and they said we need your mandate. Our mandate is up as school trustees. We need your mandate. The citizens said to them we have concerns about schools; we have concerns about taxation; we have concerns about quality, and they elected trustees that they thought would reflect their concerns.

There are many school trustees who have been elected from my school division that, quite frankly, I do not support philosophically. I voted for three of them. I have to say I only won one, I lost two. That is democracy, and I can live with that. But I recognize that the trustees that were elected from my area, even without my X, received the majority of the votes in my ward. So they were duly elected from Winnipeg School Division No. 1, Ward No. 1, to represent the interests of the citizens of Ward 1.

One of their rights, one of their authorities, is to set the budget for their school division. Included in setting the budget is built in the necessity of having to increase taxes or decrease taxes, depending on what your budget is. The budget set by the members of the school trustees in the city of Winnipeg is their authority and only their authority—[interjection] I find it fascinating the Minister of Consumer and Corporate Affairs (Mrs. McIntosh) obviously does not believe in the democratic process whatsoever. She does not believe in the right of members of this Chamber to stand and make a speech. I find it interesting that she is now very busy talking to her neighbour when she would not finish her criticisms, Mr. Speaker, because she knows that the democratic process in this Chamber allows every member to speak. [interjection] So stop interrupting.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please.

Mrs. Carstairs: Mr. Speaker, the school trustees throughout this province have been denied the opportunity to set budgets that they think meet the needs of their students, and they have been denied this opportunity because the Minister of Finance (Mr. Manness)—and I do not believe this came from the Minister of Education (Mrs. Vodrey)—has decreed that they will not increase their budgets by more than 2 percent.

At least, that is what it looks like on the surface. But that is not what is going to happen in this province. This piece of legislation does not say that every school division can increase taxes but only to a limit of 2 percent. What this budget says is that the special requirement cannot be increased by more than 2 percent. This actually means that some school divisions have to have budgets lower this year than they had the previous year. That is the impact of placing it upon the special requirement.

It also means that another school division, and one announced today, is actually going to increase its budget by 13 percent, and that is still within the guidelines established by this government. So where is the fairness? Where is the equity, when they say that one school division can increase by 13 percent and the other school division has to decrease, has to go below zero percent and all because the Minister of Finance decrees that he is going to take on powers and authority of school divisions which were elected after him.

I find the whole process of trying to make sense of this government very complex, and I have come to one very simple conclusion, and that is they do not have a plan, they do not know where they are going, they do not know what they want to do. They cannot even get the Main Estimates prepared, or one assumes they cannot get the Main Estimates prepared.

I am absolutely amazed at ministers of this government, quite frankly, denying themselves the opportunity to stand up for their own department in Treasury Board, because their departments have already been settled on. They have already been released, and they are still dealing, presumably, with other departments.

Now, if that is not the case, as my member for Inkster (Mr. Lamoureux) thinks, and I must admit that I somewhat agree with him, then the Main Estimates are prepared and they are ready, and if

the Main Estimates are ready and Treasury Board has done what they have always done in the past, which is to give approval to the whole Estimates before the Estimates are printed, they why cannot we have them?

Mr. Speaker, there is no plan, and in education, the tragedy is that our children will be denied the education they deserve unless there is a plan. I think that there is no question that every government in this nation is suffering from a financial crunch. There is no question about that. One does not have to look far at the deficit figures of provinces and the federal government, the far worst one being the federal government, to recognize that this nation is in financial difficulties, greater financial difficulties than other countries like New Zealand that have gone through major restructuring processes.

There are problems, but I wonder why the Minister of Finance (Mr. Manness) thinks that he and he alone is the only one who understands that. Does he not think that school trustees will feel the same kinds of pressures from their electors about increasing taxes as he will? Does he have no faith on the school division's part that they will not try and do what he is trying to do, which is to provide a level of service at the lowest possible cost that they can provide it for? Does he think they are so irresponsible to their own electors that they will not also try and run a school system as inexpensively and as creatively as they possibly can? Why does he think that he has to use such bully tactics to dictate to them what they already know their taxpayers are saying—we want some quality education, and we want to get it at the best possible value.

* (1640)

The question is, why does the Minister of Finance (Mr. Manness) think he has to dictate that to them? Does he not believe that the essence of democracy is accountability, and that means that the school trustees are accountable to their electors, and that when they set their budgets, they are not accountable to the Minister of Finance, not accountable to the Minister of Education (Mrs. Vodrey), they are accountable to those who elected them to perform the function—[interjection] It would appear that the Minister of Consumer and Corporate Affairs (Mrs. McIntosh) would like to make a speech. If she will, I think the Chamber is more than willing to listen to her when I have completed mine.

Mr. Speaker, one of the grave difficulties that is facing school divisions throughout this province is that 80-percent-plus of the costs of running a school division is staffing. Most of the school trustees were very cautious this year in the signing of their contracts with their employees, because they recognized that 80 percent of their costs are in fact in staffing.

Here was the Minister of Finance (Mr. Manness), who went out and signed contracts with the civil servants, nobody had a gun to his head, he went out and signed contracts with the civil servants at 2 percent. Looked reasonable. That is what he thought was reasonable. That is what he negotiated. That was what was signed. That is what he signed—2 percent.

Winnipeg School Division No. 1 went out and signed contracts with their teachers for 1.4 percent. It seems to me that the trustees of Winnipeg School Division No. 1 were even more tough, more hard-nosed in their negotiating skills than the Minister of Finance (Mr. Manness). They clearly showed that they could work with their teachers, that they could get their teachers to settle for a figure which is below inflation, that they could negotiate that contract in good faith with their teachers, because they could work co-operatively with them.

The Minister of Finance cannot do that. He has to come in .6 percent higher, but school trustees did it. Then, having signed this negotiated contract, having gone through some tough bargaining to do so, they then lose their authority to make budgetary decisions based on that, because the Minister of Finance (Mr. Manness), through the Minister of Education (Mrs. Vodrey), comes along and says no, thou shalt not increase taxes by more than 2 percent.

In this school division, they do not get that authority because of the special requirement provision, and so then along comes the school division and says, how do we meet our salary? How do we meet our negotiated obligation, signed, sealed and delivered, to our teachers?

They do not have an answer for that one. The province does not have an answer for how the school division is to meet that negotiated settlement which was lower than the negotiated settlement of the Finance minister and the Minister of Labour (Mr. Praznik) with MGEA. They are going to bully their

way through it anyway and say, this is the way that it is going to be done.

One has to also examine when one examines this particular figure the programs which are mandated by the Department of Education, not the school division, but by the Department of Education, which the school trustees cannot change. They do not have the authority to change it. Only the Minister of Education (Mrs. Vodrey) has that authority.

One of those particular mandated programs is the whole area of transportation, and that is a critical issue for Winnipeg School Division No. 1, because in order—the program which is critical for many school divisions and rural divisions as well as urban divisions is the increasing cost of transportation. In Winnipeg School Division No. 1's budget the cost of transportation, a mandated program by the Department of Education, increased 7.56 percent. You do not have any choice—7.56 percent.

When I took a look at the Instructional Resource line I saw that it had decreased by 1.3 percent. Now as an educator, as someone who had children within the public and the private school system—I admit that—I kind of have to shake my head and say, there has to be something wrong here. There has to be something desperately wrong about a school, an education structure taking the kids to the classroom going up and the resources instructing them once they get there going down. I cannot explain that. I cannot justify in my own mind that I am spending more money getting the kid to the front door of the school and less money teaching that same child once they arrive within that school building. There is something drastically wrong with an education system that has those kinds of priorities.

The No. 1 priority in my mind as an educator is making sure that I provide the highest level of education possible. One could say, all right, let us put that blame on the trustees that do not have their priorities quite correct, except that program is mandated by the Department of Education. The transportation budget is mandated. The way in which they deliver transportation is mandated. The increase in expenditures is mandated. Unfortunately, a lot of the costs are picked up too.

That leads me to another dilemma, because I look at the other line of the increasing budget of school divisions, and where do I see it? I see it in the education of special needs children. In Winnipeg School Division No. 1, my division, the division in

which I live, I know that the Province of Manitoba pays only 34 percent of the cost of educating a special needs student—34 percent. People in my constituency are asked to pick up the balance of that budget item. That is 66 percent of the cost of educating that special needs child within School Division No. 1. It is not picked up by the Department of Education, it is picked up by the taxpayers of Winnipeg School Division No. 1. And who mandates the special needs programming? Does Winnipeg School Division No. 1 mandate it? No. The Department of Education mandates it. Is it a good thing? Absolutely. It is a positive thing, but if the Department of Education is going to mandate it, then surely the Department of Education must provide the funding if it is going to be fair and it is going to be equitable, but they do not do that. They do mandate it, they do not fund it, and then they come along to the school division and say, sorry, you cannot increase your budget requirement under the special requirement by more than 2 percent.

* (1650)

I want to know how the school divisions are supposed to act in a responsible fashion to their electorate with those kinds of constraints, and I would suggest to you, Mr. Speaker, they cannot do it. Not if they are going to provide the kind of education program which the Minister of Education (Mrs. Vodrey) tells them they must deliver.

But that, again, is not the only problem that is facing the school divisions. One has to wonder about a minister, Mr. Speaker, who cannot send information out to the school divisions about how they can cut dollars, how they can change programs, how they can reorganize and reform their school divisions, but she can send the following letters.

Well, she sent out one letter, but actually it was the deputy minister, sent out a letter to all the employees of the Department of Education. Now this was a very critical, important letter. They have such serious matters in the Department of Education that they were able to send out a letter from John Carlyle, the Deputy Minister of Education, that told all of the Department of Education staff that they should no longer use "cc" at the bottom of their letters, and they should not use "cc" at the bottom of the letters because now everybody used computers or electronic typewriters and therefore there were no more carbon copies, so a simple "c" would be sufficient at the bottom of the letter.

Now, Mr. Speaker, this is really a critical education decision. We have time in the Department of Education to write letters about the use of "cc" versus "c," but we cannot provide them with information about mandated programs and about how they can bring about costs.

But do not let it stop there, because not only had the deputy minister got out this really exciting, critical issue in education strategy, but a week later the minister herself followed it up with an even more exciting letter, in this particular case, the Minister of Education (Mrs. Vodrey) sent out a letter saying that she preferred the staff to use two "l's" in the spelling of the word "enrollment" instead of one "l." Now again, we are dealing with an extraordinary critical issue in education. My dictionary says clearly that both can be used, but not according to the Minister of Education. She does not like to have her correspondence with only one "l" for "enrollment"; she likes to have two "l's" in "enrollment."

Well, Mr. Speaker, she is certainly at liberty to send out letters anytime she wants to, but I must admit to a certain sense of failure with the Department of Education that feels that kind of correspondence is more important than addressing the very serious issues facing education in the province of Manitoba.

So what kind of education plan do we have? Mr. Speaker, we have had only two pieces of legislation with regard to schools since this government took office in 1990. One had to deal with the so-called governance issue and the other with the so-called 2 percent solution. The 2 percent solution was supposed to ensure, one hopes in their own minds, not in mine but in their own minds, that somehow or other the taxpayers of Manitoba would get integrity from their school divisions. Why they thought they were not getting it before I do not know, but they presumably thought that.

The other issue, the issue of governance —[interjection] Mr. Speaker, apparently the member for Russell (Mr. Derkach) would also like to speak, and I will look forward to hearing his comments on this bill, particularly as I would like to address some comments upon his administration of the Department of Education.

We brought into place in the last bill that we introduced governance for community colleges. Well, I had welcomed the opportunity for a governing model for the community colleges, a

governance model I had hoped would bring the community colleges closer together, would allow them to, quite frankly, develop in new and innovative ways, because I think even the former Minister of Education would recognize, although perhaps he would not, but I think maybe he would, that the Department of Education itself has a very heavy burden of responsibility, and the community colleges did not get the time and attention that they probably should have gotten within the model, which meant that all decisions were literally made by the Department of Education. So the movement towards a governance model was to in fact give them more authority and more jurisdiction, and that was an interesting concept.

Unfortunately, what they did was they then, instead of going to a governance model which would provide for equality of representation on a single board of the three community colleges, said, no, we have to have three boards. So instead of making the bureaucracy more efficient, making the bureaucracy more responsive to the needs of the community colleges, we have now established a community college system where you are going to have three boards that are going to be in competition with one another, which are going to end up having the duplication and, in some cases, triplication of programs which could be more easily handled with one governance body for all three community colleges.

On the one hand, we have the former Minister of Education finding ways to spend more money on the so-called bureaucracy, so much on the concept of—[interjection] Well, now, I find that fascinating because out of my bad hearing ear, I can hear the former Minister of Education talking about local autonomy.

What a concept. What an issue. Local autonomy. [interjection] Yes, I sure have. Do you know what local autonomy means? Local autonomy means that the people who are elected or appointed to do a function must be held accountable. That is what local autonomy is all about. That is what the minister says he believes in. Well, then I have to say that with the greatest respect I expect the former Minister of Education to stand in his place and vote against Bill 16, because what Bill 16 does is to take away local autonomy from the school divisions. That is exactly what it does. It takes the right of the school divisions to set their own taxation level, that they in being

responsible to their taxpayers will set the rate of taxes as they feel fit in that they were duly elected by those same taxpayers in the fall of 1992.

That is what autonomy is all about. That is what the honourable Minister of Rural Development (Mr. Derkach), the former Minister of Education, says that he firmly believes in. Well, I am delighted he firmly believes in that principle. In light of his firm dedication to that principle, I will be equally delighted when he votes with the opposition parties in opposition to Bill 16, because that in fact is what he has done.

If you are interested in the concept of genuine financial reform of the school divisions, then there is indeed a simple way to do it. That simple way to do it is to start reorganizing school division boundaries. We fought an election campaign in 1990. Shortly after we in the Liberal Party announced that we were strong believers in the reorganization of school division boundaries, the Premier (Mr. Filmon), for a moment not in his canoe, made the big announcement that he, too, believed in the reorganization of school division boundaries, and that one of the first actions that his government would take would be to begin the process of the reorganization of school division boundaries.

An Honourable Member: He said that. I heard him say that.

Mrs. Carstairs: He did say that. I have the press releases. I have all of the press coverage of that particular event. I was so pleased with it because I thought finally—

Mr. Speaker: Order, please. When this matter is again before the House, the honourable member for River Heights (Mrs. Carstairs) will have eight minutes remaining.

Mrs. Carstairs: Unlimited.

Mr. Speaker: Oh, she is on unlimited time. That is right.

* (1700)

PRIVATE MEMBERS' BUSINESS

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

PROPOSED RESOLUTIONS

Res. 8—Retention of Crow Benefit

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, may I have leave to introduce this

resolution instead of the honourable member for Dauphin (Mr. Plohman)?

Mr. Speaker: Does the honourable member for Swan River have leave to introduce the resolution for the honourable member for Dauphin? [agreed]

Ms. Wowchuk: I move, seconded by the member for Interlake (Mr. Clif Evans), that

WHEREAS the federal government has engaged a consultant to find ways to eliminate the historic Crow benefit; and

WHEREAS this consultant has recommended turning the responsibility for the Crow benefit over to the provinces, with each province choosing its preferred method of payment; and

WHEREAS this move would create a patchwork of policies regulating grain transportation in western Canada; and

WHEREAS the consultant has also recommended eliminating distance related rates and substituting a cost-based system; and

WHEREAS the adoption of a cost-based system would place farmers on branchlines in an unfair position regarding shipping their grain to export markets; and

WHEREAS the consultant has further recommended lifting the protection for branchlines which were protected from abandonment until the year 2000; and

WHEREAS this will result in immediate massive abandonment of branchlines, throwing greater costs onto producers, municipalities and the provinces; and

WHEREAS the Minister of Grains and Oilseeds is allowing other countries at GATT negotiations to equate the historic Crow benefit with the European Community's Restitution Program and the American Export Enhancement Program; and

WHEREAS the federal minister is using a potential GATT agreement as an excuse to get rid of the Crow benefit.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba oppose, in the strongest possible terms, the recommendations of the consultant which include moving a cost-based grain transportation rate system; lifting of protection on branchlines; and a patchwork of rate subsidy policies across western Canada; and

BE IT FURTHER RESOLVED that this Assembly call on the federal Minister of Grains and Oilseeds

to stand up for Canada's interests regarding the Crow benefit at the GATT negotiations; and

BE IT FURTHER RESOLVED that this Assembly urge the Minister of Agriculture to consider aggressively lobbying in favour of retaining the present method of payment.

Motion presented.

Ms. Wowchuk: Mr. Speaker, since we have returned to the House, I have raised the issue of the Crow benefit with the Minister of Agriculture (Mr. Findlay) several times to no avail. We have not gotten an answer from the Minister of Agriculture on what his government's position is on this. It is a very important issue for farmers, and I would hope he would take this resolution to heart and lobby very hard to retain the payment to the railways, to retain the Crow benefit as it is.

About three years ago, the federal government launched the national agrifood policy review. One of the things that they were discussing was the handling of the transportation of the grain. They wanted that review. After a series of meetings—137 meetings were held to consult with the industry and producers on the proposal of changing the transportation system. Although the meetings were biased in the opinion of many farmers and the questions were very slanted, farmers voted and sent a message, quite a clear message, that they were opposed to the change. They wanted the method of the payment to remain as it is. The majority of people wanted the method of payment to remain as it is.

The federal government continues to pursue this, and we hear nothing from the provincial government. The federal government is proposing turning the payments over to the province. That will just create chaos, a patchwork program. What we need for transportation is a strong national program, just as we do with all agriculture programs. If we are to have a viable agriculture industry, we need strong programs, programs that are consistent throughout the provinces.

A good example of inconsistent programs is what we had with GRIP, different programs in each province; the same program, different ways of implementing, different coverages. That has caused problems. We are going to have the same thing if we have the transportation subsidies put into the hands of the provincial government. We will not have fairness.

Mr. Speaker, the most important issue facing rural communities, facing Manitobans today, is the low farm income, farm debt. The federal and provincial governments should be focusing on these things. They should not be focusing on how they can take away services from farmers.

The transportation proposal will be of little benefit to those farm families and future generations who will lose the permanent transportation benefits guaranteed to them by law. If the federal government proposal proceeds, costs of transportation will increase and will create a farm income problem that is worse than today. We are going to see additional costs picked up by the farmers.

All the changes being proposed by the federal government—if these changes go through we will not see rural Manitoba the same. There will be changes. Branchlines will be abandoned. We will see elevator consolidation very quickly. There is going to be tremendous change. There is going to be also a lot of increased costs for the grain farmers. The prediction is that we will see land prices depressed if the Crow benefit is eliminated.

We have to look at who is going to pick this up. If the costs were to be transferred from the federal government and the railways—from the federal government and onto the producers, we are going to lose railway service and we are going to see the province, municipalities having to pick up additional costs. With the way we have seen this government offload their road responsibilities onto the municipalities, you know that there is going to be a shift and more costs being picked up by farmers—shifted onto a smaller tax base. The whole road system is going to take a tremendous amount of pressure if we see a shift onto the road system and abandonment of railways.

In 1984 the government made a commitment to pay a share of the grain transportation rate forever. This is \$720 million that is presently being paid to the railways in order to keep a system of transportation to get the grain to the seaports at a reasonable cost. The current method is the only method which supports distant-related rates, ensures that railways invest in a grain transportation system and places priority on moving grain and precludes excessive profits taken by the railway.

A change will result in much higher costs. Now we hear many people say that if we have a change

in the method of payment, we are going to see diversification of the rural economy. We heard the Minister of Agriculture (Mr. Findlay) speak many times of this global economy that we are living in and that we have to change to that. Studies have concluded that the payment of the Crow benefit directly to the farmers will do little to diversify the economy.

If the Crow benefit is eliminated what we will have is the net income of farmers drop, and the offset in the livestock industry versus the grain industry will not nearly compensate the loss of the transportation industry. With the low grain prices that we have today, if the cattle industry was going to increase that much, it would be increasing as it is.

There are markets for the grain that we grow, and we have to retain that. However, what we have to have from this government and this minister is some position. Farmers have said they do not want a change in the method of payment. They want it to stay the same as it is. We hear all kinds of rumours about what is going to happen. It could go through NISA and different ways of paying this money.

* (1710)

We have to know what this government is doing. We believe that the payment should stay the same, that we have to retain the transportation system that is there. We have said that many times, but we are not hearing a message from this government.

I urge the Minister of Agriculture (Mr. Findlay) to come out and support retaining the system, but if he is not going to support it, then tell farmers what he is proposing. Is the plan to pay the money to the producers? Then how is that going to happen? He said earlier today that there is no proposal. If they are moving on a fast track to get this done before the federal government dissolves or ends their session, then it is on a fast track and there has to be a plan in place.

I believe, Mr. Speaker, that if there is this plan in place, that the minister should go to the public and once more put his plan to them and let them have a say. We should not be giving this away before we know what the benefits are. We hear about GATT, that we have to put our transportation assistance on the table because of GATT. On the other hand, we hear that the GATT negotiations are failing. Nothing is happening there.

So why are we so prepared to give things away that we do not have to? The same thing applies to

the marketing boards. Why are we prepared to give these away, say that they have to be negotiated? Let us look at what we have here, and if there is going to be change, tell the farmers what the benefit is to them.

The majority of Manitoba farmers do not want to change. They said that at meetings, and I would hope that the Minister of Agriculture (Mr. Findlay) would take that to heart and stand up and either state very clearly yes or no. Are you going to stand up for the farmers and retain the Crow benefit, a benefit that has been in place for years?

I think that it is very important that farmers have a chance to have an input. We hear that there is a possibility of this package being pushed through by the federal government, enabling legislation, and then there will be regulations brought in on how it is going to be handled. In fairness to the farmers, I think it would be fair that when we have this package that I get the impression that the minister is supporting, that the farmers have a chance to have input into it.

Again, we hear many times and I have heard the minister saying we have to change with the global economy. I do not know why he keeps taking that line when I think what we have to look at is what is it that we have here, and why are we so prepared to give it up, to just put something on the table when studies tell us that these changes are not going to be that great a benefit.

As I say, Mr. Speaker, we have to look at what this is going to do to the rural communities. I think that we will see a whole change in the dynamics of rural Manitoba. When railway lines are abandoned, people will not be able to ship out their grain. If the railways are not there, we are also going to see all of this transferred onto the municipalities, these roads that will not be able to maintain the amount of traffic, but this government is on a track to deregulate.

Earlier, I also mentioned to the minister about what has happened in the Dakotas, where they had the deregulation of the railway lines, and we see what has happened in those areas, that there have been branchline abandonments. When they were promised that they would have a reduction in costs, the costs stayed down for a short time. In reality, now the transportation costs are higher than they were before. I see the minister shaking his head on that, and I ask him if he would look at that.

I have listened, and I wonder whether the minister has any facts to substantiate that, whether he has looked at the results of the changes that have taken place in the States, where farmers have been the losers from the deregulation. That is exactly what is going to happen here. [interjection] The minister says that we stood up for the U.S. today. I think that what we are doing here is trying to stand up for farmers. We see that under what has happened in the U.S.; it is the corporations that have ended up making the money. That is what is going to happen here.

It appears that it is not the small farmer that matters to this minister. The small farmer is at the bottom of the pole and really not important. It is the corporate sector that is really important. Again, we urge the minister to look seriously at this resolution and take very serious consideration on what the implications of making the change to the transportation assistance payment is going to mean. This is a historical benefit that has been put in place for the farming community, for the grain industry.

The minister should look very carefully at what this will do to weaken the grain industry and listen to what farmers are saying and take a strong stand as he should have after the public meetings that were held last time. When the farmers said they were opposed to this, he should have taken a strong stand, and he has not taken that stand yet. I urge him to tell us what he is supporting, what the proposals are. Let us know and let farmers know about what is going on and after he listens to the farmers take a strong stand and fight for a support that has been there for a long time and that the farmers are asking him to support.

Thank you, Mr. Speaker.

Hon. Glen Findlay (Minister of Agriculture): Mr. Speaker, I listened with great interest to the member for Swan River (Ms. Wowchuk) talking about this issue. I may be a little disappointed that I could have heard that speech 20 years ago, 40 years ago, 60 years ago. Nothing has changed. I would have to remind the member that if she just looks around in agriculture in Manitoba or western Canada, there have been dramatic changes. [interjection] Well, we now have an instant expert over there who uses a cape to fly around on once in a while.

Mr. Speaker, I would like to remind—[interjection] Yeah, he pulls up to the table every day. He does not know where it came from. I would like to remind

the member for Swan River (Ms. Wowchuk) that the Crow benefit came in in 1887, and the Crow benefit was set up to promote the economic development of western Canada.

Now, economic development in western Canada back in the 1800s was exporting wheat. In 1876, the first 800 bushels of Red Fife wheat was exported from the Red River-Assiniboine junction in this province, and we started exporting to the world. From that point on, for over a hundred years, we have had a tremendous reputation of quality of wheat and selling it to over a hundred countries of the world.

But, Mr. Speaker, I want to remind that member that we would not have farms in rural Manitoba today if we were only exporting wheat. We now export over 60 crops all over the world. Every crop that we export, we have a reputation of high quality. We have done the research, the breeding. Farmers have learned the technology, and we export it all over the world.

We also export over 20 livestock commodities. [interjection] That member is not the least bit interested in agriculture. He is always on a political agenda. He is not interested in what makes the economy of this province tick, what pays the bills for the social programs that he thinks are so important. How does he expect to pay for them if we do not have a healthy economic sector in this province?

* (1720)

But let us carry on. Back in 1887, this whole process started. Agriculture has evolved tremendously, and to their credit, they have responded to what consumers wanted in this country, in the world. We have continued to produce it very efficiently, very competitively with other people in the world, and the economic system works. Let us face it. There is no other system.

I mean, I was in Russia last year, and I was told by a person who was a very senior member of the Communist Party, who loved the way things were, but he said, we had to wake up. It failed; it utterly failed. We fooled the world for 50 or 60 years and our own people for 73 years, but it utterly failed.

You know, there is only one government in the world, he told me. This is a person of about your age. He told me there is only one government in the world. I am sure you would not have a clue what it is—international marketplace—only one government in the world, and everybody else tinkering around

the edges. Ultimately, that is where value is set. Everybody who is buying always buys the lowest price and the highest quality. If you do not use those principles, you do not survive. A whole country of 250 million people learned it the very, very hard way. Throughout the world, the whole principle that you can manage and make everything work good by government is a total joke.

That member stands up here and says we have to manage everything because it is the same today as it was in 1887. That is what she is saying. She went through all her discussion—she did not say that we should retain the benefit for the support of farmers. She did not say we should retain it to support rural Manitoba. She talked about the railroads, the railroads, the railroads. Yes, the railroads were important for the development of western Canada, but also we have developed the production of so many other commodities that do not use that money anymore.

In fact, Saskatchewan is a good example of a province that has recognized that the way the present utilization of that money is done in western Canada or in Saskatchewan creates a distortion to the livestock industry. So the federal money comes into Saskatchewan to support the export of raw grain, and the Saskatchewan government is now paying the livestock producers a subsidy to offset the negative impact of the Crow. Now how bizarre can we be? I mean, it does not make any sense. At a point in time when you have a province like Saskatchewan with a \$15 billion deficit and a country with a deficit of \$660 billion, we are going to use government money to offset another subsidy? [interjection]

I would like to remind the member for Kildonan (Mr. Chomiak) in case he cannot think this through, I think Roy Romanow has been the Premier of Saskatchewan now for about two years. He is an NDPer, and he is the one who brought in the policy I just talked about. If he does not believe me, watch carefully what happens tomorrow in Saskatchewan. Watch very carefully. The legacy of debt—

An Honourable Member: In Manitoba it is the legacy of the NDP.

Mr. Findlay: The legacy of the NDP. I mean, it is bizarre. We have an industry that has evolved in spite of these distortions, and the money that was used in western Canada, the Crow benefit, did a remarkable job of helping us develop. There is no question. It reduced the transportation costs for

many years. But I ask the member for Swan River (Ms. Wowchuk) to please think this through. I mean, how are we going to develop rural Manitoba? By sending raw product out of here?

If we are exporting wheat all over the world, so somebody else can have the value-added job of processing it, I do not think that is good.

We have many communities now that are searching. They have set up economic development committees to try to find things they can do in their community to create jobs. Well, the best thing they could do is to use the commodities they produce on the land around their towns and process it. Process it into flour, or durum into pasta—that is the word, thank you—or livestock products, process them.

But the member stands up and says, let us spend the money, give the money to the railroads so that we can haul the raw product out of here, and to heck with developing rural Manitoba. You know, rural Manitoba has developed in spite of that member and in spite of that process. The money is there.

The money is shrinking because when the NDP was in power in this province they allowed the federal government—I am sorry, under a Liberal government—to bring in the WGT Act in 1983 which set in motion the destruction of the value—

An Honourable Member: You should be sorry for saying that.

Mr. Findlay: I have to tell the truth. Ever since then farmers pay the first 6 percent of inflation, so that is eroding the value of that benefit. It was capped at 31.5 million tonnes so that farmers had to pay all the cost over that. Before that the Crow benefit paid for all the transportation, it paid for all the inflation.

That NDP government sat over here in 1983 and allowed that to happen. Ever since then the buying power, the Crow benefit has been depreciating very, very rapidly.

That member, he was out there campaigning, fundraising for the NDP while they were in here destroying agriculture of rural Manitoba.

Another fact I would like the member to be very carefully aware of. You know, we sit a long way from salt water here. The cost at the farm gate for transportation has doubled since 1983, and many farmers are responding by trying to find better markets. We have gone from 14 percent of our agriculture commodities going into the United States five years ago to about 35 percent today.

Technically, I will remind the member that if it goes south in the truck or south in the train it does not attract a dollar of support under the Crow benefit. Now the member is really saying that Manitoba farmers now should not have access to the Crow benefit because our commodities and our grain commodities are going south, Mr. Speaker.

I would ask the member to very carefully talk to farmers and look at where we are in terms of agriculture, what we produce, where we are exporting and how we should be making sure that all farmers are treated relatively equally in terms of the use of public money to promote production in this province for local consumption or for export.

Mr. Speaker, in the process of trying to determine what is best for Manitoba—that is really the critical question—I set up a ministry's advisory council almost five years ago. Representatives were Manitoba Pool, UGG, Union of Manitoba Municipalities, University of Manitoba and farmers analyzing the impact of what is happening with that money. Everybody wants to use it as efficiently as possible.

I asked the member—she says it will keep transportation costs down if we pay it to the railroads. Well, I would like her to explain to me how that is true. When the railroads are transporting potash or sulphur or coal, is the money paid from the government to the railroads? No, it is paid by the people who are having the commodity transported. Have prices gone out of line? No, they have not.

The problem is, that member does not trust Manitoba farmers. She does not have confidence in Manitoba farmers. She does not want to see farmers grow other crops. She does not want to see them produce livestock. She does not want to see diversification of value-added industries develop in this province.

An Honourable Member: Wrong, wrong, wrong.

Mr. Findlay: The member for Kildonan (Mr. Chomiak) is getting rather agitated over there. After I move an amendment, I would like him to stand up and talk.

Mr. Speaker, how much more time do I have left, please? Four minutes.

This is a very sensitive issue. It is a very delicate issue. I know that it has been NDP policy for a long time to object to any change.

I have to tell the member for Swan River (Ms. Wowchuk), the global economy is around us and about us. We have done exceedingly well, historically, in the global economy. We will always have to be selling into the global economy. The United States is part of that global economy. The Pacific Rim is part of it. Europe is part of it.

I want her to look at how we can most effectively use that money to be sure we do not hurt farmers in terms of trying to access markets. Maybe the present process will be the best way in the future, but please let us look at it, look at the changes in the industry, look at what Saskatchewan has done to offset the negative impact of the livestock industry.

Mr. Speaker, I would like to move, seconded by the member for Turtle Mountain (Mr. Rose),

THAT Resolution 8 be amended by deleting all words following the first "WHEREAS" and replacing them with the following:

WHEREAS the Crow benefit was established in 1887 to promote the economic development of western Canada; and

WHEREAS the Western Grain Transportation Act (WGTA), which was passed in 1983, was in response to the losses experienced by the railways and their resulting lack of investment in grain cars or track improvements; and

WHEREAS the international trade environment has changed dramatically over the last few years; and

WHEREAS producers have seen transportation and handling costs rise over the years; and

WHEREAS the reduction of the overall costs of the transporting and handling grain from the farm to port is an important factor in maintaining and enhancing the competitiveness of Canadian farmers; and

WHEREAS diversification and value-added activities would reduce our dependence on world grain markets and create employment opportunities in the Manitoba economy; and

WHEREAS it is incumbent upon all levels of government to ensure tax dollars are delivered in the most beneficial and effective way possible; and

WHEREAS interested stakeholders have been consulted by the federal government throughout its agricultural policy review

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba encourage the

federal government to adopt a grain transportation policy which will ensure that the farmers and rural communities in Manitoba can remain viable in the face of a rapidly changing trade environment.

Thank you very much.

Motion presented.

Mr. Speaker: The honourable minister's amendment is in order.

* (1730)

Mr. Neil Gaudry (St. Boniface): Oui, M. le Président.

Mr. Speaker, it gives me pleasure to rise on this resolution here that was put forth by the NDP.

I am always a little bit leery when I see a resolution from the NDP because, when they go out in the community, you see them fearmongering. That is my problem with them.

The Minister of Agriculture (Mr. Findlay) a few minutes ago here discussed the party that did that before the Conservatives. I will not mention any names. I am more or less in agreement with what he says, because we are here to work for the farmers of Manitoba.

I think we all have an interest, because the farmers of Manitoba are the backbone of Manitoba, and we know that. If there were no farmers, what would we do? [interjection] The member for Lakeside (Mr. Enns), I would not repeat what he said, because he has my family out in his area, and they are good Liberals. Do not forget that. [interjection] I am not so sure about that. It is just that he comes out with a great popularity vote when he is elected. I guess he has looked after his constituency and the farmers in the area. I know he has dealt with my brothers. They have traded cattle and so forth.

An Honourable Member: He is just an old horse trader.

Mr. Gaudry: No, he is not a horse trader. He is a fine man. [interjection] The member for Riel (Mr. Ducharme) just said that he is going to be a senator. I wish him well. I am sure he would be a good senator. He has been a good member in the Legislature.

Mr. Speaker, I look at the resolution, I have to be careful here what I will say, but as I say, I will speak on behalf of the Manitoba farmers. [interjection] Very well, because he is a human being, a very nice person. As I say, I am never negative in that regard.

I do not mind attacking the parties, but I have never attacked a person. [interjection] No, no, the member for St. Norbert (Mr. Laurendeau) is okay also.

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

Mr. Acting Speaker, let us be serious, as I say, the resolution has been presented by the NDP. They have concerns and they have expressed them in some of the WHEREASes they have put out here in this resolution and in their THEREFORE BE IT RESOLVED. It is the same thing, but the minister has amended the resolution. Of course, we expected that because I put out a resolution for seniors the other day and the Minister responsible for Seniors (Mr. Ducharme) amended the resolution.

What I do not like when they amend a resolution is the fact they congratulate the government then. The government cannot be always congratulated. I think I do a fair job of congratulating them. I think I have a good relationship with the Minister of Agriculture (Mr. Findlay). He has offered his information at all times, and I feel very comfortable talking to his staff.

As I say, a resolution like this that is in the interest of the Manitoba farmer, the grain farmers, the cattle producers—and I speak to many farmers. I have met many groups and it is always to help them out. I always indicate when I meet with them it is to work together with the government. If there is need to criticize the government, it will be done but—[interjection] the member for Arthur-Virden (Mr. Downey) mentioned that I have been co-operating in the last few days. I guess he wishes I would cross the floor, but I would never do that because I am proud of the Liberal Party and proud to be a member.

Mr. Acting Speaker, I know time is short and there are other members in the Legislature who would like to put comments on this resolution. I know it will never pass because of the fact that it will go to the bottom of the Order Paper. Sometimes you would like to see some of these resolutions adopted.

An Honourable Member: Maybe there will be a vote on this one.

Mr. Gaudry: Do you want me to put a vote through so that maybe we can—[interjection] Okay, but I would like to give a chance to other members of the Legislature to put their comments on this in regard to helping the farmers. There are many concerns out in farming communities—transportation and other things. The farmers want to retain the benefit, and we want to do the same thing for the farmers as

a whole and for the country of Canada, but especially in western Canada.

Mr. Acting Speaker, in concluding, I would like to say that I would like to see some of these resolutions sometimes pass to the benefit of Manitobans. Therefore, I will conclude and let somebody else make comments. I know there are a few because it will be the last time we will speak on this because it will not pass. I know that.

Thank you very much, Mr. Acting Speaker.

The Acting Speaker (Mr. Laurendeau): Is the House ready for the question?

Mr. Jack Penner (Emerson): Mr. Acting Speaker, at times such as this when we can debate an issue that is as important as the transportation of grains out of our province into export position, one should I suppose always accept, and I certainly accept this challenge to address and put on the record some of my thoughts on the Crow benefit and the whole transportation system in general.

* (1740)

I find this whole issue interesting and challenging, because it is something that has been with us ever since we opened up western Canada. The Crow rate was not established to be a great benefit to the farm community. The Crow rate was initially established to ensure that the railways would in fact have enough revenue to support the building of a railway across the mountains and through the Crow Pass to the west coast. So the rates that were established were set in respect of the amount of money that was needed to support the transportation of goods out of western Canada especially.

Secondly, it was important for the security of the nation as a whole that we open up western Canada to be able to support the population expansion in eastern Canada and that we had a transportation system from east to west that would allow the raw goods to be transported into eastern Canada for processing into edible foods. That worked well. It worked very well until the population explosion of the early '20s in western Canada when we really started to open up the West. That is really, in my view, when the Crow rate should have ended.

Ten years after the railways were built, we should have ended the Crow rate. If we had done that and if we would have stood fast as politicians, and it was really political decisions that prevented the transfer of the processing sector and manufacturing into western Canada to follow the masses that migrated

into western Canada. It was largely the rates established and the transportation system that had been established which kept western Canadian agriculture relatively pure and separated from the processing sector.

We allowed and encouraged the establishment of cheaper and cheaper rates by government supports into eastern Canada to support the growing livestock industry in eastern Canada, whether it was in Quebec or Ontario and even further east because we established a rate that was called the at-an-east rate, and we put some \$40 million annually to ensure that we could ship feed grain from the Thunder Bay port all the way to the East Coast, again, to support the livestock industry in those eastern provinces.

We had feed boards established. We had eastern freight rates established and assistance programs established. We had the at-an-east program established. We had the Crow benefit established, and we had the feed grain subsidies established. The reason it was done, Mr. Acting Speaker, the reason all these programs were put in place was not to the benefit of the western livestock producer or the western grain producer. It was done under the auspices of very often getting rid of surpluses which periodically were generated, but largely because we never concentrated on moving any of that grain south.

Our whole mentality was east-west. We built export terminals in Vancouver. We built them in Thunder Bay. We built them at Baie-Comeau. We supported, of course, those which are now sometimes called white elephants, but the infrastructure that was developed in those areas, automatically we supported them and, by government policy, directed the grain into those areas. Had we ever stopped and said, let us attract some of that industry—and we could have done it—out of eastern Canada into western Canada, we could have done it by simply saying, no, we will not put in place any more of these support mechanisms; we will let the industries migrate to where the raw product is, but we did not do that.

So here we are today, again, as we historically have done, as the socialists under the CCF, initially, way back—I mean, Tommy Douglas, and who was the person who established the CCF? I mean the CCF largely came to prominence in western Canada because of the downturn of the grains prices and transportation policies. They convinced the federal government, which, of course, was at

that time, I believe, Liberal in Ottawa, to maintain and enhance the support mechanisms which we now call the Crow benefit. All we did was keep on promoting the same mentality that the West grew up with, and that was simply to grow it, to box it and ship it.

I think the time and history have come when we must recognize that we have a tremendous market just to the south of us, whether it is the American market or even a bit farther south, the Mexican market, and even if we want to travel a bit farther south than that, and that is the Latin American market and the South American market, all within the American continents.

We sit here and we fear the competition, yet our producers will tell you, our farmers will tell you, that they are probably the most productive in the world, probably the best in the world, and they want to—those producers want to open the borders and compete with their southern neighbours. Our producers have said time and time again, when I was involved in the agricultural organization, open the borders, give us a level playing field, and we will compete. They said it in Swan River. They said it time and again in Swan River. They have said it all over this province. They said it all over western Canada. That is why Canada was so intent on becoming involved in the GATT negotiations. That is why we put a huge effort nationally into resolving the trade disputes that have plagued this country, especially the farm community, for the last decade.

We must come to some agreement in the world to do away with these support programs, to do away with, if you want to call it the Crow benefit, call it the Crow benefit, but move into a productive, competitive marketplace. It will not come easy.

Should the Crow benefit remain in the interim? Well, let us look at it. Three years ago, four years ago, we were shipping grain off our farm. We were paying 10 cents a bushel, and just do these calculations, from my farm to the elevator. We were paying 21 cents a bushel elevation and transportation from the elevator to Thunder Bay. So that is 31 cents a bushel, remembering that the Crow benefit cut into that. That was Crow supported. So that is 31 cents a bushel from farm gate to marketplace, to first port.

Now, if I hired somebody to haul my grain roughly that same distance to Minneapolis, I could hire a trucker four years ago at 25 cents a bushel from my

farm to Minneapolis. There was no Crow benefit there. There was no nothing there.

* (1750)

CSP Foods, which is now Canamera Foods, tried to negotiate with our railways a government-supported rate, by the way, to ship oil and meal to Thunder Bay into first export position. They could not make a satisfactory deal and went to the American railways, trucked their oil and meal to Cavalier, North Dakota, put it in a rail car on the American side and shipped their commodities cheaper, under a full-rate competitive system, than we could under a minimum compensatory rate in Canada.

I ask you: Where does this \$750 million go? Is it to the benefit of the farm community, or is it simply a total waste? Are we paying the railways \$750 million, for what? To be noncompetitive, to put in place a transportation system that simply is not adequate anymore?

That is the issue we are dealing with, and that is the issue that all governments must address, Mr. Acting Speaker. That is why governments traditionally in this province, in Saskatchewan and all other provinces are running huge deficits, because they failed to deal with the real issues.

I say to the member for Swan River (Ms. Wowchuk) that unless we come to terms with reality, whether it be in transportation or whether it be in medicare, whether it be in education or any other issues, or whether it simply is government delivering services to people, we must face the fact that we must become competitive or we will not be in business. We will not have generated enough revenue to pay the taxes to support the system.

So, therefore, I propose to you that the resolution or that the amendment that the minister has put before you is a realistic amendment, reflecting the realities of the day. This is not old-think; this is new-think. This is a new generation of agricultural people dealing in a competitive manner in the marketplace, and therefore, Mr. Acting Speaker, I propose to you that we should support the amendment to this resolution. We must negotiate, debate and discuss on how to add some real economics to our transportation system, and whether you call it the Crow benefit or whether you call it something entirely different, we must force those railways to be competitive.

I say to the honourable member for Swan River (Ms. Wowchuk)—and I believe she is listening to the half dozen or so NDP-supported farmers unionists in the valley. She is listening to them, and they are simply spouting the old policy line which is, in my view, 50 years old.

I would suggest that she listen to the real farmers in her valley, as well as the rest of rural Manitoba, and you will hear them say that they want to be competitive, that they want a competitive transportation system in place. They want competitive governments and they want to proceed to make a living, and what they really want is to get government out of their hair, and I propose to you that we support this amendment to this resolution.

Mr. Reg Alcock (Osborne): Mr. Acting Speaker, I will leave enough time for the House to entertain the question if they would like, but I do want to say a couple of things, because in a Chamber where at times, a good portion of the time, the debate produces considerably more heat than information, I have enjoyed this.

I have thoroughly enjoyed what I have sat and listened to. I listened carefully to the Minister of Agriculture (Mr. Findlay), the member for Emerson (Mr. Penner), the member for St. Boniface (Mr. Gaudry) and the member for Swan River (Ms. Wowchuk), frankly, and I want to say this is a complex—I mean, anybody who has grown up in western Canada has heard about the Crow rate, whether they understand what it is or not, and if you function politically, you have had the spectre of this thing hanging over you. So I found the presentations to be both informative and enlightening.

I do want to say that I am quite prepared to support the amendment to this resolution, because I think the Minister of Agriculture made some very, very important points about the economic development of this part of the country.

But I do want to sound two cautionary notes. He referenced international markets when he spoke, and I hear the talk of markets coming out of the government a lot, as you tend to hear from certain segments of the community, as though somehow a market is all-powerful and that it exists somehow separate from human experience.

Now, it is true that a free and open market is the best mechanism, as the minister himself suggested, for setting the lowest price for the highest quality good, and also the allocation and distribution of

goods are pretty efficiently handled by markets. That is a fact, but it is wrong to think of markets as being separate from human control or interventions. Markets are the creation of people. People in some form or another create them and regulate them. So what we are talking about is not the absence of the involvement of governments, it is the kind of involvement by governments and the degree of involvement.

I think what we have learned over these last few decades is that government is getting more involved. Governments simply have not acquired the skill or the understanding or the knowledge to intervene intelligently. For my friends on my right, although I suspect on my left in other ways, I would like to deal with one issue that they keep raising in this House, and it is the question of regulation. They speak about this—it seems as if it is either no regulation or complete regulation and, obviously, that is nonsensical. The truth lies somewhere on a continuation between those two things.

The thing that we have not learned it seems—I think both the members from the governing side who spoke pointed out very clearly some of the flaws in our attempts to intervene in these markets, where they were helpful in the beginning. They were very helpful in meeting a public good, which was the establishment of railways and eventually the establishment of branchlines. That created a discernible public good, but we did not step back from it. We did not step back from it quickly enough.

So I think as the House has appeared to want an opportunity to vote on this, I will sit down in time to allow it to come to a vote, but I do want to return to this question of what a market really is and how we intervene and ask the government to step back from the sense that you cannot intervene, because I think that is somewhat misguided.

Thank you.

Ms. Wowchuk: I hear the member for Osborne indicating that he is willing to allow us to go to a vote, but I would like to make a few comments about the amendment that the minister has made and also a few comments to the member for Emerson (Mr. Penner).

Mr. Acting Speaker, I guess the one thing that the member said, that all of this province is in grave financial problems, he seems to want to blame all of these problems on this method of payment and other government supports. He has to admit that many of the problems that this government is facing right now with its deficits are things that they have done, the policies of this government. They are the ones who have created this great deficit that we have in this province, and he is trying to imply that it is because of the transportation assistance that that is why we have a problem with a deficit. This government is not addressing many of the concerns.

Mr. Acting Speaker, I am disappointed that the government would choose to amend a resolution to such an extent when we had put forward a concern that we had. Just looking at some of the comments that the minister made I believe about the livestock industry that the livestock industry is going to grow so tremendously in this province if we change—we had processing here in Manitoba. We had different plants that have closed down under this system of government.

He talks about value-added jobs. Why was there not the support for the beef production, for the livestock industry from this government? There was a program in place, a feed assistance program. This government cancelled it. But the whole processing industry could have been retained here in this province, and we should have a process.

I do not know where the minister gets off saying that we do not believe in diversification. I think we do have to have the value-added jobs in rural Manitoba.

The Acting Speaker (Mr. Laurendeau): Order, please. The hour being 6 p.m., the member for Swan River (Ms. Wowchuk) will have 12 minutes remaining when this matter is again before the House.

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, March 17, 1993

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