



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

---

**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

---

42 Elizabeth II

---

*Published under the  
authority of  
The Honourable Denis C. Rocan  
Speaker*



**VOL. XLII No. 85 - 10 a.m., FRIDAY, JUNE 18, 1993**

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

**Members, Constituencies and Political Affiliation**

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHOMIAK, Dave	Kildonan	NDP
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, 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
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
ORCHARD, Donald, Hon.	Pembina	PC
PALLISTER, Brian	Portage la Prairie	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary, Hon.	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	NDP
WOWCHUK, Rosann	Swan River	NDP
<i>Vacant</i>	Rossmere	
<i>Vacant</i>	Rupertsland	
<i>Vacant</i>	The Maples	

## LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, June 18, 1993

The House met at 10 a.m.

Motion agreed to.

### PRAYERS

#### ROUTINE PROCEEDINGS

#### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

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

I move, seconded by the honourable member for La Verendrye (Mr. Sveinson), that the report of the committee be received.

Motion agreed to.

**Mr. Jack Relmer (Chairperson of the Standing Committee on Public Utilities and Natural Resources):** Mr. Speaker, I beg to present the Fifth Report of the Committee on Public Utilities and Natural Resources.

**Mr. Clerk (William Remnant):** Mr. Speaker, your Standing Committee on Public Utilities and Natural Resources presents the following as its Fifth Report.

Your committee met on Wednesday, June 16, 1993, at 7 p.m. in Room 255 of the Legislative Building to consider the Annual Report of the Manitoba Hazardous Waste Management Corporation for the year ended December 31, 1992.

Mr. Donald Vernon, Chairperson, provided such information as was requested with respect to the Annual Report and business of the Manitoba Hazardous Waste Management Corporation.

Your committee has considered the Annual Report of the Manitoba Hazardous Waste Management Corporation for the year ended December 31, 1992, and has adopted the same as presented.

All of which is respectfully submitted.

**Mr. Relmer:** I move, seconded by the honourable member for St. Norbert (Mr. Laurendeau), that the report of the committee be received.

### MINISTERIAL STATEMENTS

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I have a ministerial statement.

On April 28 of this year, I announced that, due to the enormous success of Manitoba HydroBonds and the continued desire of Manitobans to invest in their province, the first issue of Manitoba Builder Bonds would go on sale May 25.

It gives me great pleasure to rise in the House today to announce that over 22,000 Manitobans have purchased a total of \$340 million of Manitoba Builder Bonds.

Proceeds from the sale will provide a local source of funds to keep Manitoba growing and build Manitoba's future.

Mr. Speaker, I would like to extend my gratitude to the people of our province who have shown pride and confidence in Manitoba by investing in Manitoba Builder Bonds.

Thank you.

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, the total sum of money invested by Manitobans is indeed positive. I will have to evaluate the interest rate policies of the government for those bonds in terms of a benefit to Manitoba.

We would congratulate the government in their so-called Builder Bonds, raising \$340 million, which, Mr. Speaker, will almost cover one-third of the debt of \$862 million that they ran up last year, a record debt in Manitoba.

This will help deal with their lack of revenues because of the declining economy, the declining job situation in Manitoba and the declining situation under the Conservatives.

It will cover almost one-third of the deficit of the Filmon government from last year. Congratulations.

**Mr. Reg Alcock (Osborne):** Mr. Speaker, I feel that I should rise and congratulate the Minister of Finance (Mr. Manness). He has proved beyond

the shadow of a doubt when you pay commissions above the market level and you pay an interest rate above market, that you can sell a lot of bonds. I think it is helpful to have that proved one more time. However, I think what this does show is that the people of Manitoba are prepared to invest in this province. Perhaps now the Minister of Finance will begin to invest in this province and get people back to work.

\* (1005)

### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, may I direct the attention of honourable members to the loge to my left, where we have with us this morning Madame Huguette Boucher-Bacon, who is a member of the Quebec National Assembly.

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

Also with us this morning, we have from the Sir William Osler School 23 English language students under the direction of Ms. Frances Molaro and Ms. Kathy Angst. This school is located in the constituency of the honourable member for River Heights (Mrs. Carstairs).

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

## ORAL QUESTION PERIOD

### Video Lottery Terminals Social Costs

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

Mr. Speaker, we have been asking for some time now on the social and economic impact of the massive expansion of gambling under the Filmon administration over the last couple of years. [interjection] Well, VLTs is a unique Filmon project in Manitoba.

Last week, I asked the Premier about the situation, and since then, it has been reported to us that some \$10 million has been raised in profits from VLTs for rural hotels. The Premier could not indicate to us last week the social costs of that.

Could the Premier indicate today what the social impact has been of the \$10 million in profits that have gone to hotels in the massive expansion of VLTs in rural Manitoba?

**Hon. Bonnie Mitchelson (Minister charged with the administration of The Manitoba Lotteries Foundation Act):** Mr. Speaker, yes, in committee yesterday morning, we discussed the issue of the amount of money that had been generated by video lottery terminals in rural Manitoba. Indeed, since the inception of the program, rural Manitoba hotels have had an influx, I suppose, of \$10 million over the period of time when VLTs were first introduced until December 31 of 1992.

Mr. Speaker, we do know that there were many rural hotels that were on the verge of closing. As a result of the video lottery program, I believe most hotels have hired additional people, so that has created jobs in rural Manitoba. There are many hotels that have undertaken upgrading and refitting, rehabilitation of their facilities. One should not forget the hotels are also paying income tax on that money that has been generated.

\* (1010)

**Mr. Doer:** Mr. Speaker, I would again go back to the Premier (Mr. Filmon).

Last week, I raised the issue on the general side of the social impact, the fact the government had not studied the social impact of their expansion policies, unilateral policies, and the Premier said the situation was hypothetical. I want to give the Premier a real example of what is going on with this government's policies.

We have learned this week that the milk program that was sponsored by the legion in Churchill has been cancelled from kindergarten to Grade 6 at the Duke of Marlborough School, because this money that was coming from the legions out of their profits is no longer available. In fact, the legion in that community is losing money.

Is this the impact of the government's policies and their expansion changes? Are these the kinds of things the Premier evaluated? What is he going to say to the children who relied on milk from the legions?

This is not a hypothetical question. I am sure the Premier (Mr. Filmon) can answer this. I am sure he studied it ahead of time. What is the impact of these changes, Mr. Speaker, in terms of those children from kindergarten to Grade 6?

**Mrs. Mitchelson:** Mr. Speaker, we do know that gross bingo revenues throughout rural Manitoba have increased some 6.3 percent over the last year. We also know that break-open ticket sales

have declined in rural Manitoba, and the announcement that was made just a couple of weeks ago put \$540,000 back into rural and remote Manitoba as a result of an initiative we undertook.

We do know the communities' organizations lost \$440,000. We put back into rural Manitoba, into those nonprofit organizations, including the legions and the veterans' clubs, some \$540,000. So that is more than what they lost as a result of declining break-open tickets.

### Video Lottery Terminals Social Costs

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, the Premier, who has been in charge of this massive expansion, this massive expansion without public hearings, without any social impact studies, without any economic impact studies in terms of the jobs that are going to be lost, cannot answer any questions.

Mr. Speaker, what will the Premier advise the families and children of Churchill, which is just one example of many where support programs have been cancelled by nonprofit organizations, like the milk program in Churchill, at the same time rural hotels are making \$10 million?

What answer does he have for those children who required the nutritional support of the legion, that milk program, in Churchill from kindergarten to Grade 6?

**Hon. Gary Filmon (Premier):** Mr. Speaker, the expansion of Lotteries in Manitoba has taken place under the very able guidance of the Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson).

Mr. Speaker, I might tell you that the formation of the casino in Winnipeg, done by the NDP government at the Winnipeg Convention Centre, was done without public hearings, was done without any study or analysis of social cost. It was done without any of that which he is asking for today.

So it is hypocritical of the member to ask this kind of—but I know it is typical. It is typical because that is what he does all the time. He did not listen to the answer from the Minister of Culture, Heritage and Citizenship, and that is—

**An Honourable Member:** Tell those kids in Churchill. It is happening in every community in Manitoba.

**Mr. Filmon:** Please, Mr. Speaker, I would ask the member to be polite enough to listen to the answer. He did not listen to the answer from the Minister responsible for Lotteries. That is why he keeps having to repeat the question.

She has told him very clearly that the Lotteries Foundation is putting more money back to those nonprofit organizations, by \$100,000, more money back to the legions and nonprofits than they have been losing as a result of the VLTs, Mr. Speaker.

So the money is there. It is their choice as to how they are going to distribute it.

**Mr. Doer:** Mr. Speaker, I would like to ask the Premier a very simple question.

The legion in Churchill is now losing money compared to previous years. It can no longer support the milk program at Churchill.

Did the Premier take this into consideration when they expanded VLTs under their administration in 1991? How will he deal with the problem or the reality that milk for kids from kindergarten to Grade 6 has been cancelled for next year?

**Mr. Filmon:** Mr. Speaker, the member opposite will not hear.

Because of the program of the Lotteries Foundation, more money is being given back to the legions, \$100,000 more than they have been losing by virtue of the lack of selling of break-open tickets. So they do have the money. It is a question of where they put it.

\* (1015)

**Mr. Doer:** Mr. Speaker, the Premier should face reality. The minister has confirmed that the private hotels are going to get a \$10-million profit based on the Filmon policy of expanded gambling. On the other side of the equation—[interjection] You know, only the Conservatives could have an automaton response like that when a milk program has been cancelled for children, Mr. Speaker.

Mr. Speaker, at the same time, the legion is losing \$6,800 a month, and that is impacting on programs like kids going to the peace camp in the summer—that is being cancelled next year—and the milk program.

I would like to ask the Premier: Did he take these programs into consideration when he went with the massive profits for private hotels and the massive decline in revenues for nonprofit organizations and the decline in support for many

needed programs, including milk, in the community of Churchill?

**Mr. Filmon:** Mr. Speaker, we find it interesting to note that the member opposite is advocating that we should not have done anything for rural hotels, that we should have let them close and let all those jobs in rural Manitoba die.

It has already been said by the Hotel Association that more than a dozen hotels in rural Manitoba would have closed had it not been for the VLTs. That is what the NDP policy is, to close those rural hotels and lose those jobs, and that, Mr. Speaker, is the most ridiculous policy that could ever be put forward. That is the most inconsiderate policy.

Mr. Speaker, the legions of this province, as a result of the announcement the Minister responsible for Lotteries (Mrs. Mitchelson) made, have a hundred and sixty thousand additional dollars being given to them by the Lotteries Foundation. That is additional money they can use for the summer legion camps, for the milk program and anything else they choose.

### Impact on Nonprofit Organizations

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, if the economy was not contracting by such a great deal under the Filmon Conservatives, perhaps we would not have had these problems with rural hotels. There certainly was not the problem during the 1980s.

Premier Godfather over there has no understanding of what his policies are, Mr. Speaker.

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

**Mr. Doer:** I withdraw that comment.

**Mr. Speaker:** I would like to thank the honourable Leader of the Opposition for withdrawing.

**Mr. Doer:** Mr. Speaker, this is a serious question. The Premier, last week, would not answer questions about how many legions would close and what would the impact be on communities. He was able to answer today that they believed, hypothetically, that hotels would close if they did not expand VLTs.

Can the Premier please tell us today, what is the impact of the change and expansion of VLTs on nonprofit organizations, nonprofit grants? They had an impact study on rural hotels before they expanded. Can he put on the table the impact on nonprofit organizations?

Surely they have done the same impact study on nonprofit organizations as they have on profit-making hotels.

**Hon. Gary Filmon (Premier):** Mr. Speaker, it is that kind of slick, five-second clip shot that has the member where he is in the editorial cartoon today, stuck in the mud.

He was given the information, Mr. Speaker, which is that the analysis of the losses due to reduction in break-open tickets has resulted in the Lotteries Foundation compensating legions and nonprofit organizations by \$540,000. That is what the analysis produced, and for a loss of \$440,000, they were compensated with an additional \$540,000. That is the study and that is the analysis that was done.

\* (1020)

### Ladco Development Agreement Construction Start

**Mr. Paul Edwards (Leader of the Second Opposition):** Mr. Speaker, my question is for the Minister of Housing.

In May of 1989, the then-Minister of Housing announced with great fanfare a joint venture with long-time Tory supporters, Ladco Ltd., to develop land in south St. Boniface. The ratepayers of the province were promised \$10 million in profits from this upscale development, but construction did not begin at that time because the market was said to be bad.

Well, Mr. Speaker, construction has now begun, and the market is even worse. There was a 28 percent drop in the number of housing starts in Manitoba's urban centres for the first five months of this year.

My question for the minister: Why is the government choosing now to start this development of 476 acres, some 1,900 lots, when there is no market, and far from making a profit, how much is this going to cost the taxpayers of this province for upscale housing in south St. Boniface?

**Hon. Jim Ernst (Minister of Housing):** Mr. Speaker, the province of Manitoba entered into a joint-venture agreement with Ladco company, a prominent developer here in Winnipeg, several years ago with respect to this property.

The joint-venture agreement calls for Ladco, who is a very experienced land developer in this province, who has had significant success over the

past 30 or more years—called upon their expertise in this matter.

They have undertaken it. They feel it is appropriate, and it is proving that way, that about 150 lots will be brought on stream during 1993. Of those 150 lots, I understand that more than half of them are already sold.

### Consultations

**Mr. Paul Edwards (Leader of the Second Opposition):** Mr. Speaker, the minister has indicated that he consulted Ladco, and they are part of the joint venture, and, in fact, many of their subsidiaries are doing the subtrade work on the sites.

Who did the minister consult besides Ladco, who has a vested interest in this, before deciding to commit millions and millions of dollars of taxpayers' money for upscale housing in south St. Boniface? Can he table market appraisals today which show that this is an economically viable time to start this type of upscale housing construction?

**Hon. Jim Ernst (Minister of Housing):** I do not think the Leader of the third opposition party heard the answer to his first question.

The proof of the pudding, Mr. Speaker, is in the eating—a hundred and fifty lots developed, over half already sold.

### MHRC Expenditures

**Mr. Paul Edwards (Leader of the Second Opposition):** Mr. Speaker, this project is 476 acres and, potentially, 1,900 lots.

Now, my question for the minister: How much money is Ladco and the subsidiaries owned by Ladco going to be paid this construction season by the taxpayers of the province for these new homes in this area? How much money is going to be paid out from the Manitoba Housing and Renewal Corporation, their share to Ladco and their subsidiaries, this construction season?

**Hon. Jim Ernst (Minister of Housing):** Mr. Speaker, as I indicated, there is a very comprehensive agreement relating to the construction and development of this particular subdivision.

Mr. Speaker, if you look at the history of subdivisions, particularly in that area of Winnipeg, it takes 10, 15, sometimes 20 years to complete the

development of a particular subdivision. In the case of Southdale, it started, I believe, in about 1966. They were still building some houses last year in the completion of Southdale—1992.

So these things do not occur overnight. They occur in phases as the market demands them. Mr. Speaker, the market demand has been indicated, that the estimated number of lots to be brought on stream in 1993 are 150. More than half are already sold, so I think it has been a prudent and reasonable position to move forward to.

### APM Management Consultants Contract Termination

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, the government and their U.S. multimillion dollar consultant missed the first major deadline in their multimillion dollar contract by failing to sign the five project agreements by May 31.

Will the minister now do the right thing and allow the contract to terminate so the millions of dollars slated to go to the U.S.-based multimillion dollar consultant can now go directly to health care for the citizens of Manitoba?

\* (1025)

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I at least give my honourable friend one accolade here. He is consistent in his failure to recognize the process that has been engaged, wherein this process at St. Boniface Hospital and Health Sciences Centre has encouraged government to provide casino revenues to fund, wherein we expect to be able to maintain quality and level of services at our hospitals, provide an opportunity for more hands-on care delivery by nurses and other care professionals which will improve the quality of patient care in this process at the same time that it has an opportunity to reduce overall budgetary demands the taxpayers are currently borrowing to finance.

I at least appreciate that my honourable friend does not want to improve health care, does not want to change the system, is still living in the past and is still afraid of the future.

### Health Sciences Centre Project Agreement

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, can the minister confirm that a project agreement was signed this week with the Health Sciences Centre

calling for a \$36-million reduction in their budget over the next three years through work restructuring and budget reductions to that institution?

Can he confirm that this project agreement was signed this week?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I think in the first instance, my honourable friend said we were not proceeding with the contract. Now my honourable friend is saying we are proceeding with the contract.

What I would like to tell my honourable friend is when we conclude the second phase of the agreement, I will be announcing the appropriate details so my honourable friend can stop his speculation and rumourmongering.

### **APM Management Consultants Contract Renegotiations**

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, they missed the deadline, and I have information that one of the agreements was signed this week, now two weeks after the deadline.

**Mr. Speaker,** my final supplementary to the minister: Now that they are renegotiating, will the minister reconsider the very, very generous payment of expenses, up to \$800,000 from St. Boniface Hospital and Health Sciences Centre to this consultant?

Will the government reconsider those very generous payments to the consultant that are coming directly from patient care, now that they are in the midst of renegotiating these terms of the contract?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I sense a slight shift in my honourable friend's position here.

Now he appears to be encouraging us to enter into the agreement, because now he sees the long-term benefit to the health care system of Manitoba, a benefit that was identified by the boards and CEOs of the Health Sciences Centre and St. Boniface who agreed to the funding of the contract and the expenses as alluded to.

Now at least my honourable friend is coming a little ways toward understanding the necessity of change in health care that is happening from New Democratic British Columbia to Liberal Newfoundland, and, Mr. Speaker, I want to tell my

honourable friend I am willing to suggest and take his now-changed position that the APM contract should be acceded to.

### **Highways—Provincial Road Closures Reduced Workweek**

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, we are just beginning to hear and the public is beginning to understand what the impact of Bill 22 will mean for Manitobans who need essential services. Not only will health care and education be undermined by the impact of Bill 22, but there are other essential services as well.

**Mr. Speaker,** my question is to the Minister of Highways and Transportation.

Can the Minister of Highways and Transportation tell us whether any roads or highways will be closed as a result of Bill 22?

**Hon. Albert Driedger (Minister of Highways and Transportation):** No, Mr. Speaker, they will not be closed.

### **South Indian Lake Ferry Schedule**

**Mr. Jerry Storie (Flin Flon):** Then can the Minister of Highways explain why the people in South Indian Lake, who have access to a provincial road as a result of the operation of a ferry in that community, are going to lose contact, lose access, lose an essential service for six days this summer as a result of Bill 22 and the impact on the Highways programs?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, as this program and the decisions this government made evolved, considerations were given to where there was a necessity to continue to have our people operating, and that will be the case at South Indian Lake.

I want to tell the members of the House, as well, in my department there have been exemptions made to allow the construction industry to keep on operating. So in certain areas where we feel there was a need, we have made adjustments for that, and we know it will work.

\* (1030)

**Mr. Storie:** Mr. Speaker, this is the only access to this community. It only operates during the summer months, the ferry. Six days is an inordinate amount of time. It is the only community in Manitoba that is losing time.

My question to the minister: Is it okay for the government to operate bingo palaces on the weekends? Is it acceptable for a community to be shut out of the world for six days during the summer?

**Mr. Driedger:** Mr. Speaker, I will check into the matter, because I have received exemptions for the construction industry.

I will check and see what is happening with the South Indian ferry, because in certain cases, we have made provisions that people could take the time off in the off-season wintertime.

I will review this and make sure I have a full understanding of it. If that is the case, I will get a response back to the member.

**Mr. Storie:** Mr. Speaker, will the minister then allow the ferry to operate in the community of South Indian Lake over the summer and find other ways to ensure that the impact of Bill 22 is spread out across the community? Will he ensure that this happens?

**Mr. Driedger:** I repeat, I will review the situation, and based on what the circumstances are, I will reply back to the member on that.

### **Video Lottery Terminals Impact on Nonprofit Organizations**

**Mr. Kevin Lamoureux (Inkster):** My question is for the Minister responsible for Lotteries.

Since November of '91 to the end of December of '92, \$35.7 million was made in profits from the VLT revenues. Ten million dollars, as the Leader of the NDP (Mr. Doer) pointed out, went to the Hotel Association.

The minister plus the Premier (Mr. Filmon) talk about \$500,000 being put back into rural communities. Well, Mr. Speaker, they talk about Nevada tickets, they talk about bingos, but what they are forgetting are the many other organizations that use other methods to raise funds. Five hundred thousand dollars is nowhere near enough money for the losses that are being suffered in the rural communities as a direct result of the money that is being siphoned out.

I would ask the minister to make the commitment to ensure we are not going to lose the volunteers who are raising money to help subsidize everything from children to play hockey to whatever else there might be. We need a firmer commitment from this

government to restore part of that \$45.7 million that has been taken out of the rural communities.

**Hon. Bonnie Mitchelson (Minister charged with the administration of The Manitoba Lotteries Foundation Act):** I would like to correct the preamble of the member for Inkster when he says the Hotel Association has received \$10 million as a result. Mr. Speaker, that is totally incorrect.

Mr. Speaker, the 300-and-some facilities, hotels and facilities in rural Manitoba, have been the beneficiaries of that money. That has created jobs. That has created economic activity, and it has allowed those hotels to, in fact, improve their facilities. We believe there has been major benefit to rural Manitoba as a result.

Mr. Speaker, there seems to be some fallacy that Lotteries revenues that are generated by the government of Manitoba somehow just disappear. Every dollar that is generated in lottery revenue goes back into the Manitoba economy or into the Manitoba community in some fashion.

So all Manitobans benefit from all Lotteries dollars that are generated.

### **Gaming Report**

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I believe what we are seeing is a public relations scam when it comes to this government dealing with the VLTs.

My question to the minister is: How can she have an American consultant doing a study on the problems of gambling, when we know full well that the foundation has in place, is ready for 270 different organizations or hotels in the city of Winnipeg that are going to have 1,700 to 1,800 new VLTs in the city of Winnipeg alone?

How can she justify implementing these VLTs when we do not even know what the results of this particular report are?

**Hon. Bonnie Mitchelson (Minister charged with the administration of The Manitoba Lotteries Foundation Act):** What the member for Inkster seems to forget, Mr. Speaker, is that for many, many years, there have been many charitable organizations that have been holding licensed bingo activities and gaming activities throughout the province. Forty percent of the gambling that is done in Manitoba is done in charitable halls, whether it be in church basements, in community facilities, in veterans or legions clubs.

I can justify doing a study. We look at Liberal New Brunswick which I just visited last week, and they have done a gaming study, conducted by Rachel Volberg, the same person who is doing the study here in Manitoba. They have the incidence and they have the results of that, Mr. Speaker, and they have had VLTs right through the width and breadth of that province, on every street corner, in every 7-Eleven, in every pool hall right throughout the province, and that has been a Liberal administration in a Liberal province that has not acted, as yet, in dealing with any issue of compulsive gaming.

So let him not talk about what Manitoba—

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

**Mr. Lamoureux:** Mr. Speaker, I want to know from the Premier (Mr. Filmon) how he can justify having 1,800 additional VLTs implemented into the city of Winnipeg, when, in fact, we have a study, as the Minister of Lotteries says, that has not even been reported on.

How can his government bring to—

**Mr. Speaker:** Order, please. The honourable member has already put his question. The honourable member for Inkster, you will take your chair now.

**Mrs. Mitchelson:** Mr. Speaker, I guess I might turn the question back, and ask how the member for Inkster can justify his policy he put forward when he was running for the leadership that said he would open four casinos throughout the province of Manitoba.

Mr. Speaker, I am not so sure if that is the Liberal Party's policy in the province of Manitoba, but we know what the Liberal Party policy has been in other provinces where they have put video lottery terminals on every street corner, including 7-Elevens, and in all those other facilities where those under 18 can play and can gamble.

Mr. Speaker, our policy will not allow that.

### Winnipeg River Oil Spill—Information Release

**Ms. Marianne CerlIII (Radlsson):** Mr. Speaker, with more than 4,500 litres of oil spilled into the Winnipeg River, we had a major environmental accident that could affect habitat, wildlife and the drinking water for many residents.

I would ask the Minister of Environment, why was there no announcement made in February when this accident occurred? Why has the government tried to downplay the accident and the implications it could have?

**Hon. Glen Cummings (Minister of Environment):** I am not sure if I heard the question correctly, but it seems to me the member was asking this minister if we had made an announcement. I hope she did not mean prior to the spill.

Mr. Speaker, we attended at the site and set up a monitoring program so that we were assured that there was no risk involved. Frankly, it seems to me that while this was an unfortunate event, it was properly put into the context of safety for the environment and any possible impacts for downstream users.

**Ms. CerlIII:** Could the minister tell the House how the downstream communities were informed, if they were in fact informed, and what has been done to determine the possible effects on the drinking water for those downstream communities?

**Mr. Cummings:** Mr. Speaker, as I said, a monitoring process was put in place and made very sure that if there was any potential for harm or danger, everyone would have been kept informed.

\* (1040)

### Manitoba Hydro RCMP Investigation

**Ms. Marianne CerlIII (Radlsson):** Mr. Speaker, there must be some concern or the federal agencies would not be there raiding—looking for information at the Hydro plant.

Can the Minister of Environment tell us what were the environmental concerns of the federal agencies that forced them to go into Hydro on an emergency basis? What are their concerns?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, I will also be quite interested to see what their concern is.

The staff of our department were onsite as quickly as possible after the event, implemented the procedures I indicated, and I will be watching with some interest to see what their interest is.

### South Indian Lake Ferry Schedule

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, the member for Flin Flon (Mr. Storie) just moments ago asked me a question about whether ferries were going to be closed in certain areas in the North.

It had been the intention of staff to close the low-volume ferries during the summer months. That decision has been reversed and will not happen.

### Canada-America Health Care Plan Manitoba Plan Holders

**Ms. Judy Wasylycia-Lels (St. Johns):** Mr. Speaker, we recently raised concerns about the American security company setting up operations here in Winnipeg and offering the Canada-America Health Care Plan. The Premier (Mr. Filmon) said then that the company would fail due to a lack of demand.

According to a media report yesterday, a spokesperson for this American company said business is skyrocketing, and they expect to sign up more than 50,000 people to the plan.

I would like to ask the Premier if he has investigated this matter and if he can tell us how many Manitobans have taken out U.S. health insurance under the Canada-America Health Care Plan.

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I cannot answer that question any more than I can answer the question of how many Manitobans carry Blue Cross or how many Manitobans carry any other supplementary health insurance program that is available through Great-West Life and any other companies that are here.

Mr. Speaker, Manitobans should really seriously consider whether this is worth the investment. I have said that from square one. I think what is happening is an entrepreneur, a business individual, is harnessing the fear campaign the New Democrats in opposition are generating, and the NDP may well be promoting sales for this private company.

**Ms. Wasylycia-Lels:** Mr. Speaker, my supplementary is: Considering that it was this Premier (Mr. Filmon) and this government who

dismissed this worrisome trend by suggesting that demand would be low, I think the onus is on this government to pick up the phone and call the company and ask how many clients they are getting.

I would ask the Premier if he has done any follow-up to find out how many Manitobans are signing up and why they are signing up and taking out expensive insurance to have access to American hospitals.

**Mr. Orchard:** Well, we are both kind of interested in answering this, Mr. Speaker.

My honourable friend is saying we should put barriers around business activities in Manitoba. It is insurance today. What is it going to be tomorrow?

Mr. Speaker, we do not have the right and the ability to ask Manitobans if they carry life insurance. That is the next logical step of my honourable friend's mind—you must have life insurance or else you might have an impact on the health care system without life insurance.

Mr. Speaker, where does this end in my honourable friend's attempt to raise the fears of Manitobans? If Manitobans choose to buy Blue Cross, we do not object. If Manitobans choose to buy Great-West Life for supplementary insurance to cover ambulance costs or anything else they want, they can do so. Why is my honourable friend wanting to deny business in Manitoba? Why is she wanting to deny this opportunity of choice if people want to?

My message has been consistent, Mr. Speaker. Read the fine print before you put your money down, because you are going to find it is not worth your while.

### Canada-America Health Care Plan Manitoba Plan Holders

**Ms. Judy Wasylycia-Lels (St. Johns):** Mr. Speaker, this government is creating this situation by cutting back on health care—

**Mr. Speaker:** Order, please. The honourable member for St. Johns, with your question, please.

**Ms. Wasylycia-Lels:** Let me ask the Premier what steps this government has taken to ensure that Manitobans have no reason to turn to U.S. insurance companies for health care and that they

have confidence in Manitoba's system and believe health care will be there when they need it.

**Hon. Gary Fillmon (Premier):** Mr. Speaker, this province, this government, has increased funding to health care in the previous five years by rates of well over 5 percent annually, well above the rate of inflation. We have consistently put more money in, so we are doing more procedures in terms of operations in all fields.

We have brought in place, for instance, dialysis units throughout the province that were not there under the NDP government. We have continued to fund health care in a manner that allows for us to provide the best level of health care available anywhere in the world.

Mr. Speaker, the member opposite seems to have a hangup about private insurance. If that is the case, is she now going to go on a crusade to get rid of Blue Cross? Is she now going to go on a crusade to get rid of the health care programs that are provided by Great-West Life and all of those other insurance companies? What is the member's objective? What is her goal? How far will she go to drive private enterprise in business out of this province and this country?

I think the member opposite had better rethink her position before she runs federally, because she will be in the same rut that her Leader is nationally at 8 percent public support. That is the kind of support she will get for taking that kind of absolutely incredible position.

### Dauphin Sign Shop Privatization

**Mr. John Plohman (Dauphin):** Mr. Speaker, yesterday, this Tory government refused to reinstate a very important program in the Parkland region, that being the Parkland Human Resources Opportunity Centre and the seven jobs that went with that centre.

In addition to that, if we combine the other cuts that have been put in place by this government in the Parkland, including cuts in corrections, cuts in highways, cuts in water resources, hydro, Manitoba Telephone System and the failure to decentralize, we have lost over 100 jobs since this government came to office two years ago.

Mr. Speaker, in light of the fact that the government has made a decision to cut seven more jobs at the Dauphin Sign Shop and to

eliminate that service, I want to ask the Minister of Highways whether he now will give first opportunity to the employees to purchase that shop and guarantee them the opportunity to the government contracts for signs that have been there in the past.

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, it was the decision of this government that we would allow privatization of the sign shop in Dauphin. Proposal calls are being developed at the present time. I have personally encouraged the employees who have been involved with the sign shop to try and avail themselves of the benefits under the Crocus Fund, to try and make an application and respond to the proposal call.

I am looking forward to the final stages of developing the proposal call, and I would hope they would respond to that.

**Mr. Plohman:** Mr. Speaker, I am asking whether he will give first opportunity so these employees can guarantee their jobs at that sign shop in the way they were operating previously.

Will he guarantee that the employees have first opportunity to provide this service?

**Mr. Driedger:** Mr. Speaker, I just indicated I was encouraging the employees at the Dauphin Sign Shop to participate in a proposal call.

I do not want to talk about rumours, necessarily, but I was also informed that five of the employees actually were looking at taking early retirement at one stage of the game and also that the other employees, there were places where they could go to. My personal preference would still be that they submit a proposal call, respond to a proposal call, and certainly consideration will be given along with the others as to exactly what the details are.

We have had discussion about this, Mr. Speaker, as to whether we should give some kind of a guarantee. We got a legal opinion on it. It is a matter that is being developed at the present time.

**Mr. Speaker:** The time for Oral Questions has expired.

### Committee Changes

**Mr. George Hicke (Point Douglas):** Mr. Speaker, I move, seconded by the member for Transcona (Mr. Reid), that the composition of the Standing Committee on Economic Development be amended as follows: Radisson (Ms. Cerilli) for Transcona (Mr. Reid); Dauphin (Mr. Plohman) for

Thompson (Mr. Ashton), for Friday, June 18 at 1 p.m.

**Motion agreed to.**

**Mr. Nell Gaudry (St. Boniface):** Mr. Speaker, I move, seconded by the member for Crescentwood (Ms. Gray), that the composition of the Standing Committee on Economic Development for June 17, 1993, at 7 p.m.: St. Boniface (Mr. Gaudry) for Osborne (Mr. Alcock).

I move, seconded by the member for Crescentwood (Ms. Gray), that the composition of the Standing Committee on Economic Development for June 17, 1993, at 8:20 p.m.: Osborne (Mr. Alcock) for St. Boniface (Mr. Gaudry).

**Motions agreed to.**

**Mr. Edward Helwer (Gimli):** I move, seconded by the member for Portage la Prairie (Mr. Pallister), that the composition of the Standing Committee on Economic Development be amended as follows: the member for Arthur-Virden (Mr. Downey) for the member for St. Rose du Lac (Mr. Cummings); the member for St. Norbert (Mr. Laurendeau) for the member for Roblin-Russell (Mr. Derkach); the member for Gimli (Mr. Helwer) for the member for Sturgeon Creek (Mr. McAlpine); the member for Charleswood (Mr. Ernst) for the member for Emerson (Mr. Penner); the member for Niakwa (Mr. Reimer) for the member for La Verendrye (Mr. Sveinson).

**Motion agreed to.**

**ORDERS OF THE DAY**

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, would you call second readings of bills in this order, please: Bill 43, Bill 45, then followed by 44; and, following that, adjourned debate, Bills 37, 34, 30, 38, 41, and 32.

**SECOND READINGS**

**Bill 43—The Manitoba Lotteries Foundation Amendment and Consequential Amendments Act**

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship):** I move, seconded by the Minister of Urban Affairs and Housing (Mr. Ernst), that The Manitoba Lotteries Foundation Amendment and Consequential Amendments Act (Loi modifiant la Loi sur la Fondation manitobaine des loteries et apportent des modifications

corrélatives à une autre loi), be now read a second time and be referred to a committee of this House.

**Motion presented.**

\* (1050)

**Mrs. Mitchelson:** The proposed amendments to The Manitoba Lotteries Foundation Act are the final step toward the creation of Manitoba's newest Crown corporation. The proposed amendments will change the name of the Manitoba Lotteries Foundation to the Manitoba Lotteries Corporation, and will amend the sections of the act which govern the employment of Manitoba Lotteries staff.

Since the introduction of the first provincial lottery 23 years ago, the people of our province have benefited from the programs, services, and special initiatives that have been funded and supported through lottery revenue. The evolution of our lottery system in Manitoba has been directly responsible for the success of hundreds of community projects and services that have enriched the lives of all Manitobans.

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

As many of the honourable members are aware, the management and operation of the lottery and gaming activity in Manitoba has undergone significant changes through nearly a quarter-century of operation. These changes within the gaming industry, both nationally and internationally, as well as shifts in consumer demand and the resulting introduction of new products, have had major implications for the management and operation of gaming in this province.

Gaming has become a well-accepted form of entertainment for many. The popularity of gaming establishments south of the border, and the drain of our own economy, has meant that our gaming operations must remain competitive and responsive to consumer needs.

The combination of these factors have changed the scope and delivery of gaming activities to Manitobans and to visitors to our province. These changes, and Manitoba Lotteries' response to these shifts have led Manitoba Lotteries to be recognized as a pacesetter in the industry.

Over the years, Manitoba Lotteries has evolved from a foundation to a corporation. Changes to the manner in which Lotteries revenues are distributed have transformed the role and mission of Manitoba

Lotteries. The corporation responsible for the operation, management and licensing—

**Madam Deputy Speaker:** Order, please. I wonder if I might ask the honourable members carrying on personal conversations, if they would do so either in the loge or outside the Chamber.

I am experiencing great difficulty in listening, in hearing the honourable Minister of Culture's (Mrs. Mitchelson) second reading on Bill 43.

**Mrs. Mitchelson:** On April 1, 1990, a revised funding system was implemented, which changed the administration of lottery revenue. Previous to that, Manitoba Lotteries, as a foundation, was responsible for the administration and allocation of lottery revenue.

In 1990, our government established the Lotteries distribution system. This flexible, accountable and accessible mechanism for the co-ordination of funding represents a co-operative effort on the part of government departments, as well as funding umbrella and community-support programs.

While the creation of the Lotteries distribution system changed the way lottery revenue is administered, the overall philosophy of how monies are spent remains the same. Gaming revenue continues to be returned to Manitobans and their communities for the benefit of all us. Nevertheless, the shift in the funding mechanism has had a significant impact on Manitoba Lotteries, and has dramatically changed the structure and the role and the mission of Manitoba Lotteries from a foundation to a corporation.

The proposed amendments are also another step being taken to implement the recommendations made from an independent operational review undertaken in 1991. Organizational changes were made to create more consistency in business-unit management. The review enabled Manitoba Lotteries to assess corporate capabilities in the context of its strategic plans and to identify corporate requirements in terms of marketing, organization and information systems.

It led to the development of a responsive and effective corporate structure, and it identified opportunities for enhanced operations. The ultimate goal was to create a more effective and efficient Manitoba Lotteries, to achieve a corporation that is capable of addressing the challenges of the present and the future.

The corporate structure changes, as well as shifts in the gaming industry and consumer demand, have resulted in the proposed legislative amendments before this House today. These amendments are necessary to ensure Manitoba Lotteries continues to meet its goals to maximize long-term economic returns to the people of Manitoba, while maintaining a high level of business integrity and social responsibility.

The evolution from a foundation to a Crown corporation also involves some legislative housekeeping to amend the sections of the act which govern the employment of Manitoba Lotteries staff. Currently, there are two categories of employees: civil service staff, and Manitoba Lotteries staff.

As you can imagine, Madam Deputy Speaker, the administration and management of what amounts to two separate workforces is complex, unwieldy, inefficient, and costly. For example, there are currently two separate payrolls and two separate classification systems. Less than 15 percent of all Manitoba Lotteries staff come under the governance of the Civil Service Commission. The balance are covered under two other collective agreements, and are governed by the Manitoba Lotteries policy.

The streamlining of the organization's workforce is a positive move which will eliminate the need for dual bureaucracy. It will reduce overhead and will remove perceived barriers to career mobility.

I want to stress, Madam Deputy Speaker, that the amendments governing the employment of staff will be largely transparent to the civil service employees, and they are not intended to denigrate or take away any status or benefits. Manitoba Lotteries will grandfather the benefits and entitlements of the civil service staff it currently employs. Meetings have taken place between Manitoba Lotteries and the MGEU to discuss an orderly transition to non-civil service status.

The new Manitoba Lotteries corporation will continue to adhere to government-wide policies like our Affirmative Action Policy on the employment of women, aboriginals, visible minorities and people with disabilities.

As I noted earlier in my remarks, outside influences such as increased competition south of the border and to the east and west of us has significantly changed the face of gaming activities

in our province. Manitoba Lotteries has successfully introduced new products and new approaches to gaming in Manitoba, and I anticipate the success of these ventures will continue.

The establishment of the Native Gaming Agreement process is an example of the new direction and vision that guide Manitoba Lotteries. To date, 19 First Nations have entered into 12 Native Gaming Agreements with the province. These agreements help to ensure that gaming in Manitoba is carried out with uniform terms, conditions and accountability.

The rural VLT program has been successful in achieving its goals, as is demonstrated by the significant boost in the rural hotel industry. I anticipate that the expansion of the VLT network to the city of Winnipeg this September will be met with the same success as in rural Manitoba.

The Crystal Casino has had over 1.25 million visitors since its opening, underscoring popularity and success as one of Manitoba's premier entertainment venues. The revenue from the Crystal Casino provides a solid funding base for the province's Health Services Development Fund. This innovative fund was created to reduce long-term health care costs in Manitoba through innovative programming, the acquisition of vital medical equipment, health promotion and disease prevention.

I would be remiss, Madam Deputy Speaker, not to bring your attention to the significant impact that charitable gaming, that is, gaming activities carried out by community groups and organizations, has had on the communities of Manitoba. During the fiscal year 1991-92, Manitoba charitable organizations' gross gaming revenue was about \$131 million, an increase of \$10 million or 8 percent from the previous year. This revenue, accounting for about 40 percent of all gaming revenue in Manitoba, raised by the community for the community, has benefited a wide range of cultural and heritage groups, sport and recreation initiatives and special community projects.

Manitoba Lotteries is replacing the Pot O'Gold and Bonanza bingo halls with the McPhillips Street Station and Club Regent. Gaming competition has led Manitoba Lotteries to develop these unique state-of-the-art, customer-service-driven facilities in an effort to keep gaming dollars in our province and benefit our economy.

Madam Deputy Speaker, I have noted past successes and Manitoba Lotteries' plans for the future to highlight the role that this corporation plays in our province. The responsibility for these initiatives and the operation, licensing and management of all gaming activities in Manitoba is in keeping with that of a Crown corporation.

It should be noted that the role played by Manitoba Lotteries goes far beyond the initiatives and responsibilities I have highlighted during the course of my remarks today. Manitoba Lotteries also plays a significant role in the economy of our province. In fact, the scope of their operations ranks Manitoba Lotteries among the largest private corporations in Manitoba. The operations of the corporation and its beneficiaries contributed \$103 million to our gross provincial product during 1991-92, with capital projects adding an additional \$36 million during the same time frame.

\* (1100)

Madam Deputy Speaker, I am pleased to report that a total of 2,900 full-time jobs are generated by Manitoba Lotteries current operations, which include the Crystal Casino, the new McPhillips Street Station and Club Regent, lottery ticket sales, and the video lotto network.

Additional economic impacts are generated as Manitoba Lotteries prizewinners spend their winnings. Expenditures by prizewinners are conservatively estimated at \$166 million per year and generate employment of 1,800 person years along with the gross provincial product contribution of \$103 million.

Manitoba Lotteries operations also attract visitors to our province. It is estimated that tourists visiting the Crystal Casino spent \$8 million with local businesses in 1992, accounting for \$11 million in gross domestic product and approximately 400 jobs.

It is anticipated that those impacts will double in 1994-95 as McPhillips Street Station and Club Regent draw additional visitors to Manitoba.

Manitoba Lotteries plays a significant role in our province's economy and future. It is charged with operating, managing and licensing activities in a dynamic and competitive industry, and above all it must ensure the integrity and security of all gaming activities in Manitoba.

As such, legislative amendments must be enacted to ensure that the organization's structure

is in keeping with the new demands and changing responsibilities for gaming in our province.

Madam Deputy Speaker, I encourage the members of the House to support this legislation and to bring into being Manitoba's newest Crown corporation. Thank you.

**Mr. Kevin Lamoureux (Inkster):** Madam Deputy Speaker, I would like to take this opportunity to put a number of concerns that I have on the record, and for those who might have been in committee yesterday it might sound somewhat repetitive, but I do believe that it is very important in the sense that the mandate of the foundation and the growth from within the lotteries and gambling in the province of Manitoba might, in fact, warrant a Crown corporation. We will see what happens in terms of the public hearings or the committee stage in terms of how the bill itself will evolve.

Quite frankly, it looks fairly apparent that it should not have too much of a problem in terms of going into the Crown corporation because I think it will give it that much more of an arm's-length distance from the government. In many cases that can be a very encouraging sign in itself.

I wanted to comment on some of the concerns that have been expressed that I have taken whatever opportunity that I have had given to me to be able to talk about, whether it was inside the Chamber, out in rural Manitoba or in fact in the city of Winnipeg because of the number of individuals from all different sectors, whether they were elected or nonelected or whether they are individuals who have the VLT machines in their businesses or individuals who play, or other individuals who are very concerned about the direction that this government is taking with respect to gambling.

I wanted to start off by talking a bit in terms of what this minister's intentions are, or what this government's intentions are with respect to the VLTs and the expansion of the VLTs because yesterday I had the opportunity to ask some questions in committee of Mr. Funk with respect to the VLTs in the city of Winnipeg, and I was very concerned with some of the numbers that were given from Mr. Funk when we heard that there were going to be 1,800 to 1,900 VLT machines put into the city of Winnipeg come September. In fact, there are 275 locations that have already been found, and these locations already have an idea in

terms of the numbers they will be receiving with respect to the number of VLT machines, and an approximate date, if you will, in terms of when it is that they would be coming.

Actually, after the discussion—and because the 12:30 approached so very quickly, I did not get the opportunity to ask as many questions as I would have liked to have asked. I hope that this committee will, in fact, be called again very shortly for the simple reason that I think it is an issue that does warrant and merit a full discussion of this Legislature, Madam Deputy Speaker, or by this Legislature.

We have not had any real debate from within this Chamber to outside, and particularly outside of this Chamber, and I think that is somewhat sad in itself. As I said, having had the opportunity to be able to talk to so many different individuals, in particular in rural Manitoba, I am sure that the mind-set of the Minister responsible for Lotteries (Mrs. Mitchelson) might not necessarily be the same if she was talking to some of the same individuals that I have been talking to. This is the reason why I asked the question earlier today.

We have this American consultant, Rachel Volberg, who is going to be conducting or, I take it, has virtually finalized her study with respect to the problems of gambling, the negative social impacts of gambling. The minister implies that in fact we will be receiving this report sometime in the next number of weeks. Hopefully, Madam Deputy Speaker, we will actually receive that report while we are still in session. I can remember when the minister actually made the announcement, and I believe it was back in November, somewhere in November, I believe it was, where the minister said that we have hired this American consultant who is going to be doing a study. At the time I felt that it was a bit too late, but it was encouraging to see that the minister in fact took the initiative and hired someone to look at the social problems that are being created as a direct result of the VLTs in rural Manitoba.

Madam Deputy Speaker, I had believed at the time that she had made reference to the fact that the report would be done in the month of May. Now it could have been possibly the month of June that she had her intentions, and I hope that she lives up to the intention of tabling or reporting on the consultant's report sometime this month; and, from

her seat she says, you bet. I look forward to in fact reading that report.

What concerns me, Madam Deputy Speaker, is, as I say, 275 locations in the city of Winnipeg, 1,800 to 1,900 VLT machines are going to be in the city of Winnipeg, and the foundation has already done all of the preparatory work. As far as the foundation is concerned, it is fait accompli, it is a done deal that these VLT machines are going in. It does not matter what Ms. Volberg says in her report or what the government wants to do; we are going to have those 1,800 VLT machines scattered, 1,800 to 1,900 scattered throughout the city of Winnipeg.

Madam Deputy Speaker, I believe that is wrong, that at the very least what should be happening is that there should be a moratorium on the VLTs coming into the city of Winnipeg at the very least until we know what the study and the results of the study are going to be. That is why earlier today I made reference to the public relations scam that this government is orchestrating, because how can a government initiate a study to talk about what the problems are going to be with gambling if it is going ahead and implementing such a massive number of VLT machines when it does not even know what those problems are.

\* (1110)

Yesterday, again in a committee, I had asked the foundation staff, particularly Mr. Funk, to give some sort of indication on tracking or what it is that they do, and came out of that committee meeting with the opinion that the foundation has been doing virtually nothing, if anything, on the tracking on the negative social implications of gambling. In fact, Madam Deputy Speaker, in leaving, one was of the opinion, or at least I was of the opinion, that as far as the foundation is concerned it has nothing more than a mandate of expansion, of bringing things into being, of coming up with the ideas to ensure that they can raise more revenue.

I think that is consistent with the government's policy of wanting to have more revenue, because if you take a look at it, the only real line that this government has had an increase in revenue has been with gambling. I think that is sad in itself, that government has to rely on revenues of gambling in order to be able to justify what it is doing.

Madam Deputy Speaker, I believe it is so shortsighted in the sense that they are not,

because I do not believe they are, recognizing the problems of gambling and the negative impact of gambling. The minister today in Question Period stands up and the government says, you know, well, the member for Inkster in his leadership bid said that he wants four casinos popped up. A number of months ago, yes, we did bring forward a document that had a number of different ideas in it, and I addressed the issue of gambling in that particular booklet, but it was a booklet of ideas which I was hoping our membership in itself would start talking about. I did not say four new casinos would be put into place if the Liberal government were going to be established. What I was trying to indicate to the membership of our party is that we have to come to grips with the whole issue of gambling, and come up with some ideas. If we are going to have to have gambling in the province of Manitoba, let us focus it on tourism, not on the generation of revenue for the coffers of government. That is what I was trying to point out. [interjection]

Madam Deputy Speaker, I appreciate the comments from the dean in terms of sprinkling sand on a slippery slope. But, unfortunately, whenever you want to try to create or provide to Manitobans an alternative, that means, in my opinion, that you have to take some stands on different issues.

I believe it was responsible. We were not in terms of the VLTs, the only thing I said there is you should not—5 cent and 25 cent machines is something that I would look at in terms of rural Manitoba. The minister responded by saying, well, you put in the looney and it is like putting in four quarters, but it is, in fact, different. It is very different. It is a different clientele.

The number of VLTs in rural Manitoba that are out there, Madam Deputy Speaker, do we need to saturate rural Manitobans with these VLT machines? I do not believe that it is necessary, that, in fact, there are things that can be done to provide that form of entertainment, to ensure that our rural hotel industry has some vitality to it, and so forth.

This government has not approached the issue of gambling in a straightforward fashion. If it was wanting to be responsible, one would think that it should have had this study done prior. It should have known what the impacts were going to be on everything from the legions to what the Leader of

the New Democratic Party referred to earlier in Question Period, child care centres that could end up having to close down as a direct result.

Madam Deputy Speaker, these are the impacts that the Minister responsible for Lotteries should be able to answer. She should have been able to tell us which groups and organizations are going to be impacted, but was unable to. The government only talks—like when she stood up in Question Period, she said, well, the bingo sales actually have increased in rural Manitoba. Nevada tickets have actually dropped. So what did the government do? It gave \$500,000 to rural Manitoba associations that sold Nevada tickets as a form of compensation.

There are many other forms of fundraising that occur throughout the province, and in particular in rural Manitoba, that have nothing to do with break-open tickets that are having a significant impact on those fundraising, whether it is the selling of Grey Cup pool tickets or whether it is the children that want to sell chocolate bars to help subsidize a sporting event that they are in. All of these have had a severe impact as a direct result of the VLT machines being put into rural Manitoba.

Madam Deputy Speaker, if you buy the argument that I am proposing, I would then suggest to you, where or how are these individuals or organizations going to find the money to replace what it is that they are fundraising?

The Minister of Natural Resources (Mr. Enns), our dean, says, it is the tree. They are going to have to, quite possibly, in all likelihood, have to come to government.

**Hon. Harry Enns (Minister of Natural Resources):** They are going to.

**Mr. Lamoureux:** He says, they are going to. You are right. They are going to come to government as a direct result of these VLTs going into rural Manitoba.

So we are taking away from some volunteers. Individuals that took the initiative to raise money themselves now are going to have to come to government at least in part. As a direct result, I do not believe that we are doing a service to Manitobans, and if in fact the minister was aware of some of those problems and was prepared to be able to answer them, I do not believe we would have—what is it?—I believe it is 2,100 VLT

machines scattered throughout rural Manitoba at 290 different locations.

Madam Deputy Speaker, if the minister was better aware of the negative impacts, I do not believe for a moment that we would have those 2,100 VLTs. You might, yes, be able to raise some money today, but you are losing some money tomorrow, and that is just talking in terms of real dollars. If we talk in terms of the social problems that are being caused as a direct result, you know—let us talk about some of the individuals. I would argue, every individual, every MLA inside this Chamber, will have some constituents who are being dramatically affected. There are individuals who are selling property in order to sustain a habit.

I have talked to our local RCMP, one officer in particular, who had indicated to me where he has seen one individual who actually went to the bank every second day in order to sustain a habit of putting in the looneys into the VLT machines—every other day. Every day, he was inside the hotel plugging in the looneys.

If you take a look at the actual dollars, Madam Deputy Speaker, look at the dollars themselves, you have in rural Manitoba, since its inception which I believe was in November of '91 to December of '92, something in the neighbourhood of \$35.7 million that the government has made, and you have had \$10 million in which the hotels—and the minister is right, it was not the Hotel Association. It was in fact hotels that actually received it—but you have had approximately \$45.7 million that has been taken out of the rural economy up to December of '92.

\* (1120)

Madam Deputy Speaker, we are probably talking, if you were to bring it up to today, in and around \$60 million. Out of that \$60 million, how much has actually been returned and at what cost? I said the individual who went to the VLT machines every day; there are many people who are doing that throughout the province who are going on virtually a daily basis.

This \$60 million has not come from 450,000 people living in Manitoba, because No. 1, you have to be 18 years of age and older to play it, which is a good thing, Madam Deputy Speaker, but you are talking about a relatively small number of individuals who are contributing on virtually a daily basis to generate that \$60 million.

Now, no doubt in rural Manitoba—because as everything, when you get something new, there are a lot of people who play it for the novelty of playing it and so forth—I am anticipating or our caucus is anticipating that the revenues in rural Manitoba on the VLTs will in fact go down somewhat, but it will be sustained primarily because of individuals who fall addicted to it. Those are the individuals, at least, in part, some of those individuals, whom I am very concerned about. This government has not provided money for self-help groups that could be out there dealing with some of the problems of VLTs, the social problems that are out there, the marriages that are breaking up as a result, and some of the other family problems that are being created. We have heard of two suicides, not necessarily as direct, like one cannot blame VLTs directly for the suicide, but both of them did make reference to the VLTs or electronic gaming—serious problems, Madam Deputy Speaker.

There is no money that this government is putting forward to deal with those negative social problems other than the fact that they say, we are going to put 65 deficit, 10 percent for the rural municipalities, and we are going to have \$500,000 going back to subsidize those organizations that had the break-open tickets. But what about the establishment of support groups so that those individuals that do fall victim to the VLTs, and there is going to be a number of them, what about those? What about those support groups?

As I say, you are talking about millions and millions of dollars that are coming from a relatively few number of rural Manitobans. What is being done for that particular problem? Madam Deputy Speaker, I could go on in terms of rural Manitoba and talk about what it is that this government is doing in terms of the commitment that they made and how they were unable to fulfill that commitment.

But let us go back into the city of Winnipeg. In Winnipeg, again, why we now have—we had first the Crystal Casino in which the Crystal Casino, from what I understood, from the same time period, had generated—and this was something I got after the committee meeting, but I believe the figure that I was given from Mr. Funk was \$37.4 million from its inception to, again, December of 1992.

The minister talked about tourism, that a significant number of those dollars are tourism dollars. Madam Deputy Speaker, I am encouraged

to hear that there is some of the money that is coming from tourist dollars. I believe that is a positive thing. I have been unable to actually get the concrete numbers in terms of what percentage is, in fact, tourist dollars. I hope that we will get this committee so that we will be to find out and answer some of those questions.

But I am concerned about, we now have the big bingo, and for lack, I am going to continue to use the word "palace." I know Mr. Funk does not like the word "palace" being used, but this is what has been coined, I believe, from one of the Free Press reporters. We, at least a number of people, have adopted it because I think it is somewhat of an appropriate terminology.

We have two huge bingo palaces that are being opened very shortly in the city of Winnipeg, and I understand there is actually an extension of the number of seats from what the former two bingo halls had. [interjection]

The member for Transcona (Mr. Reid) says there are less. This is a valid point. The member for Transcona says there are in fact less. These are the actual numbers—[interjection] This is what he was told.

These are the types of questions that we would like to be able to ask of the foundation itself. Again, it stresses the importance of the foundation and us having the committee meeting, so that we can get on the record the types of questions and answers so that we are better able to debate it. I think it is important to know, for example, have the number of seats increased in the palaces. What is the government's intention in dealing with bingo and the impact these palaces are going to have on the bingos in the city of Winnipeg?

The minister had indicated in her remarks, in particular during Question Period and yesterday, that bingo has actually increased in rural Manitoba, but will bingo increase for the nonprofit organizations in the city of Winnipeg? I would be surprised, to be honest with you, Madam Deputy Speaker, if that occurred, because in rural Manitoba the government did not create these massive bingo halls. In Winnipeg, by having these palaces, you will in all likelihood have more individuals participating, because it is possibly more exciting and so forth.

But what is it that you are doing? It is, of course, that you are taking away from, whether it is a

church bingo, community bingo, whatever it might be, and these are bingos that are run again by volunteers. If you take away from those bingos, in all likelihood, government, not only at this level but also at the civic level, are going to be approached for monies that have been lost.

I was listening to one of the radio stations, 'OB, on the way to work this morning. There was an individual who was talking about the bingo halls and said that there was an inner-city group of kids who were being subsidized for sports recreation through bingo profits from a local nonprofit organization, and these bingo palaces were going to take away from this bingo place or nonprofit bingo organization, if you like, and as a direct result, these children, or this sports recreation program, was being put into jeopardy.

\* (1130)

Madam Deputy Speaker, these are the types of things which I believe the minister should be aware of prior to expansion or venturing into it or giving the green light for the foundation to go into. These are the types of things that the minister needs to know. This is the reason why today—I have stood up in the past and will continue to, to argue that the government should not be going ahead with expansion of gambling until it knows at what cost, at what the economic and social costs are going to be. [interjection]

To the Deputy Premier (Mr. Downey), you know the ideas that we have put forward or that I had put forward to our membership were much more responsible than what this government has taken. Had the Deputy Premier fact read through the whole booklet of ideas that our membership was supposed to talk about, I am sure that he would concede that, in fact, it was not a commitment of a governmental statement of sorts, that it is very different what I was suggesting to our members than what this government is actually doing. I do not want to get off topic there, Madam Deputy Speaker, but to continue to go back in terms of the costs and this government not having the background information to be able to justify its expansion.

The government minister yesterday said that, I believe the figure was, nine out of every 10 Manitobans gamble and all we are doing is providing a form of entertainment. The Minister of Highways (Mr. Driedger) said from his seat that he

wants to keep Manitobans here as opposed to letting them go abroad to gamble. Madam Deputy Speaker, I have always argued that we have to be responsible in dealing with the gambling issue, and there is no debate on that aspect of it. What we want debate on is how we do that. How do we ensure that it is a proper form in terms of access, in terms of the entertainment value, and so forth? This is where I personally, and as a caucus, completely disagree with what the minister and this government are actually doing.

As I say, we do want to see this bill go into committee, but I guess that I would want to conclude my remarks by just talking about the dollars and the expansion that is being proposed. To conclude, again, I remind everyone in this Chamber that \$35.7 million was taken out through the VLTs out of rural Manitobans from the government alone in terms of profit—\$35.7 million, and that is up to '92. Madam Deputy Speaker, \$10 million went to the hotels; \$500,000 went back into the communities for those organizations that lost out of the break-open tickets, nothing more than that. Nothing in terms of the other individual fundraising events that occur. Absolutely nothing has been done in terms of support groups for the negative social costs of the VLTs going into rural Manitoba, nothing at all.

Madam Deputy Speaker, the city of Winnipeg is going to have 1,800 to 1,900 VLT machines at some 275 locations scattered throughout the city of Winnipeg. This government's intentions are to go ahead. It does not matter one iota what Rachael Volberg has to say in her report. This government is going to be putting in these VLT machines.

How much of the money that is going to be generated from those VLT machines is going to go towards support groups, is going to be going towards the communities or the organizations that are going to be losing money? How long will this government continue in these public relation scams dealing with gambling in the province of Manitoba? How long will it continue to deceive Manitobans on the issue of gambling before it comes to grips that this is a very serious issue, that the public and the province of Manitoba deserve better in terms of debate, that the government should not try to tag gambling to other aspects of government expenditure to try to justify it, and that the negative social impacts of gambling are very significant.

Madam Deputy Speaker, the government can try to say whatever it wants in terms of what I said during the leadership debate, but I can assure the government that the Liberal Party will approach gambling very seriously. We will ensure that there is going to be full public discussion. If the government is unwilling to take that responsibility, I, on behalf of the Liberal caucus as the critic for Lotteries, will ensure that this government will in fact be held accountable and individuals in the next provincial election will be well aware throughout the province of Manitoba, well aware of what this government has done in terms of gambling in the province of Manitoba. Thank you very much.

**Mr. Doug Martindale (Burrows):** Madam Deputy Speaker, I move, seconded by the member for St. Johns (Ms. Wasylcia-Leis), that debate be adjourned.

**Motion agreed to.**

#### **Bill 45—The Coat of Arms, Emblems and the Manitoba Tartan Amendment Act**

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship):** Madam Deputy Speaker, I move, seconded by the Minister of Energy and Mines (Mr. Downey), that Bill 45, The Coat of Arms, Emblems and the Manitoba Tartan Amendment Act (Loi modifiant la Loi sur les armoiries, les emblèmes et le tartan du Manitoba) be now read a second time and referred to a committee of this House.

**Motion presented.**

**Mrs. Mitchelson:** Madam Deputy Speaker, on October 23, 1992, many of us were privileged to witness here in this Chamber a historic occasion for our province and for Canada. It was the granting and proclamation of Manitoba's augmented coat of arms by His Excellency The Right Honourable Ramon John Hnatyshyn, Governor-General of Canada. I would just like to hold up a picture of the new coat of arms. I am sure that all members of this Chamber would agree that it is a beautiful piece of work.

\* (1140)

The Governor-General is also, by virtue of his office, the head of the Canadian Heraldic Authority. When he approved the changes to our coat of arms that were requested by our province, it was the first

time that a new coat of arms had been created in this fashion in Canada.

The ceremony in this Chamber marked the first time that a Canadian Governor-General had created an augmented provincial coat of arms. The bill that I am introducing today gives provincial legislative authority to the augmented coat of arms that the Governor-General was pleased to approve last year.

Madam Deputy Speaker, The Coat of Arms, Emblems and the Manitoba Tartan Amendment Act accomplishes three things. First, in legal terminology, it incorporates the changes to our coat of arms into the governing legislation.

Second, in heraldic language, it describes the augmented coat of arms; and third, it contains reproductions of the two coats of arms, the former version dating to 1905 and the new augmented coat of arms that has been in use since last October 23.

The bill is retroactive to October 23, 1992.

I would just like to read into the record the story of the coat of arms of Manitoba. The history of Manitoba's most important official symbol is virtually as old as the province itself. Within a few weeks of the formal entry of the new province of Manitoba into confederation on July 15, 1870, a new seal was adopted as the first Great Seal of the province. At the centre of this seal was a shield featuring a buffalo beneath the red cross of St. George, bearing at its centre a representation of the royal crown.

Unfortunately, no evidence has yet surfaced to indicate who was the author of this striking design. The inspiration for it is quite clear. As Dr. Conrad Swan, Garter King of Arms has noted in his excellent study, *Canada's Symbols of Sovereignty*, I quote: For all but two centuries the Hudson's Bay Company had exercised vice-regal jurisdiction over the area out of which Manitoba was carved.

The principal charge for the company's arms is the red cross of St. George, and so it was appropriate that this should form part of the arms of the province.

The buffalo, which is the major charge of the provincial arms, was the most singular of the several fauna of the area. More than 30 years passed before the provincial authorities sought to have lawful arms granted to Manitoba.

In response to an Order-in-Council of December 10, 1903, King Edward VII signed a Royal Warrant on May 10, 1905 assigning arms to the province. These consisted of a heraldically correct version of the major elements found on the Great Seal of 1870.

In the arms the buffalo stands on a rock and the royal crown does not appear at the centre of the cross. This symbol, familiar to generations of Manitobans and other Canadians has served the province as its principal mark of identity and authority until today.

In May this year, our Premier (Mr. Filmon), on behalf of the government and people of Manitoba advised His Honour, the Honourable George Johnson, Lieutenant-Governor of Manitoba, of the province's wish to augment the shield of arms of the province as a celebration of Manitoba's heritage and accomplishments and in permanent commemoration of the 125th Anniversary of Confederation.

His Honour transmitted this request to His Excellency the Right Honourable Ramon John Hnatyshyn, Governor-General of Canada, who is head of the Canadian Heraldic Authority. The authority was created on June 4, 1988, pursuant to a royal warrant which vested the prerogative power possessed by Her Majesty as Queen of Canada to create heraldic honours with the Governor-General. Canada is the first country outside Britain within the Commonwealth and the first in the western hemisphere to exercise this power in its own domain.

The augmentation involves adding to the shield all the other elements which for centuries have comprised a full coat of arms, the crest above the shield, the supporters at either side, the compartment on which the supporters and the shield rest and the motto.

The historic and current view of augmentation, especially for provinces, is that they are a visual expression of the importance these entities have in the life and character of the nation. Augmentations are undertaken for the greater honour of the province. From an aesthetic and historical perspective, augmentations offer a unique opportunity to enrich and extend the visual impact and symbolic meaning of the original arms. As I indicated, on the 23rd of October, 1992, we

officially brought the augmented coat of arms into place.

(Mr. Speaker in the Chair)

These new arms, the first ever to be created in this fashion in Canada, are directly inspired by the history and environment of the province and enshrine its floral and arboreal emblems.

At the centre of the new arms is the familiar shield of 1905. Above the shield, the gold helmet signals Manitoba's co-sovereign status in Confederation. Flowing around the helmet is the traditional component of the mantling, here granted in Canada's national colours of red and silver. Above the helmet is the crest. The beaver, Canada's national animal and symbol of industry and determination, also represents the riches of Manitoba's natural environment and the fur trade of the historic period, which was an important element of the province's early economic and social development. The beaver holds a prairie crocus, the province's floral emblem.

On the beaver's back is the Royal Crown granted as a special mark of honour by Her Majesty the Queen on the recommendation of His Excellency the Governor-General. Occupying the senior position in the arms, it symbolizes Manitoba's status as a key component of the Canadian community and its character as part of a constitutional monarchy. The appearance of the crown also recaptures the feelings of loyalty which prompted the use of the crown in the Great Seal between 1870 and 1903.

Turning to the supporters, on the viewer's left is the unicorn. This complex, fascinating and graceful mythical creature is one of two supporters in the Royal Arms of Canada, in turn, inherited from the arms of Great Britain and ultimately from Scotland, homeland of so many of the first Europeans who came to Manitoba.

At its neck is a collar of green stones with silver masonry bearing a decorative frieze of silver maple leaves. This collar represents Manitoba's position as Canada's keystone province, an adjective long used to describe its geographical and economic importance in the centre of the country, and, as well, the stones of Fort Garry and some of the other historic buildings in the Red River Valley. Hanging from this collar is a wheel of a Red River cart, symbolic of the most distinctive form of transport

developed in Manitoba, honouring the province's distinctive historical development.

Mr. Speaker, on the viewer's right is a white horse, an animal vital to the culture of several of the first peoples, the Metis and the European settlers. The collar of bead and bone honours all of the first peoples, and hanging from it is their symbol for the nature and meaning of our existence—the sacred circle or cycle of life.

The supporters and the shield rest on a compartment which is a visual metaphor for Manitoba. Rising above the blue and white waters of the province's lakes and rivers are the grain fields and forests composed of the provincial tree, the white spruce. The seven prairie crocuses at the centre represent one people made up of many diverse origins in celebration of the multicultural character of the population. At the base, the symbol is anchored by the motto. A Latin translation of a stirring phrase from the national anthem, glorious and free, evokes the character of all Manitobans and their democratic inheritance.

\* (1150)

The best symbols are a dramatic distillation of the communities they represent and serve. The Governor-General's gift to Manitoba in 1992 embellishes and enriches a symbol already deeply embedded in the hearts and minds of the people of the province of Manitoba. Long may these new elements serve the province and its citizens and long may they be seen as worthy expressions of the special character of the province in the centre of Canada.

Mr. Speaker, I am pleased and proud to introduce this legislation today, retroactive to October 23, 1992. I know the citizens of Manitoba and all members of this Legislature will debate this with the intent of enhancing the history and the heritage of our wonderful province of Manitoba, and I know it will receive enthusiastic support from all members of the Legislature.

Thank you.

**Mr. Gary Doer (Leader of the Opposition):** I move, seconded by the member for St. Johns (Ms. Wasylycia-Leis), that debate on this bill be adjourned.

**Motion agreed to.**

### **Bill 44—The Alcoholism Foundation Amendment and Consequential Amendments Act**

**Hon. Donald Orchard (Minister of Health):** Monsieur le président, I move, seconded by the Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson), that Bill 44, The Alcoholism Foundation Amendment and Consequential Amendments Act; Loi modifiant la Loi sur la Fondation manitobaine de lutte contre l'alcoolisme et apportant des modifications corrélatives à une autre loi, be now read a second time and be referred to a committee of this House.

**Motion presented.**

**Mr. Orchard:** Monsieur le président—[interjection] En français? Je parle un peu mais je ne parle pas bien le français.

**[Translation]**

Mr. Speaker—[interjection] In French? I speak a little French but I do not speak it well.

**[English]**

Mr. Speaker, the amendments to The Alcoholism Foundation Act before the House are a reflection of the changing times and their impact on the role of the foundation in serving our community. The proposal to change the name of the Alcoholism Foundation to the Addictions Foundation is part of this legislation, Sir.

When the foundation was first established, the treatment of Manitobans suffering from alcohol abuse and addiction was the primary focus. Today, this is no longer the reality. More clients, Sir, have multiple addictions. The statistics show us that of the people relying on the foundation's assistance, nearly 100 percent of female clients abuse or are addicted to alcohol plus another drug. Approximately 80 percent of male clients are addicted to other drugs in addition to alcohol, and 4.3 percent of the foundation's clients are seeking treatment solely for drug addictions.

As these trends have emerged within our community, the foundation has altered its service delivery to meet the changing needs of their chemically dependent clients. For example, their preventative and educational programs deal with increasing public awareness on a wide range of problems related to an addiction, i.e., Sir, most recently, participation in a conference on fetal

alcohol syndrome, and efforts around the sniffing problem that has been in the news lately.

The foundation continues to offer support services to affected persons—the spouses, friends and families of addicts. Affected persons are 10 percent of the current foundation's clientele. These individuals require professional direction on how to cope with the impact of addictions and chemical dependencies on their relationships.

It is to reflect the fact that alcoholism is, in itself, no longer the major focus of the foundation's efforts that we ask this House to approve the substitution of "Addictions" for "Alcoholism" in this act. Change will provide a clearer identification to the foundation in the services it provides to individuals with chemical dependencies and, Sir, will allow the AFM head logo, corporate logo to remain intact. That is, I think, a pretty significant advantage.

Mr. Speaker, also part of this legislation is a clause outlining confidentiality provisions in keeping with the foundation's current policies. It has been demonstrated to us that from time to time, situations may arise which require the foundation to notify other authorities concerning individuals in their care. For example, if the addicted individual is assessed as a danger to themselves or others, then the foundation must be in a legal position to notify the appropriate agencies or authorities to ensure the safety of all concerned. I think my honourable friends will agree that is an appropriate provision to include in these amendments.

Additionally, there is a clause added which outlines the exemption from liability requirements of servicing the needs of addicts. This change is in keeping with other legislation which exempts individuals from liability resulting from the execution of their duties under specific conditions, and the most recent being The Mental Health Act. Our proposed addition of the exemption from liability, Clause 15, will give foundation directors, officers or employees an exemption from liability if they carry out their duties under the act with reasonable care and skill.

We believe these changes are necessary and will be beneficial to the foundation, the people it serves in the community as a whole, and I would ask my honourable friends in the House if they could assure expedient passage of these amendments.

Thank you.

**Mr. Doug Martindale (Burrows):** Mr. Speaker, I move, seconded by the member for St. Johns (Ms. Wasylycia-Leis), that debate be adjourned.

**Motion agreed to.**

### House Business

**Hon. Darren Praznik (Deputy Government House Leader):** Mr. Speaker, on House Business, I would like to make some changes on the order of bills to be called that was previously announced by the House leader. I believe that he had asked for Bills 37, 34, 30, 38, 41 and 32 to be called. I would like that to be changed, to be replaced, Sir, by the calling of Bills 18, 32, 34 and 38 in that order.

### DEBATE ON SECOND READINGS

#### Bill 18—The Corporations Amendment Act

**Mr. Speaker:** On the proposed motion of the honourable Minister of Consumer and Corporate Affairs (Mrs. McIntosh), Bill 18, The Corporations Amendment Act; Loi modifiant la Loi sur les corporations, standing in the name of the honourable member for Burrows (Mr. Martindale).

**Some Honourable Members:** Pass.

**Mr. Speaker:** Pass? Okay, the honourable member has spoken. Is the House ready for the question?

The question before the House is second reading of Bill 18, The Corporations Amendment Act; Loi modifiant la Loi sur les corporations.

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

**Some Honourable Members:** Agreed.

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

#### Bill 32—The Social Allowances Amendment Act

**Mr. Speaker:** On the proposed motion of the honourable Minister of Family Services (Mr. Gilleshammer), Bill 32, The Social Allowances Amendment Act; Loi modifiant la Loi sur l'aide sociale, standing in the name of the honourable member for Radisson (Ms. Cerilli) who has 19 minutes remaining.

**An Honourable Member:** Stand.

\* (1200)

**Mr. Speaker:** Stand? Is there leave that this matter remain standing? Leave. [agreed]

### **Bill 34—The Public Schools Amendment (Francophone Schools Governance) Act**

**Mr. Speaker:** On the proposed motion of the honourable Minister of Education (Mrs. Vodrey), Bill 34, The Public Schools Amendment (Francophone Schools Governance) Act; Loi modifiant la Loi sur les écoles publiques (gestion des écoles françaises), standing in the name of the honourable member for Wolseley (Ms. Friesen).

**An Honourable Member:** Stand.

**Mr. Speaker:** Stand. Is there leave that this matter remain standing? Leave. [agreed]

### **Bill 38—The City of Winnipeg Amendment, Municipal Amendment, Planning Amendment and Summary Convictions Amendment Act**

**Mr. Speaker:** On the proposed motion of the honourable Minister of Urban Affairs (Mr. Ernst), Bill 38, The City of Winnipeg Amendment, Municipal Amendment, Planning Amendment and Summary Convictions Amendment Act; Loi modifiant la Loi sur la Ville de Winnipeg, la Loi sur les municipalités, la Loi sur l'aménagement du territoire et la Loi sur les poursuites sommaires, standing in the name of the honourable member for Transcona (Mr. Reid).

**An Honourable Member:** Stand.

**Mr. Speaker:** Stand. Is there leave that this matter remain standing? Leave. [agreed]

**Ms. Judy Wasylycia-Lels (St. Johns):** Mr. Speaker, I am pleased with the opportunity to begin our caucus's contribution to the debate on Bill 38 amendments to The City of Winnipeg Act.

I want to begin by saying, Mr. Speaker, that one has to question the priorities of this government when they take the time, energy and resources to change our coat of arms from something that is recognizable and esthetic and symbolic to one that is obtuse and confusing and certainly not all that pleasing.

(Mr. Ben Sveinson, Acting Speaker, in the Chair)

Yet at the same time, while they spend that kind of resource and time and energy playing around with our great emblem and coat of arms for the province of Manitoba, this government is busy

slipping in amendments into legislation that will fundamentally alter something as important as our public library system.

Mr. Acting Speaker, today in my comments on Bill 38 I will focus specifically on a section of the bill before us which marks a fundamental public policy change with respect to public libraries and indeed other important facilities and public services in the city of Winnipeg. I refer specifically to Section 195 on page 9, specifically the amendment to Section 402 of The City of Winnipeg Act, which allows the City of Winnipeg, gives authority to the City of Winnipeg to charge fees for a whole range of public services and facilities previously not permissible under The City of Winnipeg Act or any other piece of legislation.

Mr. Acting Speaker, I refer specifically to the words: "establish and regulate public facilities and services, including, without limiting the generality of the foregoing, swimming pools, arenas, leisure centres, gymnasiums and libraries, and may prescribe the fee or charge for the use of any public facility or the provision of any service to the public and may authorize the use of any facility or provision of any service on any day of the week."

Mr. Acting Speaker, the members of the Conservative Party may have thought they could slip through such a major change in a well-established, accessible institution in our society, but they are wrong. This is a fundamental shift in policy. It is a repugnant change in policy. It is a change in the tradition and history of this province, and we will not sit idly by and allow this government to act in complicity with the City of Winnipeg and begin to deny access to our public libraries to many of our citizens.

Indeed, this move on the part of this Minister responsible for Urban Affairs (Mr. Ernst), in conjunction with and collaboration with his other colleagues, including the minister who has responsibility for our public library system, is reprehensible. It is the beginning, as we have seen in so many other areas under this government, of a two-tiered system, the beginning of a reversal, the reverting back to a system that existed in this province and in this country 100 years ago.

Mr. Acting Speaker, we have in this province and in this country almost a hundred-year tradition of free public library service. We have a long-standing tradition of open, accessible libraries,

so that everyone in our society is able to benefit, to improve themselves, from the ability to access books, information and other materials from our public libraries. When this matter was raised in this Chamber not too long ago by myself, the minister responsible for public libraries suggested that this was the responsibility of the City of Winnipeg, and that this government's job was simply to respond to their wishes. The City of Winnipeg has put, in their budget, provision for the collection of fees for the first time in the history of this province, and the minister responsible for public libraries is acting in complicity with that agenda, is condoning this move, is supporting this fundamental shift in public policy.

Mr. Acting Speaker, this minister and this government had a choice, and I would have expected that while the Minister of Urban Affairs may feel somewhat obliged by his attachment to the gang at City Hall to listen and jump to it when the City of Winnipeg wants a change in public policy, I would have expected that we would have had at least one voice of common sense and common decency from the members of the Conservative cabinet, that being the minister responsible for public libraries.

Instead of speaking up in support of public libraries, she has acted as a puppet in complicity with the agenda of that group over there in conjunction with the City of Winnipeg. It is a shame that this marked shift in policy is being condoned by this government as a whole but particularly by the minister who has the responsibility to be the standard-bearer for publicly accessible public libraries in the province of Manitoba.

Mr. Acting Speaker, this Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson) who has responsibility to public libraries had some choices. This government had some choices.

No. 1, this minister and this government did not have to bow to the wishes of the City of Winnipeg and introduce this amendment to The City of Winnipeg Act. They did not have to act in complicity and condone this agenda. They could have resisted and refused to bring forward this amendment and allow the City of Winnipeg to figure out what it should do, and do what the Minister of Culture, Heritage and Citizenship has suggested: take responsibility for its actions.

The second option this minister had and this government had and still have is to show their commitment to public libraries, make it impossible for the City of Winnipeg to embark upon this direction and introduce an amendment to The Public Libraries Act prohibiting the collection of fees for the borrowing of books in our libraries. That is not unheard of. That would not be a unique step. That is a provision that exists in many other jurisdictions, in many other pieces of legislation, in laws of other provincial jurisdictions in this country.

We have surveyed provincial legislation pertaining to public libraries and informed the minister responsible for libraries that such provisions prohibiting the collection of fees for the borrowing of books is clearly stated in legislation of British Columbia, of Saskatchewan and Ontario. Mr. Acting Speaker, this government often likes to throw the actions of the governments of those three provinces in our face. Well, I would like now in this debate to turn the tables and to suggest to the minister that, if they are so intent on using those provinces as examples in this House, perhaps they do so today on this occasion and refuse to break a hundred-year tradition and allow for the collection of fees in our public libraries.

The third option this minister and this government have in response to the request from the City of Winnipeg is to say to the City of Winnipeg, we as a province support the City of Winnipeg library system; we provide major funds to ensure the operation of our public library system; and to tie conditions to that grant, Mr. Acting Speaker. Not unheard of, certainly done in other circumstances for other reasons in other situations.

Why, in this case, when we are seeing such a major shift and a denial of accessibility to our public library system, are this minister and this government not prepared to stand up to the City of Winnipeg and say we will not tolerate this change in policy and the provision for collection of fees and we will take back every dollar of our provincial grant for every dollar you raise in fees as a result of borrowing books? Three reasonable options, and it is not too late.

I would urge the minister responsible for public libraries, for open accessible public libraries in this province, to stand up to her colleagues and insist that at least one of those options be considered, and that we use every tool at our fingertips to stop this disastrous course of action and the beginning

of this two-tiered system of public libraries in the city of Winnipeg, something which will spill over and have dramatic effects in terms of the rural public library system. [interjection]

Mr. Acting Speaker, I expect this kind of reaction from members across the way and the Minister of Health (Mr. Orchard). They have demonstrated clearly in this House they have no appreciation for the need for our society to ensure an education system that is open and accessible to everyone. So why would they begin to appreciate the importance of our public libraries and the role they play in the education and learning of our young people and our citizens everywhere?

I think the Minister of Health has put out of his mind or forgotten or is not aware of the provincial responsibility and mandate for preserving our public library system. The area of public libraries is first and foremost a provincial responsibility. The province sets the standards, sets the policy and ensures a certain direction is followed.

(Mr. Speaker in the Chair)

\* (1210)

Mr. Speaker, let me just refresh members across the way a little bit about the history of libraries. Let me quote for just a moment from a recent issue of Quill & Quire in an article by Jane Aspinall from an article entitled Roots: The history of early library development in Canada is tied inextricably to early developments in the book trade, in education, in newspaper and in book publishing, to religious and political issues, in short, to the elements that help determine the character of the emerging nation.

Up to the mid-18th Century there was little call for libraries, public or otherwise. Although a few private libraries were brought over from Britain, and there was a fair number of clergy libraries in existence, for the most part, settlers were too preoccupied with the vicissitudes of frontier life to bother about books or literacy. Reading was viewed as a pastime for the elite.

The article goes on: By the time the first association and subscription libraries were being founded late in the 18th Century, the prevailing sense was still that only the principal classes had any need of books and libraries. Even if this had not been the case, the net effect of requiring patrons to pay an entrance fee of five pounds plus an annual two-pound subscription fee, as the public Quebec library, established in 1779, did, amounted

to the same thing for people without the means to pay.

Furthermore, Mr. Speaker, this article states: Once it was generally agreed that libraries and education were good things, there was further dissent among different denominational groups about just who deserved such privileges, the upper classes alone or everyone. Resistance to the idea of public support of libraries meant free public libraries were not established until 1882 when Ontario passed its free libraries act. Other provinces followed suit with their own free library acts, and it was in 1899 that Manitoba brought forward its legislation establishing free public library service.

So just a little short of a hundred years later, this government wants to take us back to a system that was of benefit to the elite, open to the privileged, but a denial of service to the poor and low-income members in our society today. They want to turn back the clock. They want to take away something that has been good, makes sense and has been of enormous benefit to the economy and to the social fabric of this province.

Mr. Speaker, let me remind the Minister of Health (Mr. Orchard), who has been huffing and puffing, and other members across the way just what libraries mean to many of us in our society today.

Libraries are the neighbourhood cornerstones of cultural endeavour in this country. They represent a fundamental cultural right in our society. The belief in their value to society is so fundamental that their doors are open to all or had been open to all, free of charge, with no requirement for admission, other than residency. They are, or had been, available to all members of our communities regardless of physical abilities, age, ethnocultural or linguistic background.

We have seen, over the years, libraries serving populations which are economically, politically and socially disadvantaged. We have also seen threats to that universal access for everyone regardless of their income or geography.

Our challenge today is not to turn back the clock a hundred years and make these libraries inaccessible to everyone, but to make our libraries more relevant to all members of our society. If we were doing our jobs, that is where we would be focusing our attention, not going for the quick-fix solution and response to budgetary problems,

breaking a hundred-year tradition and beginning the imposition of fees for the borrowing of books.

Mr. Speaker, this government has talked a lot about literacy, talked a lot and boasted a lot about creating opportunities for literacy. In fact, if we refer to the annual report for the Manitoba Literacy Office, it states that the office's role is to implement a province-wide literacy policy and provide leadership in the development and delivery of community-based, learner-centered adult literacy programming.

The Minister of Education (Mrs. Vodrey) in this House has boasted and talked a lot about developments in this regard. In fact, the Premier (Mr. Filmon), also, and all members of the government have done so in the recent report on economic recovery in this province by suggesting that, and I quote: Since the release of the Literacy Task Force Report in 1989, provincial funding of literacy programming has tripled.

It claims that there are now 33 provincially funded adult literacy programs operating across Manitoba. Fine words, Mr. Speaker, but place that in the context of what is actually happening. First, let us be clear that in overall terms, grants for literacy and continuing education have actually been reduced under this government.

That is one important development to keep in mind, but just as important, perhaps even more important, the centre of such a program, the centre of literacy training and education in this province are our public libraries, obvious places to be able to overcome the fact that so many in our society are illiterate today.

It is unbelievable that on the one hand this government can claim to be so concerned about literacy and use so much rhetorical flourish to talk about what it is doing, then turn around and destroy a system of universal access to our public library system that will do more to overcome illiteracy than anything this government or any other government can do to overcome that problem.

I want to say a little bit more about that, on the importance of libraries, particularly as it pertains to learning, literacy and education generally.

Public libraries sustain us throughout our lives. For the preschooler, the shelves of picture books excite curiosity and wonder. They also offer experiences and access to learning. But a library is more than just a storehouse of books. Its

availability makes a difference to the quality of a child's life, and regardless of what a child reads, it has been established that the number of books read, not the methods of reading instruction, not I.Q., not socioeconomic background, but the sheer quantity of books read is the decisive factor in reading achievement.

You know, Mr. Speaker, every summer in Manitoba, hundreds of children are encouraged to read public library books through programs such as the Summer Reading Program, where they earn a certificate or receive some other award for reading a certain number of books, and it has been proven that children who participate in the program improve their reading levels. Surely, in the new information age, it is incontestable that reading is the single most important skill a child can learn.

For students, the public library supplements the libraries of their own schools and other academic institutions. Most school libraries are primarily curriculum-oriented and lack sufficient breadth to fulfill all of a student's requirements.

\* (1220)

The public library is the place that is usually open after the school library closes. It is the place that provides resources to support research projects. It is the place to do homework, especially if conditions are crowded at home. For the part-time student or the adult learner, the public library is often the only library facility available and the student's primary help comes from public librarians.

Even more, Mr. Speaker, let me expound upon the virtues of libraries for other individuals in our society. For the hobbyist, the gardener, the traveller, the writer, the artist, the musician, the local historian, the job seeker, public libraries are essential.

For the elderly and people with disabilities, Manitoba's public libraries provide talking books, large-print materials and outreach services.

In an age where information overload is more than just a sociological term, the library is and will be, at least until July 1, when the City of Winnipeg brings in its user-pay policy, the only freely accessible social institution which can help us to develop the kind of understanding of the world we need. It is public libraries that are committed to the dream of broadening and deepening the culture of individuals so that our province and our country will have wise, caring and informed citizens.

These are challenging times. We do not dismiss that. We know that the city, the province and this country have difficult economic challenges to come to grips with. We know that we have to exercise great resourcefulness to find the means to enrich the quality of life for all Manitobans. But do not do that, though, by changing a hundred-year tradition and bringing in fees.

We have to recognize the importance of open, free, accessible public libraries in terms of our need to renew the economy, to help people find work, to get them participating fully in all facets of our life. We have to recognize the shortsightedness of denying accessibility to libraries now and pay the price later.

Mr. Speaker, the policy that comes into effect July 1 in the city of Winnipeg, unless it can be stopped, will introduce a system of fees where \$5 will be charged to every adult and every child over the age of 12, and that \$2 will be required by senior citizens in order to borrow books.

Oh, yes, there are exemptions. There are exemptions if you are on social assistance. There are exemptions if you feel you are of such low income that you cannot afford to pay for a library card.

Is that the kind of system we want here in Manitoba, in the city of Winnipeg, where we require people to show proof that they are on social assistance or low income and cannot afford to buy a library card? Is that the kind of system we really want? Have we not prided ourselves on a system that ensures that everyone is able to access facilities such as libraries without having to go through the stigma of proving that they are of such low income that they need exemptions to the rule?

Is that not the opposite of everything we hold near and dear to us in the province of Manitoba? Is that not the exact opposite of all the traditions and the history of this province as we work so hard to create equal opportunities and equality of condition for people in this province, regardless of income, geography, age, sex and culture?

Mr. Speaker, I hope that they can stop for a minute and realize how this kind of two-tiered system, of what kinds of barriers it puts in place for new Canadians and for low income members in our society, people whom we are trying to encourage into our libraries, who have enormous barriers to

overcome, and you tell me that they are going to go into a library now when they are hard pressed to do so to begin with and find that they have to prove that they are on social assistance or in dire straits before they can access the library.

There is no way in heaven people in those circumstances are going to access our public libraries if they are facing that kind of a barrier. You are defeating your own purpose by allowing this amendment to go through in The City of Winnipeg Act.

The ministers opposite the way keep suggesting, go talk to the City of Winnipeg. I keep coming back, why is this government condoning such a regressive, unjust, unfair measure? Why are they acting in complicity? Why are they not standing up to the City of Winnipeg and finding other ways to meet the challenges other than creating a two-tiered system and ending a hundred-year tradition of publicly accessible, open, free library services?

Mr. Speaker it is not too late for this government to reconsider and to realize the damaging effects this policy will have on education and learning and literacy in the province of Manitoba. It is not too late to realize that citizens in our city of Winnipeg will end up paying twice, first with an increase in taxes and now with a fee for library books. It is not too late to change this disastrous course of action and once again return to a 100-year tradition of free, publicly accessible libraries in the city of Winnipeg and the province of Manitoba, and I urge members of the Conservative government to do just that. Reconsider and restore universal access to our public library system.

Thank you, Mr. Speaker.

**Mr. Speaker:** As previously agreed, this matter will remain standing in the name of the honourable member for Transcona (Mr. Reid).

It appears there is a willingness on the part of all honourable members to revert to Bill 32. Is there unanimous consent to revert to Bill 32?

**Some Honourable Members:** No.

**Mr. Speaker:** No? Okay. Is it the will of the House to call it 12:30 then? [agreed]

The hour being 12:30 p.m., this House is now adjourned and stands adjourned until 1:30 p.m. Monday.

