

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 22 June, 1987.

Time — 1:30 p.m.

### OPENING PRAYER by Madam Speaker.

**MADAM SPEAKER, Hon. M. Phillips:** Presenting Petitions . . . Reading and Receiving Petitions . . . The Honourable Minister of Government Services.

**HON. H. HARAPIAK:** Madam Speaker, I rise on a point of order.

On Friday, during question period, I was . . .

**MADAM SPEAKER:** Order please.  
This is . . .

**HON. H. HARAPIAK:** This is my first opportunity to raise this matter, Madam Speaker.

**MADAM SPEAKER:** Unless it's a point of order about proceedings right at this very moment. I would prefer that if you're bringing up a point of order from today . . .

**HON. H. HARAPIAK:** Orders of the Day is fine.

**MADAM SPEAKER:** I would prefer if you waited till Orders of the Day or before Oral Questions, either one, but not under Routine Proceedings.

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**MADAM SPEAKER:** The Honourable Member for Fort Garry.

**MR. C. BIRT:** Thank you, Madam Speaker.  
I beg to present the First Report of the Committee on Public Accounts.

**MR. CLERK, W. Remnant:** Your committee met on Tuesday, June 2; Tuesday, June 9; and Thursday, June 11, 1987 at 10:00 a.m. in Room 255 of the Legislative Building to consider the Report of the Provincial Auditor and the Public Accounts of the Province of Manitoba and Supplement for the fiscal year ended March 31, 1986.

Your committee received all information desired by any member from Mr. F.H. Jackson, Provincial Auditor, the Minister of Finance and staff from the Department of Finance with respect to matters arising from the report.

Your committee considered the Report of the Provincial Auditor for the fiscal year ended March 31, 1986 and adopted the same as presented.

Your committee received all information desired by any member from the Minister, the Provincial Auditor and staff with respect to receipts, expenditures and other matters pertaining to the business of the province. The fullest opportunity was accorded to all members

of the committee to examine vouchers or any document called for and no restriction was placed upon the line of examination.

Your committee finds that the receipts and expenditures of monies have been carefully set forth and all monies properly accounted for.

All of which is respectfully submitted.

**MADAM SPEAKER:** The Honourable Member for Fort Garry.

**MR. C. BIRT:** I move, seconded by the Member for Morris, that the report of the committee be received.

**MOTION presented and carried.**

**MADAM SPEAKER:** Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills . . .

### POINT OF ORDER

**MADAM SPEAKER:** The Honourable Minister of Government Services.

**HON. H. HARAPIAK:** Yes, Madam Speaker, I rise on a point of order. This is my first opportunity to raise this point.

On Friday, during question period, I thought I heard the Member for Pembina say I was lying. I have now had an opportunity to read the unedited version of Hansard and I want to put on the record the member's comments. He said: "The Minister is lying through his teeth. Sonny Arrojado told you that he was there, didn't she? Now you're lying."

I would seek your advice, Madam Speaker. I would ask for an apology, but I would seek your advice to do it because the member is not here at present.

**MADAM SPEAKER:** I will take that matter under advisement so that I can review Hansard.

Order please, order please.

Normally the time to raise a point of order is at the moment it arises. I will look at Hansard and I will wait until an opportune time when the member is able to respond.

### ORAL QUESTIONS

#### MPIC Report - reprimands re annual financial statements

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Oral questions, Madam Speaker?

**MADAM SPEAKER:** Oral questions.

**MR. G. FILMON:** Thank you, Madam Speaker. My question is to the Premier.

Given that the Provincial Auditor, in his Report into MPIC, which was released on Friday, has said that members of senior management with accounting designations fail to carry out their annual financial statement reporting responsibilities with appropriate regard for accounting communications and ethical standards, will he be reprimanding and, in fact, removing those officials from their positions of responsibility, who did not do as they were required to as accounting principles, with accounting designations, and failed to carry out their annual financial statement reporting responsibilities?

**MADAM SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Madam Speaker, that is certainly a matter that the general manager of the Manitoba Public Insurance Corporation will take under review. He has the Auditor's Report; he will be making the appropriate assessments, based upon the information in that report and I'm sure will take whatever steps are reasonable.

#### **MPIC - those responsible for losses no longer in authority**

**MR. G. FILMON:** Madam Speaker, given that the Auditor's Report into MPIC indicates that both the vice-president of Finance and the controller acknowledge that, and I quote: "The application of generally accepted accounting principles was not the primary consideration" when the corporation, at the direction of the Minister responsible for MPIC in 1984, 1985 and 1986, chose not to report publicly massive losses in reinsurance that range anywhere from \$12 million to \$36 million over that period of time, but rather hide them from the public; what action will he take to ensure that those responsible for this cover-up can no longer be in a position of trust in the Province of Manitoba?

**HON. H. PAWLEY:** Madam Speaker, I've already, I thought, responded to that. The general manager, Mr. Silver, will be reviewing the findings of the Auditor, the recommendations of the Auditor. There will be, I understand, a further opportunity, by way of committee hearing this Thursday, in order for a further examination and questions to be posed, but this is a matter that the general manager of the Manitoba Public Insurance Corporation will be reviewing in view of the comments by the Provincial Auditor, and I'm sure as a result of further discussion that will take place at committee this Thursday based upon the various comments in the report.

#### **MPIC - review of Minister in position of authority**

**MR. G. FILMON:** Madam Speaker, among those senior officials that I referred to, not only were senior officials at MPIC, but the Minister himself who, in fact, instructed senior officials to come up with a scheme to hide from public view these massive losses in reinsurance of at least \$12 million, and closer to \$36 million.

Is the Premier telling me that the general manager is going to be reviewing the appropriateness of the Minister remaining in a position of responsibility?

**HON. H. PAWLEY:** Madam Speaker, the Provincial Auditor's Report certainly does not indicate anywhere within that report that the Minister attempted to hide from public view losses pursuant to the Manitoba Public Insurance Corporation. There is nowhere in that report where there is any such charge or allegation, or finding by the Provincial Auditor.

#### **MPIC - removal of Minister**

**MR. G. FILMON:** Madam Speaker, just for the information of the Premier.

On page 19 of the report, in a statement by Olafur Sigurdson, the chairman of the Board of MPIC - politically-appointed by this administration, by this Premier - Mr. Sigurdson, said, and I quote: "The Minister informed him and the president that it was not an appropriate time to record this . . ." - "this," being a loss of \$12.3 million. The Minister then requested options be developed as to how this matter could be handled.

The Premier will recall that previously the Premier

**MADAM SPEAKER:** Does the honourable member have a question?

**MR. G. FILMON:** Yes.

The Premier will recall - I'm just getting to my question, Madam Speaker - that previously we had been informed by the Minister responsible that he chose the option of not showing the losses publicly but, in fact, hiding them from public attention, spreading them out over five years and misinforming . . .

**MADAM SPEAKER:** Does the honourable member have a question?

**MR. G. FILMON:** . . . the public of the massive losses and risk that the public and the taxpayer were at as a result of his handling of the reinsurance.

Now, Madam Speaker, my question to the Premier is: Given this information that the Minister was responsible for this massive cover-up, will he remove this Minister from his post as Minister responsible?

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. H. PAWLEY:** Madam Speaker, it's indeed a strange circumstance that we have the Leader of the Opposition demanding the resignation of the Minister who undertook steps - the first Minister, in fact, during three administrations - to provide a correction of the problems which took place in the general reinsurance assumed business of the Manitoba Public Insurance Corporation. In fact, it was this Minister, Madam Speaker, who has provided full information all along to Members of the Opposition.

It has been this Minister, Madam Speaker, that provided the minutes of the Manitoba Public Insurance Corporation to honourable members across the way; it is this Minister, in fact, who has already presided through two committee meetings dealing with this subject, and a third meeting which is coming up prior to the completion of this week.

In fact, it was this Minister in 1984, after many years, Madam Speaker, of no action having been taken, took action in order to ensure that there be reinsurance expertise within the Manitoba Public Insurance Corporation.

It was this Minister, in fact, Madam Speaker, who - (Interjection)- Madam Speaker, the questions were asked; I am giving an answer.

**MADAM SPEAKER:** May I remind the Honourable Minister that answers to questions should be brief.

**HON. H. PAWLEY:** Madam Speaker, there was an assumption made that is quite untrue and I'm responding to that.

**MADAM SPEAKER:** Order please.

**HON. H. PAWLEY:** Madam Speaker, it was this Minister who asked for the services of the Provincial Auditor in order to investigate the entire matter.

### **MPIC - how can Premier condone actions of Minister in cover-up**

**MR. G. FILMON:** Madam Speaker, in view of the fact that in March of this year, this Minister said, and I quote, he "... was not aware of the losses on reinsurance at MPIC," which he later corrected to say he was not aware of the magnitude of the losses at MPIC, which later he then corrected to say he was aware of \$12 million in losses, and also acknowledged that he was responsible for approving a plan of cover-up which he did not request.

And now, Madam Speaker, given that the . . .

**MADAM SPEAKER:** Does the honourable member have a question?

**MR. G. FILMON:** . . . Auditor has clearly indicated that this Minister requested the cover-up plan and, in fact, caused it to come into being so that the public for over two years, was not made aware of all of these losses in reinsurance, how can this Premier condone the actions of his Minister in deliberately covering up from public attention the massive losses in reinsurance at MPIC?

**HON. H. PAWLEY:** This Minister neither approved, nor demanded a cover-up. Madam Speaker, I could find nothing that would be more idiotic, that in 1984 for this Minister to have ordered any cover-up insofar as losses are concerned because, even if the losses pertaining to reinsurance had been shown there, would still be substantial profit shown in the Annual Report of the Manitoba Public Insurance Corporation.

Secondly, Madam Speaker, I couldn't believe that the Leader of the Opposition would suggest that this Minister would try to cover up, or would command a covering up of massive bungling that took place during the period 1977-1981. Madam Speaker, 25 of the 41 treaties, by which monies were lost massively, were lost while the Leader of the Opposition sat in the government benches from the period 1977-81. Why would the Minister responsible for the Manitoba Public Insurance

Corporation attempt to cover up losses that massively took place during Tory years in this province?

**MADAM SPEAKER:** Order please.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** I am merely repeating the words of the chairman that was appointed by this Premier.

**MADAM SPEAKER:** Does the honourable member have a question?

### **MPIC - will Premier indicate whether chairman was a liar**

**MR. G. FILMON:** The chairman, Mr. Sigurdson, of MPIC, who stated that, in fact, the cover-up plan was asked for by the Minister responsible . . .

**MADAM SPEAKER:** Does the honourable member have a question?

Order please.

**MR. G. FILMON:** . . . and approved by the Minister responsible.

Will the Premier indicate now whether Mr. Sigurdson is a liar?

**HON. H. PAWLEY:** My simple response to the Leader of the Opposition: Nowhere in the Auditor's report - and it's wrong for the Leader of the Opposition to attempt to misinform this Chamber - nowhere in the report is the chairman attributed to having suggested that the Minister ordered a cover-up. It is wrong, wrong for the Leader of the Opposition to attribute those statements to the former chairman of the Manitoba Public Insurance Corporation.

**MR. G. FILMON:** The Auditor's Report says clearly that the Minister then requested options be developed as to how the matter might be handled because it was inappropriate to show \$12 million of losses. The Minister is on the record as acknowledging that he approved the plan.

**MADAM SPEAKER:** Order please, order please.

May I remind the Honourable . . .

**MR. G. FILMON:** He approved the plan; he said it.

**MADAM SPEAKER:** Order please.

May I remind the Honourable Leader of the Opposition that question period is not a time for debate.

### **MPIC - removal of Minister**

**MADAM SPEAKER:** Does the Honourable Leader of the Opposition have a question?

**MR. G. FILMON:** Madam Speaker, given that we have confirmed, on the record, by the chairman of MPIC that the Minister requested the plan, the Minister has publicly acknowledged that he approved the plan for cover-up of the losses, how can this Premier allow him

to remain in Cabinet? He's a black mark on this administration and he destroys the credibility of this entire administration. How can he remain in Cabinet?

**HON. H. PAWLEY:** Again, this Minister has never acknowledged any such thing.

**A MEMBER:** Yes he has.

**HON. H. PAWLEY:** Never acknowledged any such thing. What we have had, Madam Speaker, is a choice that was made by the corporation, after consultation with the Minister as to whether or not the accounting practice that had been followed for a number of years . . .

**MR. G. FILMON:** He has publicly acknowledged it.

**HON. H. PAWLEY:** . . . whether that practice that had been followed from 1976 through to 1984 would be continued, or whether a different approach would be initiated in the year 1984.

Madam Speaker, it was the advice of the Minister, in 1984, that he preferred to see the practice that had always been followed, year after year after year, being continued. Madam Speaker, if there was a cover-up in 1984, there was a cover-up in prior years. But, no, Madam Speaker, it's this Minister that has been the most open; it was this Minister that took action, first and foremost, to clean up what was a mess at the Manitoba Public Insurance Corporation; 25 of the 41 treaties hadn't been written under the Lyon Administration in this province under which, as a result, there were massive losses, 21 out of the 41 treaties.

**MR. G. FILMON:** Madam Speaker . . .

**HON. H. PAWLEY:** Madam Speaker, let me correct that: 25, not 21, treaties.

### **MPIC - condone Minister re meeting with Mr. Laufer**

**MR. G. FILMON:** Madam Speaker, how can the First Minister condone one of his Ministers publicly lying on the record about a meeting that took place that involved Mr. Laufer?

**MADAM SPEAKER:** Order please, order please.

As the Honourable Leader of the Opposition well knows, that it is most unparliamentary to accuse a Minister of the Crown of lying.

Would the Honourable Leader of the Opposition please withdraw those remarks?

**MR. G. FILMON:** Madam Speaker, three people were at the meeting, two of them have confirmed that this Minister asked for the plan.

**MADAM SPEAKER:** Order please, order please.

**MR. G. FILMON:** Madam Speaker, I'm quite prepared to withdraw the term "lying," because it's unparliamentary, not because it isn't the truth.

**MADAM SPEAKER:** Order please.

That is not an unqualified withdrawal.

**MR. G. FILMON:** I beg your pardon, Madam Speaker?

**MADAM SPEAKER:** That is not an unqualified withdrawal.

**MR. G. FILMON:** Madam Speaker, I will withdraw the term "lying," because it's unparliamentary.

**MADAM SPEAKER:** Thank you.

### **MPIC - Premier condone Minister's statement not in accordance with facts**

**MR. G. FILMON:** How can this Premier condone having a Minister in Cabinet who doesn't tell the truth about an item that's as vital as a \$12 million reinsurance loss, and the cover-up of that matter?

**MADAM SPEAKER:** Order please.

Not telling the truth is the same as accusing a member of lying. Would the honourable member please withdraw any imputation of intentional falsehood - Citation 322?

**MR. G. FILMON:** Madam Speaker, how can this Premier condone having in Cabinet a Minister whose statement is not in accordance with the facts, and the corroboration of the two other people who attended that meeting with him?

**HON. H. PAWLEY:** Madam Speaker, as I've indicated previously, it's been this Minister that has been the Minister who has undertaken numerous steps in order to clean up a very bad situation that worsened dramatically from 1977 through to 1982.

Madam Speaker, I wish that we had dealt with it earlier than 1984, but credit must, indeed, be due to this Minister for having asked the questions, having put in motion some reinsurance expertise to deal with this particular matter for the first time in many years. It was this Minister that asked for a full Provincial Auditor's Report in respect to this matter; it was this Minister, Madam Speaker, that has given Opposition members full and complete access to the minutes of the Manitoba Public Insurance Corporation; it was this Minister, Madam Speaker, that has throughout been quite forthright, quite honest with honourable members across the way. And I again repeat, why would this Minister attempt for a moment to cover up massive losses as a result of bungles that took place when the Leader of the Opposition sat in the previous government of this province, namely, the Conservative Government of this province, that wrote the majority of the treaties that resulted in the massive losses that we're dealing with here; why would the Minister try to cover up Tory losses in this province?

### **MPIC - removal of Minister**

**MR. G. FILMON:** Madam Speaker, given that we have in Cabinet a Minister who has changed his story three or four times about the events surrounding the cover-up of \$12 million, or \$24 million, or \$36 million of

reinsurance; given that he has misinformed the public about who selected and who requested the cover-up plan for this \$12 million of losses in the fall of 1984; given that his testimony has now been denied by both the chairman of the Board of MPIC and the former president of MPIC; what does a Minister have to do in order to be removed from this Cabinet?

**HON. H. PAWLEY:** Again, I repeat to the Leader of the Opposition, for I believe the umpteenth time: Neither the former chairman, nor anywhere in the Auditor's Report, is there any suggestion of a cover-up. That is coming from the mouth of the Leader of the Opposition, and I think it is very regrettable that the Leader of the Opposition should try to place words in the mouth of the Provincial Auditor, or in the mouth of the former chairman of the MPIC, because there is no finding of cover-up, Madam Speaker.

And again, I repeat, why would the Minister wish to cover up massive losses attributable to treaties written during the former Conservative Government of the province?

### **MHSC - out-of-province costs and accommodation for radiotherapy**

**MADAM SPEAKER:** The Honourable Member for River East.

**MRS. B. MITCHELSON:** Thank you, Madam Speaker. My question is to the Minister of Health.

Will the Minister consider paying the out-of-province travel costs and accommodations for those patients forced to go out of province for radiotherapy treatments because of long waiting lists here in Manitoba?

**MADAM SPEAKER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Madam Speaker, we've had some concern re the treatment of cancer for some time, in fact, at 3:30 p.m., I'm meeting with the chairman of the board and the executive director. There has been some concern for quite a while now; new equipment has been approved. There's an internal concern and at what hospital the facility should be and there was a committee set up to make a recommendation. I understand, I should have this recommendation fairly soon, so we've been looking at the concern that we've had for quite a while now and I hope that this will be resolved fairly soon.

### **Cancer Foundation - plans for replacing of cobalt and linear accelerators**

**MRS. B. MITCHELSON:** Madam Speaker, the Minister didn't answer my question, but I will ask him another one.

Does the Minister have any long-range funding plan for replacing those other machines at the Cancer Foundation, Madam Speaker, the cobalt machine and the low-energy linear accelerator, the high-energy linear accelerator, that have already surpassed their normal life expectancy and will need replacement in the near future?

**HON. L. DESJARDINS:** Madam Speaker, I believe I did answer the last question the first time, now I'll answer the first question. No, at this time, we have no plans, other than we're doing now, to cover the cost of people outside the province.

**MRS. B. MITCHELSON:** Madam Speaker, the Minister didn't answer my question. I know they are replacing certain machines, but there are other machines that have outlived their life expectancy, and there are no plans for replacement of those.

### **Long-term plans to expand radiotherapy equipment, etc.**

**MRS. B. MITCHELSON:** My final supplementary, Madam Speaker.

Given that the incidence of cancer is rising 3 percent to 4 percent across the country, does the Minister have any long-term plans to expand radiotherapy equipment, staff and facilities to meet the increasing demands?

**HON. L. DESJARDINS:** Madam Speaker, I have made it quite clear that we were discussing with the Cancer Foundation and the people at both hospitals to see what facilities will be in place, and the actual program. I have also met with different doctors that are involved in that and we're looking at that. There should be an announcement fairly soon.

### **First Minister - definition of ministerial responsibility**

**MADAM SPEAKER:** The Honourable Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. My question is to the Premier.

Given the fact that the Minister responsible for the Telephone System was not asked to resign, because he stated he was ignorant of the activities of his department; and given the fact that the Minister of Community Services was not asked to resign, despite consist budgetary overexpenditures and a total lack of direction in her department; and given that the Minister responsible for MPIC is not asked to resign due to irreconcilable differences between his statements and that of two of his former administrative staff, will the First Minister please define for this House, and for the public of Manitoba, exactly what his definition is of "ministerial responsibility"?

**MADAM SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Madam Speaker, the Leader of the Opposition has referred to the Minister of Community Services, the Minister of Labour, the Minister responsible for Municipal Affairs, and the Manitoba Public Insurance Corporation, and I can say to the Leader of the Opposition that I believe that the vast majority -(Interjection)- I'm sorry, not the Leader of the Opposition, the Member for River Heights. I apologize to the Leader of the Opposition.

Madam Speaker, Ministers are not just bounced out of Cabinet, or out of areas of responsibility because

of unfounded charges, because of unfounded allegations, just because reckless charges are made. Madam Speaker, I am proud to say in this Legislature that this government, since 1981, probably alone of all governments in Canada, has no Minister that has any blemish, by way of conflict of interest, or otherwise.

Madam Speaker, I have a government, I have colleagues in this Chamber who have the confidence of the people of the Province of Manitoba. I believe there's not another government in the whole of Canada where there haven't been Ministers that have been bounced for reasons of conflict of interest and serious allegations.

Madam Speaker, we have a government on this side, let me tell you, of competence, no corruption, and integrity.

**MRS. S. CARSTAIRS:** Madam Speaker, a supplementary question to the Premier.

Does the Premier accept, as the policy of his government, the definition of "ministerial responsibility," as published in the Canadian Parliamentary Review of 1982 and '83, which says: "Ministers must accept responsibility for any maladministration by senior officials of his department"?

**MADAM SPEAKER:** Would the honourable member care to rephrase that question, so it doesn't seek an opinion?

**MRS. S. CARSTAIRS:** Madam Speaker, I asked if it was government policy to accept the definition which says that Ministers must accept responsibility for any maladministration by senior officials of his or her department?

**HON. H. PAWLEY:** Madam Speaker, if that was the criteria that was going to be followed, there wouldn't have been a single Minister in the former Trudeau administration that was still serving in 1984.

### **Constitutional authority re removal of Minister**

**MRS. S. CARSTAIRS:** A final supplementary to the same First Minister, Madam Speaker, and hopefully we can get him to account for his own ministry.

By what constitutional authority does the First Minister refuse to replace a Minister who is clearly, under definition of "ministerial responsibility," accountable for any interventions he may make in the administration process, when it is quite obvious to all Manitobans that this Minister has very much involved himself in administrative decisions of his department?

**HON. H. PAWLEY:** Madam Speaker, the member for River Heights is referring to the Minister responsible for Municipal Affairs, and the Minister responsible for Manitoba Public Insurance Corporation. I'm glad that this Minister took action in order to ensure, Madam Speaker, that there were improvements after eight years in the Manitoba Public Insurance Corporation. It was this Minister, Madam Speaker, who got to the bottom of the problems in the Manitoba Public Insurance Corporation; it was this Minister, in 1984, who started

to turn around the problems of reinsurance; it was this Minister, Madam Speaker, who ceased the exotic adverturism that had got out of control during 1977-1982 under the former Conservative administration in this province. Why would I replace the Minister who was cleaning up the mess starting in 1984?

### **Government losses - political decisions that keep knowledge from public**

**MRS. S. CARSTAIRS:** Madam Speaker, with a final, final supplementary to the First Minister.

Is it government policy that Ministers are to make decisions which are highly political and which are announced by the Minister to be political, which keep the people of this province from knowing about losses within their department?

**HON. H. PAWLEY:** Madam Speaker, that certainly was not the case here, and I regret that the Member for River Heights has not carefully followed the events of the last few months, because it was this Minister who has taken decisions. It was this Minister who has provided full information to Opposition; it is this Minister who took the action of calling the Provincial Auditor in to investigate the matters pertaining to reinsurance in the Manitoba Public Insurance Corporation; it was this Minister who called into being reinsurance expert assistance in 1984; it was this Minister who caused the cessation of the adverturism, as I mentioned a few moments ago, in exotic reinsurance that had taken place, principally during the period 1977-81; why would the Member for River Heights want to replace the Minister who did more than any other Minister in order to remedy the problems that the Manitoba Public Insurance Corporation that shouldn't have got out out control in 1978 through to 1982.

### **Taxation bill (1987) - amendment to reflect federal tax reform**

**MADAM SPEAKER:** The Honourable Member for Morris.

**MR. C. MANNES:** Thank you, Madam Speaker.

Early analysis by some suggest that the province will realize some significant windfall as a result of federal tax reform. My question to the Minister of Finance, will he be amending his taxation bill (1987) to reflect the windfall coming to the Province of Manitoba as a result of federal tax reform?

**MADAM SPEAKER:** The Honourable Minister of Finance.

**HON. E. KOSTYRA:** Thank you, Madam Speaker

The presumption behind the question is totally wrong. There is no windfall for the taxpayers for the Government of Manitoba with respect to the recently announced White Paper on Tax Reform. In fact, the changes that have been brought in place, or have been suggested will be brought in place next year, would actually result in a decrease in revenue to the Province of Manitoba as a result of the changes. That will not

take place because the Federal Government is going to accelerate the payments it makes to the province in order to provide a small increase, over and above, what is the present returns from the Federal Government that is collected on behalf of the province.

In any case, that amount is suggested to be about \$7 million in the next year. However, we asked the Federal Government for a guarantee that there will be no loss of revenue to the province and they were not prepared to give that. In any case, Madam Speaker, that will be considerably less than the amount of money that has been taken away from taxpayers of this province, from the lack and the reduction of support to equalization, to EPF for health and post-secondary education.

**MR. C. MANNES:** Madam Speaker, given that the so-called removal of revenue that the Minister alludes to in his answer, has been reflected totally within the Budget; and given that this supposed windfall has not been reflected within the Budget, again, my question holds, will the Minister be amending the taxation bill, or will he be putting forward some guarantee to the Province of Manitoba that whatever additional amount flows into the province will be directed toward deficit reduction and not to increased expenditure?

**HON. E. KOSTYRA:** I think the member is somewhat confused, Madam Speaker. The changes that have been suggested by the Federal Government are to go in place for the 1988 taxation year, not the 1987 taxation year. Even at that, as I understand the way the Federal government is going to stage the reductions in income tax, they are going to be put in place July 1 of next year so that there's a doubling-up of the benefits for six months of next year, rather than having the benefits throughout the year.

So any of those increases, if they do materialize, will be after January 1 next year and will have little, if any, impact on the budget this year, which ends in the first three months of 1987. There may well have to be, depending on the reform package that the Federal Minister has placed forward, how it finally ends up into legislation, There may well have to be some adjustments to the legislation in Manitoba next year so that we can ensure that whatever changes are made are fair to Manitobans, particularly those at the middle and lower income levels.

### **Report as to fiscal standing of the province re federal tax reform**

**MR. C. MANNES:** My final supplementary, Madam Speaker.

When will the government be publishing a report as to the implications on Manitoba's fiscal standing, the fiscal order, as to the federal tax reforms. When can we expect, as the public, a report of that nature?

**HON. E. KOSTYRA:** It will be some time, Madam Speaker, before we are able to see the full implications of what is being proposed. The Federal Government has indicated to us, provided us figures, showing there will be a loss of revenue to the province. However, as I indicated, the Federal Government has also said they

were going to accelerate payments from income tax to the province so that those losses will not materialize.

We intend to review the changes that have been placed forward in the White Paper; we intend to consult with Manitobans and to provide a timely response to those changes.

Regrettably, though, we've only seen one part of the package. As you are aware, Madam Speaker, the changes that are suggested to the sales tax reform are still some time away into the future.

### **MPIC - contradictory views re 5-year plan**

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Madam Speaker, my question is for the Premier.

Earlier in the question period the Premier denied that his Minister was in any way involved in a 5-year plan of spreading out the \$12 million losses of MPIC that he first learned about in the fall of 1984. I quote from Hansard of March 26, 1987, in which the Minister was testifying and he said: "However, as I indicated, options had been developed as to how those claims could be accommodated over a 5-year period." No elaborate scheme was developed by this Minister. A paper was developed unsolicited. Will he now acknowledge, since Mr. Sigurdson, in the Auditor's Report, has said: "The Minister then requested options." It wasn't unsolicited. He now says clearly: "The Minister requested options to be developed as to how this matter could be handled."

It's obvious that this Minister can't tell the truth, and wasn't telling the truth, Madam Speaker, and the Premier can't cover for him any longer.

**MADAM SPEAKER:** Order, order please.

May I remind the Honourable Leader of the Opposition of Beauchesne's Citation 322 once more, where it says that no imputation of intentional falsehood is permissible. On rare occasions this may result in the House having to accept two contradictory accounts of the same incident.

The honourable member cannot accuse a Minister of conveying false information to the House.

**MR. G. FILMON:** Madam Speaker, given that we have two contrary accounts of the same incident; the Premier saying that the Minister was not involved in a plan for covering up or spreading out the \$12 million losses over a five-year period; the former president, Mr. Laufer, and the former chairman, Mr. Sigurdson, saying clearly that the Minister indicated it was inappropriate to show those losses at that time and that he wanted a plan developed to hide those losses.

Given that, what is the Premier going to do now, given the two contrary accounts of the same incidents? Is he going to believe his Minister, or is he going to believe two other people, the only other two people who were at that committee, who were at that meeting, one of whom he appointed as chairman of MPIC?

**HON. H. PAWLEY:** Madam Speaker, all we're receiving again is a repeat of question 2 or question 3, that we

received at the beginning of the question period, because what the . . .

Madam Speaker, I again repeat, for the Minister to have indicated a preference to continue the accounting practice that had been pursued for a number of years, if the Leader of the Opposition is attempting to suggest that all the losses in the previous years were shown in the one year, then let him so say that.

There were obviously two courses of action that were available. One was to choose a course of action that would have reflected the practice that had been followed for the previous number of years; the second choice was to restructure the debt, in order to show that debt all in one year. Madam Speaker, the Minister chose the one course of action.

Leaving that aside, Madam Speaker, I again repeat to the Leader of the Opposition, because he appears not to have heard my remarks - or prefers not to hear my remarks - it was this Minister that made long overdue corrections; it was this Minister that first asked very serious questions about the reinsurance field; it was this Minister that asked questions why the Manitoba Public Insurance Corporation had been involved in, for some six years at that point, assumed reinsurance; it was this Minister that for the first time in six-seven years ensured that there was some expertise made available in order to attempt to place the reinsurance field in the proper way; it was this Minister that said withdrawal from reinsurance assumed; it was this Minister that established what is known as the New Book, by which 90 percent of the risks were national, as opposed to the previous situation during the Conservative period when the unfortunate treaties were being written en masse, when 90 percent of the treaties were foreign, this Minister ensured that 90 percent of those treaties were Canadian.

Madam Speaker, rather than to condemn this Minister, it was this Minister, the First Minister in six or seven years that took steps to rectify the situation at the Manitoba Public Insurance Corporation.

### **MPIC - which account of 5-year plan does Minister believe**

**MR. G. FILMON:** Madam Speaker, it's evident that the Premier has studied this matter very fully, and that he knows what happened throughout all that period, because he's now giving us answers about an entire period of time.

My question is: Having read the Auditor's Report, in which clearly Mr. Sigurdson indicates that he and Mr. Laufer were asked to provide options as to how to spread out the loss so it wouldn't have to be shown at a politically sensitive time, all at once, on the books of MPIC; and his Minister has said otherwise, which account does he believe, the account of Mr. Sigurdson, or the account of the Minister responsible?

**MADAM SPEAKER:** Order please.

Would the honourable member care to rephrase the question? The question part.

**MR. G. FILMON:** Madam Speaker, the Premier seems to be expert in this whole matter, so I ask him: Which account, the account that's shown in the Auditor's

Report, Mr. Sigurdson's account of how the losses were to be spread out, or the account that the Minister responsible has given? Which account is right, according to the Premier?

**HON. H. PAWLEY:** Madam Speaker, in my view, there are not two irreconcilable reports. Madam Speaker, both the Minister and the chairman are obviously dealing with the events of 30 months back in time. But clearly, Madam Speaker, what we are dealing with are questions as to whether or not this Minister had more than one option by way of proposed accounting procedure. He clearly had two options. One was to carry on the practice that had taken place for six or seven years; or secondly, to restructure the debt and to show it all in one year. That's what the option was.

Madam Speaker, maybe it would have been better for the Minister to have shown that loss all in the one year. Then, Madam Speaker, let me tell the Leader of the Opposition we could have pointed to the massive Tory bumbling that took place from 1977 to 1982, by which those losses occurred. I don't know why we would try to cover up for the mistakes and the blundering of the Conservative period 1978 to '82. I wish the Leader of the Opposition would respond to that question.

**MADAM SPEAKER:** The time for Oral Questions has expired.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order, order please.

The Honourable First Minister on a point of order.

**HON. H. PAWLEY:** On a point of order.

I must draw to the attention that the Leader of the Opposition has suggested that the Minister responsible for the Public Insurance Corporation lied.

**MADAM SPEAKER:** The Honourable Leader of the Opposition please retract any accusation that the Honourable Minister lied.

**MR. G. FILMON:** Yes, Madam Speaker, if I may have leave, I will withdraw the word "lie" because it is unparliamentary.

### **INTRODUCTION OF GUESTS**

**MADAM SPEAKER:** May I direct the attention of honourable members to the gallery where we have 50 students from Grade 5 and Grade 6 from the Bannatyne School, under the direction of Mrs. Sylvia Allard. The school is located in the constituency of the Honourable Member for Sturgeon Creek.

On behalf of all the members, we welcome you to the Legislature this afternoon.

I would also like to draw the attention of honourable members to the loge to my left where we have visiting with us Mrs. Bettie Hewes, who is a member of the Alberta Legislative Assembly for the constituency of Gold Bar.

On behalf of all the members, we welcome you to the Legislature this afternoon.



## COMMITTEE CHANGES

**MADAM SPEAKER:** The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Madam Speaker, I have some committee changes.

Under Statutory Regulations and Orders: Birt for McCrae. Under Industrial Relations: Connery for Birt; and Olsen for Mitchelson.

**MADAM SPEAKER:** The Honourable Member for Kildonan.

**MR. M. DOLIN:** Thank you, Madam Speaker.

On committee changes, I move, seconded by the Member for Elmwood, the composition of the Standing Committee on Statutory Regulations and Orders be amended as follows: Hon. M. Smith for the Hon. L. Harapiak.

I further move, seconded by the Member for Elmwood, that the composition of the Standing Committee on Industrial Relations be amended as follows: Hon. A. Mackling for the Hon. Judy Wasylycia-Leis; the Hon. H. Harapiak for the Hon. E. Kostyra.

## ORDERS OF THE DAY HOUSE BUSINESS

**MADAM SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** Yes, Madam Speaker, first, on a matter of House Business, I note that the Order Paper shows correctly that the Annual Report of A.E. McKenzie Co. Ltd. has been referred to the Standing Committee on Economic Development for tomorrow.

When I had first referred this in my remarks on Friday morning, I had inadvertently referred it to the Standing Committee on Public Utilities and Natural Resources. So I want to correct the record so that my referral and referral standing on the Order Paper are one and the same, and I want to thank the staff of the Clerk's Office for bringing that matter to my attention and making the necessary corrections.

Madam Speaker, I also wish to inform you that there will be Private Members' Hour today, and would you please call Bill No. 61 in the interim.

## ADJOURNED DEBATE ON SECOND READING

### BILL NO. 61 - THE LABOUR RELATIONS ACT

**MADAM SPEAKER:** On the proposed motion of the Honourable Minister of Labour, standing in the name of the Honourable Member for Turtle Mountain.

The Honourable Member for Turtle Mountain.

**MR. D. ROCAN:** Yes, Madam Speaker, standing in my name. Can I keep it in my name?

**MADAM SPEAKER:** Does the honourable member have leave to have it continue standing in his name? Leave? (Agreed)

The Honourable Leader of the Opposition.

**MR. G. FILMON:** Madam Speaker, I wish to stand today to debate Bill 61, the final offer selection legislation that has been introduced to the House by the Minister of Labour.

Madam Speaker, this is a curious situation. Final offer selection, a new technique for the Province of Manitoba, in legislation being brought forth by a government against the wishes of all employer groups in society, all business groups in society and against the wishes as well of a significant portion of organized labour groups in our society.

Madam Speaker, labour is against it in large measure. CAIMAW, Canadian Association of Industrial, Mechanical and Allied Workers Union; CUPE, the Canadian Union of Public Employees; International Ladies Garment Workers Union; the Manitoba Organization of Nurses' Associations; the Manitoba Association of Health Care Professionals; that series of unions, Madam Speaker, represents over 36,000 unionized workers. As well, the Winnipeg and District Labour Council who collectively represent another 50,000 members. All are opposed to this legislation, final offer selection. Yet, the Minister and this government, Madam Speaker, insist on proceeding.

Why is labour against it, Madam Speaker? Firstly, they find it a totally unwarranted intrusion into the free collective bargaining process. They prefer, Madam Speaker, to settle their own differences over the bargaining table. They don't want to have the heavy hand of government with an imposed arbitrator, whether that arbitrator be from a selection list or from the Manitoba Labour Board. They don't want to have that heavy hand of government imposing on them a settlement, particularly a settlement that might ultimately contain none of their proposals. Not one.

I don't think that's unreasonable, Madam Speaker. I don't think that labour should be criticized for taking that position. In other words, in a negotiated or a mediated or a normally arbitrated settlement, no side gets everything. Each side bends a little, gives a little, each side gets some of what they set out to achieve, and they at least feel that they've achieved a compromise of sorts, Madam Speaker.

(Mr. Deputy Speaker, C. Santos, in the Chair.)

This system is an all-or-nothing roll of the dice. That's the kind of system that this Minister of Labour and this government wants to introduce into labour relations in Manitoba today. Instead of a system of free collective bargaining which produces a win-win settlement - and let's acknowledge that neither side is completely happy in a negotiated settlement - each of them has had to give in a little; each of them has had to recognize that there must be some flexibility in order to arrive at the final determination and the final settlement. But it ends up being that each of them gains some of what they set out to achieve, so it's win-win. They're not totally happy, but they can live with it, Mr. Deputy Speaker.

This solution, this final offer settlement solution that the Minister of Labour is putting forward produces a win-lose situation in which one side has absolutely none of its proposals included in the settlement. This will lead, Mr. Deputy Speaker, to bitterness on the part of

whichever side loses everything in that roll of the dice, and the bitterness will last throughout the length of the contract.

If management loses all, they will be a tyrant throughout the term of the contract, forcing the union to tow the line, enforcing the letter of the agreement, no flexibility, none of the normal give and take that prevails between union and management during the length of term of a contract.

If the union loses all, Mr. Deputy Speaker, they'll be hard to get along with throughout the contract. They'll make life miserable for management. They'll grieve everything they can; they'll challenge everything they can.

Either way, it will poison the relations between the two sides and it will make for bad faith and lack of cooperation during the length of the contract. Is that the kind of solution that we want for labour relations in Manitoba? I hope not, Mr. Deputy Speaker, I hope not.

You know, I am surprised that at least a couple of people in the government caucus aren't speaking out against this. I don't understand how it could have gotten through caucus with a number of people who I know are sitting in the government benches. I don't know why they wouldn't have been cautioning their colleagues that they were on the road to disaster by bringing in this final offer selection legislation.

I'm not surprised that most of the members are totally ignorant of the consequences because I think that most of them have very little understanding of labour management relations and little, if any, labour experience.

I'm not surprised, for instance, at the Member for Thompson, who I believe has already spoken on this bill - maybe not, he's going to be speaking on this bill. I'm not surprised at the Member for Thompson or the Government House Leader, the Member for Churchill, because they took out union cards simply so they could have the credibility to get their nominations for the N.D. Party in their area. They're not really union people.

**MR. DEPUTY SPEAKER:** A point of order being raised by the Member for Thompson.

**MR. S. ASHTON:** Mr. Deputy Speaker, I believe it is not in order to cast aspersions on a member of the Opposition.

For the benefit of that member, I was first a member of Steelworkers Local 6166 in 1973, some full eight years before I ran for the nomination and was elected as the MLA for Thompson.

**HON. A. MACKLING:** A point of order.

**MR. DEPUTY SPEAKER:** A point of order being raised by the Minister of Labour.

**HON. A. MACKLING:** Yes, Mr. Deputy Speaker, the rules of this House make it very clear that honourable members are not to impute motives. The Honourable Leader of the Opposition has deliberately imputed motives to two members on this side of the House and I ask him to withdraw.

**MR. DEPUTY SPEAKER:** Order please.

While it is the rule in the House that disagreement as to facts is not a point of order, it is also a rule in this House, under 40.(1), that no member shall speak or use offensive words against the House or against any member of the House.

**A MEMBER:** What's your ruling?

**MR. DEPUTY SPEAKER:** If the Honourable Opposition Leader had used the offensive language against a member of this House, it is his duty and obligation as a member of honour to withdraw such a remark.

**MR. G. FILMON:** Mr. Deputy Speaker, I don't wish to offend the sensitivities of the Member for Thompson and the Member for Churchill. I believe it is generally accepted that neither of them have any degree of union experience or involvement to give them any experience in which they can speak with authority on this bill, and so be it. I will carry on with that belief which is my belief, Mr. Deputy Speaker.

**HON. A. MACKLING:** On the point of order, the honourable member said that members on this side joined an organization for the motive, for a political motive, Mr. Deputy Speaker. He imputed motives and he has not withdrawn that statement.

**MR. DEPUTY SPEAKER:** The Honourable Member for Thompson had reason because he considered it offensive, and if this is the case, it is a violation of the rules of this House for any member of this House to use offensive language against another member. Therefore . . .

**MR. G. FILMON:** I withdraw, Mr. Deputy Speaker. I've withdrawn any offensive remarks, any remarks which the Member for Thompson takes offence to.- (Interjection)-

**HON. A. MACKLING:** Are you withdrawing your earlier remarks? Say so.

**MR. G. FILMON:** That's exactly what I've said.

**MR. DEPUTY SPEAKER:** The Honourable Opposition House Leader has withdrawn and that's the end of the matter.

**MR. G. FILMON:** What I am saying, Mr. Deputy Speaker, is that they have never been true union people who understood the principles and the issues of true collective bargaining. I know, Mr. Deputy Speaker, that many others on that side do understand that.

For instance, the Member for Wolseley - a long-time member of union, actively involved in the union movement, a real committed person to union politics and union issues - I think it's a pity that she wasn't there, in caucus, to caution the members against this ill-considered decision.

I'm not surprised that the Minister of Labour does not have a union background. He's not a very competent individual. We've seen that through all of his experiences here, whether it be MTX, whether it be his husbandry of the Natural Resources Department.

Now he's doing the same thing here, bringing in disastrous legislation, simply a pawn of the power brokers behind the NDP. He listens to and he does whatever Bernie Christophe and whatever Wilf Hudson say.

You know, Mr. Deputy Speaker, it's evident even in the way this legislation was orchestrated. The matter was put forward by his predecessor to the Labour-Management Relations Committee of this province, a committee that this Minister says he has a great deal of faith in, a committee that he says performs a very useful function. It gives an opportunity to have any labour legislation reviewed by both sides, labour and management, to see whether or not it's appropriate, to see whether or not it is good for the Province of Manitoba and to have both sides have an opportunity to say what's good about it, what's harmful about it, how it will affect each of their general areas.

It was given to them for commentary. He knows, because I raised it with him in question period last week, that they turned it over to a subcommittee of the Labour Relations Management Committee, which had a couple of members representing management and a couple of members representing the unions. The two representing unions were Wilf Hudson and Bernie Christophe.

The group representing management came forward and did their analysis of a proposal on final offer selection. They found many areas of concern. They presented all of those thoughtfully, very carefully, as a package. The two representing labour refused to make any commentary on it and refused to deal with it in any meaningful way.

Those two individuals, Bernie Christophe and Wilf Hudson, would not deal with it. They didn't have to. They knew that all they had to do was stonewall, stall, not report to the Minister because the Minister would listen to them rather than to the Labour Management Review Committee. Can you imagine what a sham that is, what a hoax it is on the people of Manitoba to put up a Labour Management Review Committee, a non-partisan, equally balanced group to review labour legislation, and then pull that sort of stunt on them? When you give them something in a perfunctory manner to review, and you know that you're not going to listen to them anyway.

In fact, you conspire with the two labour representatives to ensure that they never report because you've got your mind made up. That's the kind of relationship that this Labour Minister has. That's the kind of thing that he can be pressured into doing. Then he goes ahead with final offer selection legislation, so I'm not surprised that he would go forward with this.

But I am surprised that a couple of other members would not have issued stern warnings and cautionary remarks. What about the Member for Concordia? What about him? What about the Minister of Finance? What about him? Why didn't they issue stern warning and cautionary messages to their caucus about what this final offer selection legislation could do to labour relations in Manitoba, what it could do overall? Why didn't they?

You know, the Member for Concordia, the super Minister, he has spoken many times in many public forums about the free collective bargaining process. He has certainly talked to me on a number of occasions

about the issues that have to do with labour relations, the theory and the practice of labour management negotiations and the ultimate free collective bargaining process. Why hasn't he said anything about this to his caucus? Why hasn't he intervened and told them that they are on the road to disaster? I wonder, Mr. Deputy Speaker.

What about the Minister of Finance? The Minister of Finance, he above all should have been issuing stern words of caution about going forward with this legislation. He made his living as a union organizer and as a union leader. He made his reputation, in a public sense, by being a very high profile union organizer and union leader. He built his career ultimately in the labour relations field as a springboard into politics, based on his ability as a union organizer, as a person who could indeed provide that kind of sound, sane, sensible negotiating skill and ability in a free collective bargaining process. He was senior representative for CUPE before he went into political life in this province. His union here and his union nationally is vehemently and totally opposed to final offer selection. How does he remain silent? How did he get muzzled by this group opposite? I don't know, Mr. Deputy Speaker, but it's interesting to ask that question.

I know that he's surrounded by people who aren't necessarily principled union supporters. They're just people who know that having union support enables them to be elected to the Legislature. They'll serve whoever pulls their strings. They'll serve whoever is the one who exercises most influence. In this case it's Bernie, because Bernie lets them use his computer. Bernie gives them all kinds of additional support, so Bernie calls the shots. Bernie pulls the strings on this particular issue. Bernie helps them to achieve their goals, so they help Bernie to achieve his goal.

That's it, part and parcel, chapter and verse, it's all over right there. Bernie lets them use his computer, Bernie helps them with their organization. Bernie, I know, helped the Member for Concordia get his nomination, had his people going door to door, had his people utilizing their lists to call people in Concordia to make sure that the Member for Concordia got his nomination, a hotly contested one. So Bernie calls in his IOU. That's what we've got in this legislation.

The Minister has said that this is just one more tool at the disposal of labour and management to settle disputes without the strike lockout provisions and the strike lockout scenario that generally prevails. It's not just one more tool, Mr. Minister. It's an attack on the principles of the free collective bargaining process. It totally replaces that process, that time-honoured, well-tested system with an entirely foreign concept; a win-lose, third-party imposed solution to a labour dispute; a settlement that's put in by somebody who has nothing at stake in the issue. In fact, the bill discourages bargaining because the union can request, between 30 and 60 days prior to the expiry of a contract, final offer selection be imposed. That's just when bargaining should be coming to a head. That's just when the real give and take should be taking place, that window of between one or two months prior to the expiry of contract. That's when one side, the union, can take a vote and elect for a contract to be imposed.

It stifles bargaining, it'll eliminate bargaining in fact if it's used in that respect. I hope that somebody reads

these comments to the Premier, Mr. Deputy Speaker, because he should know what's happening as a result of the action that's being taken under this legislation before it's too late.

(Madam Speaker in the Chair.)

It's a major blunder, being given to him on a silver platter by the same Minister who gave him that major blunder at MTX. It will be negative for labour relations, it'll be negative for the provincial economy, it'll be negative for this administration. I predict that, Madam Speaker.

I've talked only about the labour side, and I want to just finish off by reading a couple of letters from union people, union members who have been writing to me and to members on our side about Bill 61, final offer selection. Here's one that says - and it's not from a supporter, Madam Speaker. In fact it may, Madam Speaker, be from one of your constituents. I recognize that it's in an area close to Wolseley. It says and I quote: "Due to my great concern over the introduction of Bill 61, final offer settlement, I am writing to you to encourage you to defeat or encourage withdrawal of this regressive piece of legislation. Lockout and strike are the route of a truly free negotiating process. Final offer settlement can only create winners and losers, which creates greater labour unrest which is sure to erupt in other manners. At some point in time, the Progressive Conservative Party will come to power and this regressive legislation will be more difficult to remove at such time."

Well I want to tell you, Madam Speaker, it will not be more difficult to remove because we believe that this is a major error, a major blunder. It is so detrimental to labour-management relations, the free collective bargaining process and the economy of Manitoba that we'll be prepared to remove it. That's what I'll write back and tell this individual, Madam Speaker.

And she carries on and says, and I quote: "Please encourage your party to oppose this legislation as, I can assure you, I and my family all oppose this, as do both management and union persons I have spoken with." That's an ordinary individual. Madam Speaker, I know that you would understand her position on that, as somebody who is committed to the free collective bargaining process, who has worked with it, worked with it as a union representative, as a union leader, and I know that you'd be committed to that as her representative. And it's unfortunate, Madam Speaker, that you're not in a position to be of assistance to her on this.

Madam Speaker, I further quote from the Manitoba Organization of Nurses Association, and this letter goes directly to the Premier so he's familiar with their position on it. I know that he's had letters from all of the other unions who are opposing it. But they say, in part, and it's a lengthy letter: "We oppose this legislation because we firmly believe in free collective bargaining and that the best possible mechanism for resolving disputes is strike lockout. The existence of the unfettered right to strike ensures that the collective bargaining process involves true negotiations.

"Final offer selection, where the selector chooses one party's final position creates a situation where one party wins and one party loses. Because of this, final

offer selection will lead to a deterioration of labour-management relations. We want to ensure the collective agreement that is binding on both parties is acceptable to both parties. This promotes harmonious labour-management relations in the workplace.

"Another serious concern is that the proposed legislation permits the employer to interfere by requesting a vote of the union membership which is now exclusively the union's jurisdiction."

I wonder if the Minister has thought about that; I wonder if the Premier has thought about that, Madam Speaker.

These are union people speaking out. These are not the kinds of people who they love to rail against, the Chambers of Commerce, the business leaders, the corporate giants. These are not those people. These are their own union people putting it on the record that they are totally and completely opposed to final offer settlement.

But what about the other side? What about business and employer groups? They are also totally opposed to final offer selection. Why? Well, they see it as a gross and unwarranted intervention in the free collective bargaining process, an opportunity for a non-involved third-party agent to impose a settlement that they might not be able to live with. I remind the Minister of Labour that when we and many of the groups in Manitoba argued against first contract legislation which the government advertised as just another tool at the disposal of union and management for settling disputes - and I repeat that, because that's what he's saying about this - just another tool, not a major intervention, not a major change in the way in which we'll negotiate settlements on a labour-management basis, just another tool. That's the same as this as being advertised.

When his predecessor was advertising first contract legislation by that same description, people argued that it would allow a non-involved third party to impose on an employer a settlement that they might not be able to live with, and they could be faced with either drastically downsizing their operation or in fact closing their doors.

The Eaton's Brandon strike demonstrated that explicitly to everyone in this province. The store operation was to be dramatically cut back. I believe over 40 jobs, almost half the jobs in that store were to be lost as a result of first contract legislation, a settlement which the Eaton's store could not live with in Brandon. They were going to cut back over 40 jobs, almost half the work force as a result of that imposed settlement.

Eventually, the workers themselves prevailed upon the union to accept a different settlement from the one that was imposed by the Labour Board, and the jobs were saved, but no thanks to the first contract legislation of this administration.

In fact, the bitterness and the acrimony that developed over that hassle, that first contract settlement hassle, led to the decertification of the very union that had gone in there in the first place. That has been the case in a number of instances of first contract settlement in Manitoba, all too many instances in which the contract imposed, the settlement imposed and the bitterness and the acrimony that occurred over that first contract settlement resulted in the decertification of the union.

But when the employers argued that the prospect of this first contract imposed settlement might give them something they could not live with and it might threaten their operations in the future, they were told by the then Minister of Labour, well, it's only the first year. That's the only time that you'll have to deal with an imposed settlement. You will have the continued assurance after that of a free collective bargained settlement from that point on.

Well, what does final offer selection do? Final offer selection sets up the interesting prospect that an employer in Manitoba could never have the responsibility or the right to a free collective bargained settlement. He could have a first contract imposed on him in the first year of negotiations, and then he could have a final offer selection process triggered on him by the union every year after that so he would never, ever be faced with being able to negotiate a settlement. He would always have an imposed third-party arbitrated settlement. Now that's an incredible prospect, and yet that's what is set up by this legislation. Members on that side are laughing about it. They think that this is a jokef

**A MEMBER:** No, we're not.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. G. FILMON:** Madam Speaker, because of that prospect where the management or the employer could be faced with, year after year after year, getting an imposed settlement and never being able to have a negotiated settlement, they will be faced eventually with destroying jobs in order to respond to this, either cutting back or closing up because, if they can't live with the settlements, they don't have a choice. They can keep being mounted upon them by an independent third-party arbitrator who's either taken out of a selected list of people or given to them by the Labour Board.

It's bound to discourage investment, the investment that we require to have new jobs in this province. If owners or investors believe that there's a better climate, Madam Speaker, for management's rights in other provinces, in other jurisdictions - and I'm not talking about weighing things in the favour of management or of employers. I'm just talking about having an equal opportunity. If they see this, as they do, as imposing one more advantage on the side of labour against the interests of management, they're just simply going to say, it isn't fair. There isn't a sense of equality. There isn't a sense of balance in Manitoba.

That's all they're after is a sense of balance and a sense of fairness. But if they see this as being unreasonable - and every single employer group and every single business group that has commented on this legislation sees it as unfair, unreasonable and one-sided, an opportunity for their negotiations to be influenced from the outside, again a loss of control over the operation of their own business, they will simply say we won't invest in Manitoba. They'll say Manitoba's a place we're going to have to avoid. We can't create jobs there anymore.

We've already seen at least two major employers, one being Pratt and Whitney, a second being United Technologies, by-pass Manitoba. Now we're not talking

about small potatoes. We're talking about Pratt and Whitney, who would have employed 1,000 people. We're talking about United Technologies, who would have employed several hundred people. They by-passed Manitoba. Where? Pratt and Whitney located in Nova Scotia. The principal option to Manitoba for United Technologies, as I understand it, was again, Nova Scotia; Nova Scotia was their principal option. Why would they choose there?

We have a concentration of aerospace in Manitoba. We have all of the opportunities for people to be in similar enterprises. We have a better workforce; we have lower labour rates than many places in the country; we are more central for the distribution of raw materials in and manufactured goods out. We have all sorts of advantages in Manitoba, but these big corporations are choosing Nova Scotia. Why? Because they already see that the labour climate is not an equal climate here in Manitoba. They already see it as being anti-business, anti-management rights and they also see that they don't have a payroll tax in other jurisdictions, other than Quebec, and they're not considering Quebec as the option. They don't have a payroll tax in Nova Scotia. This intervention, Madam Speaker, will make it worse.

The other point that business makes, Madam Speaker, is that this legislation gives only one side the right to refuse final offer selection. If the other side decides to apply for it, that is, if by vote of a union, they decide to apply for it, the management has no equal opportunity to turn that down. The union membership can turn it down if either their union leadership or management applies for final offer selection. Management cannot turn it down. That's one-sided; that's unfair.

The irony of this is that the Minister keeps bragging that we have one of the best labour relations climates in the country. Now if that's the case, why do we need this? If it works, don't fix it; don't fix it, if it works. No, it's here for one reason, because this Minister has been told by Bernie Christophe that he wants it and Bernie has a strong influence on this government, and this is the result of his pressure.

The Minister says we're leading in the field of labour relations, or we've got the second best or the third best - or whatever he says - record for days lost due to strikes and lockouts. It's been there before. We've had a good record traditionally in Manitoba.

The Minister says that we're always looking for something new and he says that he's being innovative, that this is something that is going to be new to the country. It's not going to be new to the country, Madam Speaker. In fact, I note from the list of people who plan to speak on this bill at committee, that representatives of the University of Manitoba are going to speak.

Madam Speaker, they had it for many years in the Seventies, they had it by choice. It was written into their union agreements that there was a provision for final offer selection, and their experience - and we've talked to many people who have been involved with the University of Manitoba - their experience was that it stopped bargaining. Bargaining stopped because they had final offer selection, in many cases, because one side knew that it would be in their interests not to continue the bargaining. In their case, it was equally applicable, either side could have stopped it, but whichever side decided that it wasn't in their interest

to bargain, that they could achieve more by final offer selection, stops bargaining. As a consequence, after short experience with final offer selection, the University of Manitoba decided it was a dreadful answer in labour relations and they got out of it.

Westfair Foods had it. Now isn't that ironical. Westfair Foods had it voluntarily with Bernie Christophe and they decided that they couldn't live with it, that it wasn't a good system. It created bitterness. It created a situation in which each side came to the bargaining table with an entirely different package. The package on one side might have involved almost all monetary matters with respect to wages, the package on the other side might have involved all fringe benefits or all working conditions, and they were so entirely different that it didn't make sense for an arbitrator to select one or the other but he had no choice. That's the rules, that's the system.

So, Madam Speaker, there is experience to draw upon. All this Minister or this Premier has to do is go and talk to people who had experience with final offer selection and they will tell you about their experience and almost none of it is good. So this administration isn't breaking ranks and going into a whole new field, isn't going to impress all of the labour relations people in the country by saying, "Ah ha, like Ford we have a better idea." They are adopting what has been tried and proven by many other groups to be a bad idea and they're not listening to the experience that is there, they are only listening to Bernie Christophe and Wilf Hudson.

The Winnipeg Labour Council is opposed to it, representing some 50,000 unionized workers in this city. They, of course, are being hammered over the head by the Canadian Labour Council. They got a telegram as a result of an intervention by Lisa Donner. I'm not sure whether or not there was an intervention by Mary Eady on this matter because I think she has ties with the Canadian Labour Council. But certainly Lisa Donner admits to having contacted the Canadian Labour Council and told them to discipline, to move in and hammer the Winnipeg Labour Council over the head.

There seems to be absolutely no justification for this legislation. Surely the Minister knows that if it's only there to help Bernie, the old saying is, "hard cases make bad laws." If this is only there to help Bernie Christophe out in his dilemma, in his problem, it's going to be a bad law because all the other people who don't want it, know that it can have other negative applications to their particular interest, to the free collective bargaining process and to everything else that they have to deal with.

Both sides have expressed concern about the appointment of arbitrators. Those on the labour side have said what happens if a Progressive Conservative Government takes over and the Labour Board, under Progressive Conservative Government, appoints people as arbitrators who we aren't going to be able to live with. That's what labour people have said. But we wouldn't do that, we wouldn't appoint people who are knowingly one-sided about it, but we may not appoint people who are as partisan to the union interest as this Minister of Labour might appoint or his Labour Board, and in that case, unions are now concerned as to what might happen if an arbitrator who they aren't

very happy with could be appointed. Employers, of course, are concerned with what happens if an NDP-appointed labour person becomes the arbitrator.

Everyone has their biases and this Minister knows how that can happen. He knows, for instance, about giving the power to appoint an arbitrator to somebody who disagrees with your point of view. This Minister was involved, as I understand it, in the appointment of Bob Mayer in an arbitration on a Westfair case a couple of years ago. He should know, because I know that there's a lawsuit that might be involved in the situation that in fact the union had contacted Mr. Mayer even before the Minister appointed him. Both sides have too much at risk, Madam Speaker. No one is unbiased. Unions, thoughtful union leaders and thoughtful union members are saying they'd rather settle their differences over the bargaining table. They don't want to take a chance on the bias of an arbitrator.

At one time, Madam Speaker, I thought that maybe there was some merit when I first read about final offer selection. I thought that maybe it had some merit, that if both sides had an equal opportunity to agree or disagree with going into the final offer selection process that maybe it would make them more responsible, that maybe they would get down to presenting packages that were very close together, and one or the other would ultimately be selected.

But you know, when I've talked to all of the people who have an interest in this, whether they be union people, whether they be labour-relations experts, whether they be the employers and the unions who have dealt with final offer selection in Manitoba at the University of Manitoba, at Westfair and other places, they all tell me that final offer selection doesn't work. It's a bad idea, they say. It's bad legislation. They say it attacks the principles that the NDP and the union movement say they support.

So, Madam Speaker, I won't even be judgmental. I won't say whether the reasons given by organized labour are the reasons we should reject final offer selection, or the reasons given by management and employers are the reasons we should reject final offer selection. I'll say that both of them have good and valid reasons why we should reject it. Madam Speaker, they all make good sense.

The only one who makes no sense in this headlong rush into adopting final offer selection and legislation is this Minister, and we have to worry about that, because he's the same Minister who fouled up MTX. He's the same Minister who fouled up the Natural Resources Department. They were smashing barbeques, they were doing all those things under this Minister. Now he's going to foul up the free collective bargaining process in Manitoba. The labour-relations climate and the investment climate are both at risk as a result of this final offer selection process. The job creation climate in Manitoba is certainly at risk as a result of final offer selection legislation.

So I say, Madam Speaker, this Minister has to come to his senses. If he can't come to his senses, his colleagues around him have to bring him to his senses and tell him that he's got to withdraw the legislation. Madam Speaker, we have to defeat or have this legislation withdrawn, or we have to fire this Minister. It's one way or another. This legislation is bad legislation. It will poison the climate and it, indeed, will destroy

jobs and the free collective bargaining process. Madam Speaker, I'm totally opposed to this legislation, as are my colleagues, and I hope that somebody on the other side of the House will listen to common sense and withdraw the legislation.

**MADAM SPEAKER:** The Honourable Member for Thompson.

**MR. S. ASHTON:** Thank you, Madam Speaker.

I would like to start my remarks today by saying that once again the Leader of the Opposition I think has demonstrated his inability to deal with an important matter such as this without falling into the same tactic that members of his caucus fall into whenever they have an inability to deal with fact and principle in this House, and that, Madam Speaker, is to raise the issue of personalities, to resort to personal attacks.

I remember, at the beginning of this Session, I reminded members of a quote made in 1911 by Stephen Leacock, who I believe was actually a Tory, who said, Madam Speaker, that Tories, when they fail the principles, fall on to personalities. And we've seen here again in 1987 how little Tories have changed over that period of time. It shows, Madam Speaker, how continually desperate they are in attempting to deal with issues such as this without dealing with the true principles and true arguments.

I want to say to the Leader of the Opposition, Madam Speaker, that I am proud to have worked at INCO in Thompson and been a member of Local 6166 of the Steelworkers. I was a member of that union well before I ever ran for political office. I worked at INCO, like most people, because I needed the money; I needed to work, and I'm proud, Madam Speaker, of what I learned from my fellow workers and from many people who have been involved in the labour movement for many years, many years certainly more than I have, much greater experience than I have, and I'm proud of that association that I had, Madam Speaker. And I resent the kind of comments made previously by the Leader of the Opposition, comments which I think are totally unworthy for someone of his position, in this House. Let him stick to the issues.

I want to say also, Madam Speaker, that I'm particularly bothered by some of the attacks that the Leader of the Opposition and the Member for Brandon West make on members of the public here in Manitoba who have no opportunity to defend themselves. I at least have the chance to get up and point out the complete idiocy of the comments made by the Leader of the Opposition in regard to myself.

What about the many people who have been maligned by both the Member for Brandon West and the Leader of the Opposition? I know many of them personally, Madam Speaker, and I want to say that he can attack such union leaders as Bernie Christophe, Bruno Zimmer or Wilf Hudson - Wilf Hudson, who I've known for many years, a former constituent of mine, for example, and I can tell him that he should talk to their union members and he will find that they are universally respected within their respective unions and within the labour movement in Manitoba, so he should not resort to such cheap attacks.

The Leader of the Opposition and the Member for Brandon West also refer to Bob Mayer, Madam Speaker,

who is a constituent of mine, and somehow I think he is attempting to malign the integrity and credibility of Bob Mayer. I want to say to the Leader of the Opposition and the Member for Brandon West that, yes, Bob Mayer is a New Democrat and he's very proud of it. He's a former president of this party, but if he cares to come to Thompson - the Leader of the Opposition or the Member for Brandon West - either of them will find that Bob Mayer is respected in Thompson by New Democrats, by Conservatives and by Liberals alike. And that was testified to, Madam Speaker, by Bob Mayer's long service on the city council in Thompson. And we don't need the kind of insulting personal attacks that we've seen in this debate against members of the public, such as Bob Mayer, who don't have the chance to defend themselves in this Legislature.

Madam Speaker, that was the first thing they did and there was something else they did too which was equally predictable, Madam Speaker, and equally despicable. You may remember last week - I'm sure you will remember it well - the Member for Brandon West got up and made some reference to the Soviet Union, because we had referred to our excellent climate of labour relations in this country. That's another typical Tory tactic - redbaiting - they always fall back on that when nothing else is there, in their arsenal of arguments.

Well, Madam Speaker, would the Member for Brandon West care to check the record in terms of labour relations records? If he did, he would find many countries, and particularly many socialist and social democratic countries, have among the best labour records in the world. And why, Madam Speaker? I would suggest that there's a very good reason why, and it is because, in those countries, workers don't have to fight for their very right to organize as they still do in Canada. They're in countries where governments do deal, through the legislative process, with many of the concerns of workers so that workers do not have to fight for basic rights through using their option of the right to strike, Madam Speaker. So let not the Member for Brandon West get into that despicable form of redbaiting, Madam Speaker. Let him deal with the facts. And let's deal with the facts, Madam Speaker.

We saw today the Leader of the Opposition all of a sudden, I think, for the first time, probably, in his life, get up and talk as if somehow he was concerned about the labour movement, Madam Speaker, the working people in this province. My god, Madam Speaker, I really couldn't take it when I heard it. Where has the Leader of the Opposition been when his labour critic, obviously with full support of his caucus, has gotten up in this House and opposed some of the basic tenets of labour legislation in this province?

Section 62 of The Labour Relations Act, Madam Speaker, which protects workers against unfair labour practices, a section that was brought in in 1976 and was kept by the Conservative Government when they were in power for those four long dark years, where's he been standing up to the right of workers against unfair labour practices?

Where was the Leader of the Opposition when his labour critic has launched an attack on the certification procedures which were passed by this Legislature in 1984? Certification procedures, Madam Speaker, which reflect the principles in place in many jurisdictions in this country, many provinces. Where has the member been?

Where has the member been when his labour critic has launched an attack on the concept of pay equity which the Member for Brandon West likened to pay apartheid, Madam Speaker. Where has the Leader of the Opposition been speaking up, Madam Speaker, for the rights of women in this province in the work force? Where has the Leader of the Opposition been?

I could continue, Madam Speaker, to outline the various items that we've heard from the labour critic for the Conservative Party in this Session.

I think the message should be clear, and that is clearly, Madam Speaker, the Conservatives, if they were to form office, would launch an unprecedented attack on working people and the labour movement in this province, and let there be no doubt about it, when they shed crocodile tears over this issue.

I want to deal, Madam Speaker, with some of the supposed objections that the Member for Tuxedo, the Leader of the Opposition, referred to. I want to deal with it, Madam Speaker, because I think he's indicated, by his comments, as did the Member for Brandon West, that they do not understand this bill, that they haven't taken the time to look at this bill. They clearly haven't looked at the experience of final offer selection in jurisdictions where it has been used, Madam Speaker, in New Jersey, in Massachusetts, in Wisconsin, in Oregon, in Michigan, and Canada as well, in various locations, including Ontario, and also in a number of examples within this province. If they had, Madam Speaker, I think they would have had a better understanding of this concept.

They, for example, Madam Speaker, I think clearly would not have referred to final offer selection as stifling bargaining. Madam Speaker, that is what the Leader of the Opposition suggested. The experience with final offer selection, Madam Speaker, in any of the jurisdictions where it has been used, is not that it stifles bargaining, but that it promotes bargaining because both parties do have an incentive to move towards an agreement. And I think if the Conservatives would look at this particular piece of legislation, they would see that the principle of continued collective bargaining is built in.

Collective bargaining does not stop, Madam Speaker, if the employees select the final offer selection route. Far from it. And the scenario where that was selected, Madam Speaker, collective bargaining would continue and the experience has shown where final offer selection has been used that that continued collective bargaining more often than not leads to a settlement of the dispute. So let's not talk about it's stifling collective bargaining, Madam Speaker, and let's not talk about it affecting the free collective bargaining process.

This is an option. It's an option available to the employees. It does not in any way, shape or form take away from the employees the right to strike, Madam Speaker. If it did, I can assure the members of this Legislature that I would not support it because I believe that that right, Madam Speaker, has to be maintained, clearly maintained, and it is maintained in this legislation. So the process of free collective bargaining continues.

But let's deal with some of the comments that have been made by the Leader of the Opposition about this process of collective bargaining.

You know, as I said at the beginning of my remarks, Madam Speaker, I've had some exposure to collective

bargaining. I've been through two strikes. Many people in Thompson who work for Inco, the members of Union 6166 of the Steelworkers, have had that same experience.

You know what I found particularly ironic about the comments by the Leader of the Opposition - I think comments that show clearly how little he understands about the sentiments of workers and the process of collective bargaining - was the suggestion that final offer selection leads to win-lose situations and that collective bargaining leads to win-win situations.

Well, Madam Speaker, I wish the Leader of the Opposition would take the time, since he obviously has little or no experience with strike situations, to talk to some people who have been through strikes, talk to some people who are on strike. He could talk to the employees of Westfair Foods, as I have done, on the picket lines. He could talk to the inside employees of the postal union. I wish he could have talked to many of the people in Thompson in 1981. His predecessor, Sterling Lyon, didn't even have the courtesy, during that election, to come to the City of Thompson.

I wish he would talk to people, and he would have found unanimously, Madam Speaker, that employees only use the right to strike as a last resort. In doing so, often they feel they have no choice. They would be the first ones to say that perhaps they might not win out of this situation, but, Madam Speaker, they will often argue that they have no choice. If they are to protect their basic rights, their right to earn a decent living, that the right to strike is the only weapon they have to fight with.

Many of them, I think - if you talk to many of the employees, Madam Speaker, currently on strike with Westfair Foods - would prefer if there were other more fair ways of settling disputes - the same thing, I think, within Inco and Thompson - but they were willing to take the stand because they felt they had no other choice.

There was a cost; there is a cost in any strike. There's a cost to the employees, often a cost to the employers as well. In many cases, there are situations where I would suggest there is not a win-win situation. In fact, there's probably a lose-lose situation.

That is not universally the case. There have been clear cases where employees have won major concessions from management, and other cases, Madam Speaker, where during a strike situation management has crushed the employees, crushed their unions, forced them to decertify. Those are clear win-lose situations. But, Madam Speaker, there are many which fall in the other category.

That is where final offer selection comes in. Final offer selection does not say to the employees: You have to take this route. Final offer selection says: There's an alternative. It is an alternative that is fair to both parties. Where final offer selection has been used, Madam Speaker, as I said, the majority of contracts have been reached through agreement, but in cases where final offer selection has been implemented, it has favored neither employees nor employer. In fact, it's been virtually identical in its impact on both sides.

So, clearly, Madam Speaker, there is not this anti-business bias that the member suggests. There is not this erosion of the free collective bargaining situation whatsoever. What there is is another option for workers.



I want to deal a little bit further with some of the suggestions put forward by the Leader of the Opposition because I think later in his speech he tended to give away his true agenda. He talked about labour legislation in Manitoba being anti-business. He talked about it being one-sided, that it was anti-management rights. What, Madam Speaker? The protection against unfair labour practices? The certification procedures? What is he talking about? Well, I would suggest to you, Madam Speaker, that it's quite the opposite.

Talk to the workers on the Westfair picket line today. They see a company, Madam Speaker, which is faced with a strike situation - a lockout actually at the beginning of the dispute - they see their having taken that choice to strike because they had no other choice. You're talking about employees who in many cases work as few as four or eight hours a week, single parents who cannot make a living on four and eight hours a week, who have no other way of fighting for what is an accepted standard in the industry, whether it be with Safeway or other food companies. So they've taken that route, Madam Speaker. They would prefer not to have to go that route. They would prefer to have a fair contract but that has been denied to them by Westfair Foods.

What do we see, Madam Speaker, in terms of the balance? We see the employer has the right to lock out. We see the employees have the right to strike, but over and above that, employers also have the right to hire replacement workers and they're doing that and hire some of the employees who are themselves on strike, Madam Speaker. I don't think that is fair and I echo the sentiments of the Member for Kildonan, in saying that I hope one day in this province we will have protection against that - protection against replacement workers, which will allow a fair and equal balance of the right to strike and the right to lock out.

(Mr. Deputy Speaker in the Chair.)

I'm talking about situations such as Westfair. I'm talking about situations such as the Gainers' strike which we saw so tragically take its course only a few months ago. Mr. Deputy Speaker, there is to be true balance in the labour relations climate in this province. I hope that we will one day reach that point of having legislation against the hiring of replacement workers, Mr. Deputy Speaker, what is often known as anti-scab legislation. But we don't, and that's a separate issue, a separate debate, and it's a debate that will continue in this province, certainly will continue as long as I have the opportunity to participate in public debates.

But what we're talking about here, I think, Mr. Deputy Speaker, is basic fairness. Basic fairness for the employees. We're talking about an option, an innovative one certainly, one that has caused some concerns to be expressed, but I would suggest to the members of the Opposition, that if they were to truly look at this in the so-called spirit of fairness, quality and balance that the Member for Tuxedo talked about, Mr. Deputy Speaker, that we might see some greater support for this.

And I want to say too that I do listen to the concerns that have been expressed by many of the unions that do have concerns about this particular piece of legislation, and yes, by management as well. I think

it's important to deal with those concerns. But I think in particular, in looking at the legislation, I think people will see that many of the concerns are not present in the specific form of this legislation. In fact, I had a recent discussion with someone who had the opportunity to discuss this legislation with someone from British Columbia who is quite familiar with the labour movement. The first reaction of that individual from British Columbia was to say, "I'm not sure I like this concept." When that individual from British Columbia, remembering, Mr. Deputy Speaker, the terrible climate of labour relations they have in that province, when that person from British Columbia had a chance to look at it, that person said, "You know, this is fair. It's an option and it's good legislation." And I'm convinced that when people do have the opportunity to look at this particular legislation that that will be the reaction they will have.

As I said, Mr. Deputy Speaker, it's an option. The right to strike is not eroded and yes, perhaps unfortunately, the ability to hire replacement workers still continues. Much of the dynamics will continue. In fact, Mr. Deputy Speaker, despite all the protests of members opposite, even with this legislation, I will say that the vast majority - I'm positive - of contracts will be settled without the use of final offer selection - a vast majority of contracts - and even where the final offer selection route is adopted, many of those contracts will be settled. I suspect that final offer selection will, in many cases, hardly be used at all in this province. But you know, Mr. Deputy Speaker, that is the whole point of the matter. That is the whole point of our collective bargaining system.

You know, we have a system that does have the built-in guarantees of the right to organize and the right to strike with whatever limitations, but that 98 percent of the time can produce a settlement. I think that we will continue at that level, in fact, increase and improve our standing, and that is what the Minister of Labour has been referring to when he refers to our fine labour-relations record in this province. He's saying it's good, but it can get better. I, Mr. Deputy Speaker, totally agree with those comments.

Now there may be some who will disagree. I will suggest to you, Mr. Deputy Speaker, there may be some unscrupulous employers who wish to attempt to break unions by forcing them into a position to strike; that has happened.

The Leader of the Opposition defended one earlier in this House, Eaton's, a company, Mr. Deputy Speaker, that has one of the worst labour-relations records in this country. I had the opportunity to work for them briefly, Mr. Deputy Speaker, and I saw what they did to their senior employees, who without any protection in terms of seniority, were turfed out many times only a few years before their retirement or, when they retired, had nothing more than a watch for their 20, 30 and 40 years of service with that company.

So we've seen, Mr. Deputy Speaker, that there will be the Eaton's and there will be other unscrupulous employers in our society. And yes, Mr. Deputy Speaker, they will probably oppose final offer selection vehemently because, using their ability to hire strikebreakers, they probably do have a better chance of "winning." What winning, Mr. Deputy Speaker, is it when the union is crushed, when employees are kept

out for six months, a year, eighteen months because of the unfairness in our system that allows the employer to do this? Is that what the members opposite wish to support?

You know, all final offer selection does is give each party an equal chance. The unscrupulous employers will have an equal chance, Mr. Deputy Speaker, at a contract that reflects their proposition under final offer selection, as well as the employees. So let's not lose sight of the fact, yes, there will be people who will oppose this particular section because of that particular reason but I think, in the interests of fairness, we should reject that approach.

Well, Mr. Deputy Speaker, I tried in my speech to address some of the principles of the bill. I believe this is a good bill. I think it will build greater fairness in labour relations in this province. But I want to say publicly today that I'll be the first one to admit that I was wrong in my judgment if that is not the case. I think any member of this House supporting this bill will be in the same position, but that is something else that I think has to be addressed, and that is that this particular piece of legislation has built into it what is commonly referred to as a "sunset clause."

If this legislation doesn't work the way it has in other areas where final offer selection has been implemented, this bill will no longer be part of the law of the Province of Manitoba, and I'm willing to accept that. I'm willing to accept the experience over the next number of years and see, Mr. Deputy Speaker, whether my suggestions and ideas and views of this issue are correct or not. I want to make it clear that this is not some experiment. This does have a clear track record. It has worked in other areas and it will be used only sparingly in this province, but in some very vital situations.

So we're not moving ahead with something that's totally untried, but, yes, it is innovative and I'm proud of that, Mr. Deputy Speaker. I feel very proud of this Session as a whole for that same reason. We have an innovative approach in this Session, and I think that it's going to make this the most significant Session in 15 years in this province, the most significant Session in terms of progressive change that will benefit the average Manitoban. Yes, Mr. Deputy Speaker, I do talk in those terms in this particular case.

I think if you talk to most people on the basic principles of this legislation, the average Manitoban - and you used on the one hand the arguments used by the Leader of the Opposition and the Member for Brandon West and lined it up against the arguments used by this side of the House, the experience with final offer selection, the basic principles it represents, I have very little doubt that they would pick our views of it. Not, Mr. Deputy Speaker, because of the ridiculous suggestions by the Leader of the Opposition, but because they can see the value in trying another mechanism, having another option, that could lead to even greater labour harmony in our society.

So when we bring in this particular legislation I have no doubt there will be concerns. I am willing to deal with those concerns. I think the concerns can be allayed, the fears can be allayed by many of the employees groups and unions that have expressed them. Although I would state for the record, Mr. Deputy Speaker, the vast majority of unions in this province do support this final offer of selection legislation, but I'm willing to deal

with the concerns of those who don't. I respect them for stating it, and as well, the concerns of management in this province. I think they're going to have to accept that there will be some changes, that we believe to achieve fairness there has to be changes. But I think we can deal with a large number of the concerns that have been expressed. That is how I wish we would approach this debate.

In closing, I urge us once again, to reject the personality attacks that we saw earlier, the redbaiting. You know, that really has no place in this debate. This is a very serious piece of legislation. If people have concerns, this is the place to express it.

If the Leader of the Opposition and the Member for Brandon West have alternatives, this is the place to express it. But let's stick to that level, the basic principles, Mr. Deputy Speaker. That, after all, is what I was elected for - I know that from talking to my constituents. I'm sure that is what most of the constituents of all members of this House expect out of us. Let's deal with the principles of this piece of legislation, which I feel is good legislation, Mr. Deputy Speaker, and deal with it in a manner which reflects the views of average Manitobans.

Thank you.

**MR. DEPUTY SPEAKER:** The Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Mr. Deputy Speaker.

Before I begin, I wonder if we could have the agreement of the House that the gentlemen in here who are suffering from the heat could remove their jackets and their ties.

Mr. Deputy Speaker, I think the final offer selection bill is an unfortunate bill to have been introduced at this particular time. The question has to be why; why final offer selection and why final offer selection at this particular moment? The Minister has said that it is merely another vehicle for solving labour disputes. He has also indicated that it will have a shelf year, if you will, of only five years. We'll see if it works.

If it doesn't work, then we will put something else into place, which is a bit, Mr. Deputy Speaker, like hedging one's bets. He has also said that in 1984, this legislation was introduced and it was withdrawn because there seemed to be a lot of differences about the legislation between labour and management.

But at no time has the Minister indicated if those differences have been resolved. In fact, it would appear that indeed they have not been resolved, that there are still many unions opposed to this legislation. There are still many employers opposed to this legislation, and there has been no consultation, it would appear, between 1984 and 1987 to have worked out those differences between the individuals and the groups which opposed it even in 1984. So one must now ask: Why has it been introduced at this particular time?

Well, unfortunately, and I think tragically, both sides who oppose this legislation keep raising the spectre of one union organizer who appears to be the rationale for why this legislation has been introduced, and I think that's very unfortunate that that will be or would appear to be the whim of one individual.

Therefore, I propose today that, since it is bad for the government to be in an appearance of collusion

with one particular individual, we introduce a simple amendment to this bill, one which would say that any strike which is currently in progress would not be affected by this legislation. That would give back to the Minister his integrity as having introduced this legislation because he was committed to the principle and not because of any pressure that had been laid by any one individual or any one labour group at this particular time.

The criteria by which this legislation should be judged is: Is it fair? And that is the premise by which I would like to go through this legislation and ask if it is fair. Is it fair, Mr. Deputy Speaker, to have winners and losers, which is the effect of this legislation. And what effect will that have on the long-term relationship between the employer and the union when the employer has perhaps won, or the employee has perhaps won? How will that affect the day-to-day goings-on between these individuals? How would it affect the spirit and the letter of the agreement between these individuals? This all or nothing philosophy which is inherent in final offer selection makes it very difficult, I think, for good relations following the selection.

What happens in this final offer selection about issues which appear to some to be on the fringe? For example, some unions have negotiated very hard and very long for issues that affect minorities, women perhaps in the work force, day care for the work force situation. Will they become the easy throwaways in a final offer selection presentation? Will a final offer selection be rejected by a selector because those things are included and they don't appear to be an important or significant part of the labour decision? Is it fair for the government to be able to choose the final selector?

What about an amendment which says that the list of selectors should be chosen by an all-party legislative committee, so that there would not be any thought or consideration given that the government party would always be choosing the selectors, so that maybe we would get a situation in which the selectors, when an NDP Party was in power, would all have a labour bent, or selectors when the Conservative Party was in power always had an employer or management bent or hopefully, if the Liberal Party was in power, a little bit of each.

Is it fair, Mr. Deputy Speaker, to have two windows in this legislation? Is it fair, for example, to have a 30-day before ability to go to final offer selection? What does that do to the negotiations that could take place in those last 30 days? You know, there is a certain rhythm to labour negotiations, a rhythm that frequently, as we get closer and closer to a strike deadline, intensifies. But if we have a 30-day period as the first window, do they stop negotiating? If they do, I would indicate that I think that would be unfair to both parties.

The same thing applies, however, to the 60-day window because, if those individuals who make a choice to go on strike know that they only really have to be on strike for 46 days, where is the tension in that situation to come to a settlement when you know that you're guaranteed at the end of 60 days and 46 working days that you can, in fact, demand final offer selection? Where does the tension occur and does it not break down and does that not create for worse labour relations rather than more positive labour relations?

Is it fair, as I think this legislation does, to give large employers and large unions much more power than

small unions and small employers? I say that because the preparation of a final offer selection is a very concentrated effort. It requires frequently the use of legal time; it requires strong negotiating abilities to draw that kind of FOS. Yet the large union would have an advantage in this situation. So would the large business that has in-house legal counsel, for example. But the small union, who might indeed be up against a very large management scenerio, how are they going to be able to prepare their offer so that it will be on an equal footing with that prepared by management or, likewise, the small management group up against a very large union.

Is it fair, for example, that the final selector does not have to state his reasons for making the decision? The losers never do know why they've lost. The winners, presumably, know why they have won but the losers cannot learn from the experience. The loser, if it happens to be a labour union, doesn't know how to prepare a final offer selection better the next time because they're not informed as to why they have indeed not won the choice of the selector.

Is it fair, for example, that if the selection results in wage settlements which forces management to lay off employees, where is the fairness for those employees who get cut as a result of this final offer selection, which is an all or nothing scenerio? Is it fair that an employer who asks for a final offer selection, cannot attempt to persuade the employees of the validity of a final offer selection without being accused of an unfair labour practice but, if the employees request it, management has no choice but to accept it. Conversely, is it fair for management to be able to test the militancy of a union by demanding a vote on final offer selection? What if we have a situation in which management asks for the vote and discovers that the vote is 52/48? He knows that he can place just a little bit more pressure on the union and the employees will probably capitulate. I'm not sure in some circumstances whether we want management to be in that position to test the waters at any given time.

Is it fair to the public that FOS might indeed encourage more strikes because they are guaranteed to only last for a 60-day period. We know, and it has been pointed out in the House before that it has been tried and it has been rejected in this province by the University of Manitoba and also by Westfair as unworkable, that it didn't solve the problems and didn't create a dynamic between labour and management for a possible solution.

Is it fair that final offer selection has been proven in jurisdiction after jurisdiction to work best only when there are small issues at stake. If it is just a money issue or if it is just an hour issue, final offer selection appears to work under those circumstances, but when it is a much more complicated package, final offer selection does not seem to work and, indeed, it leads to much greater dissatisfaction between union and management.

Is it fair that this government has a right to dictate to unions and employers who do not want this legislation? Is it not more paternalism on the part of this particular government who, without consultation, without consideration, has, on its own initiative, decided what is best. This whole concept that seems to pervade tragically this government, that they - 30 members -

know best what unions, what employers, what child care workers, and so forth, require in this society without consultation is one that I think leaves many Manitobans very fearful of their own rights and freedoms for the future.

Is it fair, Mr. Deputy Speaker, that this legislation upsets the traditional strike, lockout equation? Giving unions the right to take away management's right to lockout may for a short term be a wise concept, but what happens when a government changes and a government might have a much more right-wing attitude? Do they then decide to equal the equation, once again, by prohibiting strikes, so that you again have a more equal equation?

This government, not in this Chamber, but outside, has been highly critical of Bill 19 in British Columbia, and I think with a great deal of justification, because I think what has happened there is that there is some alteration going on with the fundamental rights of employers and employees. But I think that we have the same kind of alteration of fundamental rights going on with this particular piece of legislation.

I would ask this government to seriously look at what's happening with Bill 19, read its philosophy, read what it is doing to those rights and then look at their own legislation to see if perhaps they are not doing some of the same thing.

Above all, Mr. Deputy Speaker, there appears to me to be a great deal of naiveness to this bill - the theory that final offer selection will force management and employees to be more reasonable. Why do they think they will be more reasonable? Simply because one will be chosen over the other? That is not the history of negotiations, Mr. Deputy Speaker. Just because it would appear they should be, doesn't necessarily make it so and that, I think, should be given more consideration than has presently been given.

What is to prevent both sides from making an unreasonable final offer selection? - the reply is nothing. If they think they're right, they will make an unreasonable offer and so too will the other side. So what you will find is a selector is forced to choose between two unreasonable offers, and one of those unreasonable offers, under this legislation, will win because the final selector has no choice of choosing the more reasonable position of one along with the more reasonable position of the other.

Mr. Deputy Speaker, this legislation unfortunately is being imposed on both employees and employers. This government is not listening to either side. If it was listening, then this bill would not be on the legislative agenda at this particular time. The motives of the government are suspect and that is very unfortunate and as a result neither side trusts them to do the right thing by this legislation.

Let us turn this piece of legislation into a White Paper. Let's give both sides the opportunity to study it. If it is good legislation, if it has validity for both the employer and the employee, let's ask them to make suggestions which would enhance the legislation and then let us reintroduce the bill with those changes in the next Session of the House. If it is a good concept, Mr. Deputy Speaker, it will still be good next year, but I believe that this government must do the consulting, the standing up for Manitobans, the listening to Manitobans that it prides itself on. This time they are unfortunately

listening only to a very vested interest. They are squelching the rest and I challenge this government to be more open-minded and to withdraw, designate it as a White Paper and allow free and open discussion to take place and then, when we have achieved some unanimity from both sides, introduce it and make it the law of this province.

**MR. DEPUTY SPEAKER:** The Honourable Member for Charleswood.

**MR. J. ERNST:** Thank you, Mr. Deputy Speaker.

I also wish to rise and participate in the debate on this bill, claiming no vast experience in labour relations or labour management relations, Mr. Deputy Speaker, but I think perhaps a little common sense and a sense of fairness as to what should happen between any group of people who are coming together to decide upon conditions under which they will work.

Mr. Deputy Speaker, that sense of fairness isn't imparted in this bill as far as I can understand it. It would appear, Mr. Deputy Speaker, that in fact there are prejudices built into this bill, prejudices in favour of one group over another, and I think on that basis I would have to oppose the bill.

Fairness in my view ought to be the one thing that governs the entire process. The NDP have claimed, Mr. Deputy Speaker, for years that they have been the one to protect the working man in this country and in this province. It has been protection of the workers and fairness to those people that have been their claim to fame over the years.

Therefore, Mr. Deputy Speaker, it's not uncommon or not surprising that you would expect a bill such as this to come forward from the members opposite. They're closely allied to labour; that's not a secret. As a matter of fact, many of them are very proud of the fact that they're closely allied to the labour union movement in this province. We know that there are dues' check-offs taken from labour unions to support in part at least the operation of their political party that fund election campaigns, that fund constituency operations and a variety of other party-related activities. So, Mr. Deputy Speaker, it's not surprising that this government would introduce such a bill. Presumably it's because they're interested in the well-being of unions.

Mr. Deputy Speaker, many members in the ranks of the members opposite come from a union background. They have in fact had their training within that union movement. There's nothing the matter with that. That's a very legitimate process, Mr. Deputy Speaker, in this province. Where it breaks down though, I think, is we have to understand it boils down to definitions. I had a conversation with the Minister of Labour the other day just outside the House with respect to this whole issue of final offer selection.

Now, I always thought in labour-management relations that there were two parties to this situation - presumably management and labour, as "labour-management relations" says. But the Minister of Labour told me that I was wrong - that there weren't two parties to this agreement. There weren't two parties to labour-management relations. There were three parties to labour-management relations. I said, "Well, for heaven's

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sake, you'd better explain this to me." I always assumed that were only two parties, but no, Mr. Deputy Speaker. He indicated that there were three parties. There was management, there was the union, and then there were the workers. I said to the Minister "Well, aren't the union and the workers the same?" It seemed to me that in fact the workers elected their union representatives, they all belonged to that union and therefore that formed, collectively, the union.

But, the Minister of Labour said no, that wasn't true. In fact, he told me the workers and the union and management were three separate and distinct parties as far as he was concerned in dealing with this legislation. So maybe we're seeing for the first time, by that statement, the true motivation behind the Minister of Labour bringing in this bill, perhaps the true motivation behind the government. Maybe it's that they're not supportive of the workers, but they're supportive of the unions.

Now there's something - that the unions and workers are different, Mr. Deputy Speaker, and it's just the union bosses that the government and members on opposite benches kowtow to. It is only the Wilf Hudson's and the Bernie Christophe's and others in this province, union bosses - those who control the lives of the workers through these unions - they're the ones this government wants to make look good and to help and assist, because they get the same kind of help and assistance in return. Because, between legislation and in concert with these union bosses, they can manipulate the workers to do their bidding. State control of the workers, Mr. Deputy Speaker, - that's what they're after, and that's what they're trying to achieve. They don't have any say, they just have to pay.

We see here legislation that is being brought in to pay off the Manitoba Federation of Labour for their election help. We have already determined by statements of the Minister of Labour that in fact there are three parties to this agreement and that the union - meaning the union bosses - are the reason for this legislation. A pay-off to the Manitoba Federation of Labour for their election support, for their election help, for their campaigning on behalf of members opposite.

They're trying to pull the wool over the eyes of the workers of Manitoba by telling them this is good for them. In fact, the only reason it's here, the only reason it's good, is that the union bosses feel that they need something like this in order to enhance their own position and to make their job and life a little bit easier.

But Mr. Deputy Speaker, it's starting to backfire; starting to backfire - and notwithstanding the fact that certain union leaders require this assistance, there are others now wising up to the fact that they're being manipulated. We have the Industrial, Mechanical and Allied Workers who have come out in opposition to this bill. We have CUPE, the second-largest union in the Province of Manitoba, and one that, in my experience from the Local 500 that I've had some dealings with over time, is a fair and reasonable group of people who are interested in the well-being of their people, but are also interested in the well-being of the city that they operate.

The Manitoba Organization of Nurses' Association now has come out opposed to this bill. The Winnipeg Labour Council, notwithstanding the fact it was slapped

down by the Canadian Labour Congress, has come out in opposition to this bill. The Manitoba Association of Health Care Professionals, Mr. Deputy Speaker, have also come out against this bill.

These people represent thousands and thousands of Manitoba workers opposed, for the first time I think any legislation that has been brought forward by members opposite has been opposed by the people it's supposed to benefit.

We are looking for fairness. The Member for River Heights talked about fairness, the Member for Brandon West talked about fairness. Virtually everyone on this side of the House who has spoken on this bill has talked about fairness, fairness with final offer selection. But is it fair? Is it fair to labour, for instance? In this situation, the union may opt in but the membership of that union may opt out if they, all of a sudden, discover it's not to their benefit.

The Minister of Labour has indicated again, Mr. Deputy Speaker, that there were three different parties: management, the union and the workers. In this situation, Mr. Deputy Speaker, it seems to me that union and workers are, as I had thought they were originally, that is one and the same. They are the people who collectively form the union, and they may opt out if, after opting in or after having management decide to call for final offer selection, they may opt out by a majority vote presumably of their membership.

Now what about management? Do they have the same rights? Are they treated equally? Does the president of the company have the right to opt in and the board of directors the right to vote to get out? No, of course not. Is there some other escape hatch by which management can escape once final offer selection has been imposed? No. So if you have, on the one hand, Mr. Deputy Speaker, the opportunity for one group of people to opt in and then opt out again, why isn't it the same for the other side? And it's not.

The whole question of strike and lockout, these are the great weapons that labour and management have, except management has one great, overriding feature, Mr. Deputy Speaker, that labour does not. Management has a very great financial investment in its plant, in its facilities, in its stock, in its equipment and all of the things that are necessary to do business. It also has, for the most part at least, operating loans and bank loans, mortgages, debentures and so on, obligations to repay borrowed money upon which to operate all those operations, Mr. Deputy Speaker, something that the union does not, something that the workers do not. They don't have that financial investment.

They have an investment in time, they have an investment in expertise. But they are highly mobile, and they can easily shift from one job to another whereas management is stuck. Management cannot simply close up a plant and walk away, at least not as easily as members opposite might think.

Can there be fairness, Mr. Deputy Speaker, when an independent selector can impose his views on one side or another? Even in arbitrated awards, there is compromise. Today when an arbitration board is set up, there is a representative from labour, there is a representative from management and a third party who is going to arbitrate, adjudicate, whatever you like, the positions of each side.

But, Mr. Deputy Speaker, in almost every case that I am aware of, arbitrations by and large resolve into

compromise. Compromise may favour one side or another more or less, but nonetheless it's still a compromise and nonetheless it's still a position put forward by members of the arbitration board. They ultimately result in agreement that is - well maybe not acceptable to both sides - liveable at least by both sides.

Now, I've had some limited experience, Mr. Deputy Speaker, with respect to the labour management process during my sojourn as deputy mayor and previously as executive policy committee chairman at the City of Winnipeg and we had some pretty significant situations arise.

We had, for instance, seven unions representing about 8,500 full-time workers. I was involved, Mr. Deputy Speaker, in a major strike. Not a pleasant experience from the side of either labour or management, quite frankly, and one that I don't make any great claim about. I was involved in the 1976 transit strike in the City of Winnipeg. For six weeks during the winter, we had no transit service in the City of Winnipeg. For six weeks we had transit operators picketing in the City of Winnipeg, picketing City Hall, picketing the transit garage, and the citizens of Winnipeg did without transit service for those six weeks of winter. It was a bitter dispute. It was one which, Mr. Deputy Speaker, I'm sure neither labour nor management would have gone into had they been given a second opportunity, but they went in just the same.

There were some hard feelings amongst some people, but when it was over, by and large, Mr. Deputy Speaker, there was an agreement that both sides could live with, an agreement that both sides felt, with some manipulation on both sides, that they had to at least live within the terms of that agreement, and that agreement, I think, stood well, bode well, for a labour relation management in the City of Winnipeg for 10 years thereafter. I think they all understood the ramifications of the kind of situation that occurred and that, for 10 years thereafter, there were harmonious or reasonably harmonious relations between labour and management.

I also dealt, Mr. Deputy Speaker, with another very serious, probably the most serious, labour management situation that ever arose in the City of Winnipeg and that was the potential for the City of Winnipeg Police Department to go on strike. We came that close, Mr. Deputy Speaker, within a hair of having the City of Winnipeg police strike of having law and order unenforceable in the City of Winnipeg. We had a major, major confrontation that developed and it was only settled at five o'clock in the morning, Mr. Deputy Speaker, with the union, responsible policemen finally agreeing that, notwithstanding anything else, notwithstanding the fact that they were well-paid or not well-paid, or the working conditions were good or bad, or their uniforms were good or bad. All of those things put aside, I think, ultimately recognized that what they needed was to give up the right to strike, to not be able to hold the people of Winnipeg to ransom, to not hold the people of Manitoba to ransom. I think they collectively realized, and I think management realized also, that all of sudden here was a situation that could not be tolerated.

So on the one hand, management gave up a significant increase in pay and, on the other hand,

management gave up a significant labour weapon that they had - the right to strike. Again, neither side was happy, Mr. Deputy Speaker, but they could live with that situation, recognizing the magnitude of what had taken place. But if final offer selection had been used in that situation, it would have been either/or. It would have been the police or management or the city. It would not have been that spirit of compromise. It would not have been that collective understanding of the kind of confrontation situation that was presenting itself - no. It would have been simply either/or, either an 18 percent pay increase when everybody else had been receiving 3 percent, 4 percent and 5 percent, Mr. Deputy Speaker, or it would have been the position of the union which was totally out of sight, and it would have still given them that right to strike, a right that they really didn't even want when it came down to it.

The final offer selection becomes a roll of the dice, a toss of a coin. Some selector has to decide which offer is the one that is to be accepted. There's no spirit of negotiation; there's no spirit of conciliation; there's no compromise; there's no meeting of minds to try and reach a solution that can be acceptable, that both sides can live with, Mr. Deputy Speaker. It's not now under pressure at all because, when the window opens for final offer selection, you simply can opt for it and that's that. Both sides put forward their position and the selector decides.

But the administration of any labour-relations contract requires consultation, requires getting along, Mr. Deputy Speaker, on a day-to-day basis. It requires those who are charged with the responsibility of administering those contracts, it requires them to be able to meet, negotiate, discuss and reach agreement on a myriad of terms which are grey areas under the contract or require some give and take within the wording of the contract. Not everything is black and white; not everything says exactly what each person will and will not do in every situation because, Mr. Deputy Speaker, in fact those new situations are created on a daily basis.

But how much cooperation is there going to be once final offer selection has imposed a contract where one side got everything it wanted and the other side got nothing? That's the kind of confrontation situation, Mr. Deputy Speaker, that's going to lead to all kinds of labour relations problems.

One of the major costs of both management and unions today is the cost of grievances. To go through the formalized grievance process requires an inordinate amount of time, a great deal of preparation, a great deal of documentation to be filed and so on. It's not a simple matter of going down to the corner office and trying to decide which side of the agreement should be taken, Mr. Deputy Speaker. No, it is a very costly, formalized process, and believe you me, if this final offer selection occurs and the Minister doesn't recognize the error of his ways and withdraw the bill and final offer selection is imposed upon the people of Manitoba, we're going to see grievances like you've never seen before in your life. All of a sudden now, it isn't the spirit of compromise, it isn't the spirit of working together, it isn't the spirit of trying to reach a common-sense agreement, but it's now all or nothing and that, Mr. Deputy Speaker, is going to cause all kinds of problems.

I want to discuss for a minute the question of fairness in the appointment of a selector. Now that's critical in

the event of a final offer selection process. If you can't have an impartial selector, if you can't have one who is going to adjudicate these matters on the basis of fairness, equity, Mr. Deputy Speaker, you're going to have labour problems all over.

What happens in the event that there's no agreement between the parties to labour and management, and again we can't be sure whether there are two, like normally everybody thinks there are, or whether there are three, like the Minister of Labour thinks there are. But in any event, if there's no agreement between two or three of the people involved here, then we have a selector imposed by the Labour Board. Now the history of the Labour Board, particularly under this administration, has not been great to start with. We have instances of pro-labour appointments all over the place. We have NDP party hacks being appointed to certain positions in labour management relations.

My colleague, the Member for Brandon West, detailed quite adequately the position of Mr. Bob Mayer with respect to the former Westfair MFCW dispute, Mr. Deputy Speaker. Here is one, in my view, where based on the information as provided to the House that in fact how could a former president of the NDP party, with close ties to labour, who had as I understand it even contacted the union prior to his being appointed by the Minister of Labour, how that, Mr. Deputy Speaker, could be construed in any stretch of the imagination as a fair, impartial type of appointment, I have no idea.

In the collective bargaining process, Mr. Deputy Speaker, management and labour negotiate. They sit down, they discuss. Both sides present their positions, they discuss each individual item, discuss contract language and they seek compromises. Quite often, Mr. Deputy Speaker, it results in new ideas. But all of a sudden somebody else has a new way of dealing with something. Somebody else says instead of a compromise, come at it from a different angle, so that there are new and innovative ways of dealing with labour management relations that have come about as a result of the collective bargaining process.

Some of it, Mr. Deputy Speaker, coming about at five o'clock in the morning when the strike deadline is on, when there is pressure on, when the service withdrawal is going to take place or a lockout is going to take place. Some of the best negotiated arrangements come about because of that pressure, because of people looking and trying to find ways and means of resolving a dispute.

But innovations, under final offer selection, they're going to be few and far between. Innovations, Mr. Deputy Speaker, are not going to be advanced because selectors are going to rely - no one is going to want to take a chance with a selector to say here is a new or innovative or different idea. Because they will look at precedents, they will look at what happened before, they will look at the norm. Those kinds of things will govern the ultimate decision of the selector, Mr. Deputy Speaker, when in fact, new and innovative ideas might well have solved the problem. They have gone out the window because people are afraid to deal with it in terms of final offer selection.

Now, final offer selection, one of the windows for final offer selection, Mr. Deputy Speaker, comes before the expiry of a contract. Now, isn't that a great statement to make, to hear before a contract is even

expired? It is assumed that negotiations are broken down; it is assumed that there is a dispute; it is assumed that management and labour cannot get along, cannot negotiate something, cannot compromise, cannot come to an agreement. Where is the good faith in the collective bargaining process if this government brings forward a bill that says final offer selection can be imposed before a contract even expires?

Now I personally, Mr. Deputy Speaker, oppose the bill in its entirety. But even if that clause were taken out, it would improve a bad bill immensely. It would improve a bad bill to say that at least if final offer selection really means what it says it means, then it's the end of the road, the last resort, the kind of thing that can be implemented only when all else has failed.

But that's not the case here. This says they can do it even before the contract expires. So where's the faith in the bargaining process by this government? Where is the faith in that collective bargaining process that they claimed so loudly as their primary interest, their primary goal, in the labour legislation? As a matter of fact, why would anybody really want to negotiate very hard at all with this kind of tool available to them?

This ultimate weapon is available on 60 days notice. So that, Mr. Deputy Speaker, they can talk, they can negotiate. But if management doesn't give in, they can opt for final offer selection within 60 days. Then, once management has had the hammer or the gun put to its head and gives in sufficiently, they can opt to withdraw so that they don't have to run the risk of having an arbitrator or a selector impose a position on them. They can use the gun but not pull the trigger, and that, Mr. Deputy Speaker, is something that is unfair in this bill.

We've talked a fair bit about labour, what about management? Is management in favour of this bill? What about the Winnipeg Chamber of Commerce, are they coming forward and saying it's a great bill and lets get on with it? No they're opposed. They recognize what the problem is, they recognize the unfairness. What about the Manitoba Chamber of Commerce, are they coming forward and saying it's a great bill? No they're not coming forward and saying that. They're saying it's also a bad bill.

The City of Winnipeg has before it a resolution that because of some drafting problems otherwise would well have been here. That says basically it's a bad bill and they're opposed to it.

The Union of Manitoba Municipalities have expressed a great concern over this bill. They're all opposed, Mr. Deputy Speaker, and they know it is unfair legislation, unfair to one side. They really don't have to see through anything. It's very blatant, it's very out in the open. It is very obvious on whose side the government is lined up; but, interestingly enough, even though the government is lined up on that side, they don't want the government to line up on that side.

We have, in fact, labour union after labour union after labour union coming forward and saying, it's bad legislation; withdraw it; we don't want it. Forty unionized workers in this province have, through their elected spokespeople, come forward and said, we don't want this bill; it's bad; this legislation is not in the best interest of labour management relations; and get rid of it.

The people they are trying to help, Mr. Deputy Speaker, are dumping all over them and yet they

continue on. The Minister blindly continues on carrying forward his bill saying, it's new and innovative and great legislation and everything else, when all of the world around him is all of a sudden suggesting that it's wrong. The only people who are not suggesting it's wrong from labour's side is in fact the union bosses who support him and his party - the Manitoba Federation of Labour. It's not the workers; it's the union bosses; it's the Bernie Christophe's.

Mr. Deputy Speaker, the government has made a great deal about unemployment statistics, about how great it is in Manitoba, the great number of jobs that they have created. They have a great track record. Private investment is up and all of the things are great and wonderful. The Ministers in the benches opposite continually beat their chests and tell us how great it is to be in Manitoba. How great it is to be in Manitoba with a \$400 million tax grab by the Minister of Finance. How great it is in Manitoba to have a 50 percent increase in payroll tax. How great it is to have first contract legislation imposed upon the businesses in Manitoba - and now the crowning glory of the Minister of Labour: final offer selection. But final offer selection, Mr. Deputy Speaker, with an opt-out provision for one side. Not both sides, one side.

What is the signal to the private sector, Mr. Deputy Speaker, when this kind of legislation is brought forward? Do you think the private sector is thrilled about a 50 percent increase in the payroll tax? Do you think the private sector is thrilled about final offer selection legislation? I think not.

So, where will the long-term jobs come from? We're not talking about the jobs that are created by the Jobs Fund, temporary, make-work projects brought about - and we see on television a blatant attempt to cover up the fact that the Jobs Fund really was only that - temporary projects that either disappear within a few months or create an on-going drain on the taxpayers of Manitoba.

Mr. Deputy Speaker, the government can continue to pour millions and billions of dollars into short-term make-work projects or they can for once look at where long-term jobs are created. And never mind all these window dressings with respect to small business bonds - which incidentally have never appeared despite an election promise - but claiming to be the supporters of small business when in fact they are eroding and taking away virtually any rights that management have.

They are eroding their tax base and, Mr. Deputy Speaker, I think it's time. It's time we discovered why the government really brought in this bill. Why did the government bring in this legislation? Why now, at this time, later in the Session? There was no election promise. There was nothing in the Throne Speech. But all of a sudden, this bill now appears.- (Interjection)- Exactly! Why the hurry to put it through the legislative process? Why are we dealing with it on a Monday when we normally deal with Estimates? Why are we concerned about rushing this matter through? Why are we concerned, Mr. Deputy Speaker, that we deal with this matter quickly?

Is management outside picketing this building, demanding this legislation be put through quickly? Is management out there picketing the building, saying: we want them out; we want this bill put through right away; you fellows inside and ladies inside, quit fooling

around, get this legislation passed.- (Interjection)- No? Mr. Deputy Speaker, management isn't outside picketing.

Maybe labour's outside picketing. Maybe they want to get it. They're outside marching up and down with their signs saying: pass this bill, we want it in place immediately. But interestingly enough, Mr. Deputy Speaker, management and labour are not outside picketing for this bill, either. Maybe they're lobbying. Maybe there are meetings going on in buildings all around in Ministers' offices, lobbying like crazy, waiting to see if we can get this bill passed.

But I don't see delegations walking up and down in the hallways, Mr. Deputy Speaker. I didn't see the Chamber of Commerce out there lobbying. I didn't see the Winnipeg and District Labour Council out there lobbying either.

So where is the pressure coming from? Why are we dealing with this bill? I'll tell you, Mr. Deputy Speaker, I've got a hunch, I know why we're dealing with this bill and why we're dealing with it in a hurry. Bernie Christophe. That's why we're dealing with this bill. The United Food and Commercial Workers Union - that's why we're dealing with this bill. They've got a brand new building on Portage Avenue they've got to pay for and they can't afford to be horsing around. They've got to have some back-up. They're now in the picket line out at Westfair Foods, and Economart - at Superstores. They're on the picket line, Mr. Deputy Speaker, right now, because Bernie Christophe put them on the picket line. Bernie Christophe has made a grave error in doing that. He knows he's made a grave error, but he boxed himself in, he put himself into a corner, and now he's got to find out how to get out of it. How to get out of it with saving some face. How to get out of it with some graciousness, Mr. Deputy Speaker. You know, he came to see his friend, the Minister of Labour, and said, "I'm in a tough position. I've got a union out there on strike and we're really in a bad position. You've got to help me out. You've got to give me some way of getting out of this, some way of saving face," Mr. Deputy Speaker. So his friend brought in final offer selection.

Now, if that scenario isn't true, and that's a hunch on my part, Mr. Deputy Speaker, but if it's not true, then let the Minister bring in an amendment to this bill immediately, saying that it doesn't apply to any labour dispute in process, or in progress at the present time. If the Minister really wants to save face, if the Minister wants to say to the members of this House and to the people of Manitoba, this is not true, we're not bringing it in for Bernie Christophe, we're not trying to bail him out, but this is great legislation and if it doesn't get implemented until next year or at some point in time hereafter, it really doesn't matter because the principle is good, the legislation is good. If that's what he means, then let him bring in that amendment. Let him bring in an amendment that says it won't apply to the SuperValu strike and then we'll see if this bill is to bail out Bernie.

Mr. Deputy Speaker, this is bad legislation; management is opposed. There is a growing opposition in the labour movement against it. There are some 40,000 unionized workers now through their elected representatives have said this is bad legislation and want it withdrawn. Nobody is pushing for it. There's a



clear signal to industry by this government that it's anti-business by this bill, so why proceed with it? Is there some urgency? There's no one picketing outside. There are no lobby groups in the hallways. Mr. Deputy Speaker, no one is here pushing the Minister of Labour into doing that bill except, as I suspect, Bernie Christophe.

Why not take a second and hard look at this bill? Why not withdraw the bill now, think it through before it's imposed. For the first time, I think, labour legislation in this province has been opposed by unions, more and more unions every day. I think it's time the government pulled the bill, and it's time the Minister rethought his support to Bernie Christophe and I think it's time, Mr. Deputy Speaker, that we know longer have Bill 61 on the Order Paper.

Thank you.

**MR. DEPUTY SPEAKER:** The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Mr. Deputy Speaker.

I hope the Minister who presented this bill didn't overstrain himself running back and trying to close debate on it, because I would like to save him the embarrassment for the future, that it's going to be awhile before we get down to the point where he is going to be able to close debate on this. In fact, Mr. Deputy Speaker, I sort of suspect that possibly the Minister will come to his senses somewhere along the line and pull this bill.

Mr. Deputy Speaker, in case you're wondering why a member like myself who represents a rural area would get up and rise to debate this kind of a bill, we've had a certain amount of professionals who have already addressed the bill and supposedly professionals in the labour field and certainly that is not my jurisdiction. The labour aspect of it has definitely never been my strong point, though, Mr. Deputy Speaker, I did belong to a union at one time when I was a bread salesman for McGavin Toastmaster.- (Interjection)- Yes, I did. I even went to a union meeting, Mr. Deputy Speaker.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. A. DRIEDGER:** Mr. Deputy Speaker, a very enlightening experience, though I don't really know exactly the functioning of how this thing went, but I went along with my colleagues at the time, the fellows I was working with, and got exposed to exactly how basically things run out there.

You sit there and you get the information relayed to you by a union leader who strongly recommends and the appeal is quite nice, like, would you like more wages? The company's making much money, let's get on track, we've got to get our share. At that time, Mr. Deputy Speaker, I was 21 years old and I was impressed. I thought, hey, come on, let's go for them. These guys are making the big bucks and here I am, they're taking advantage of me.

Mr. Deputy Speaker, I must say that I was just fresh from the country and any money looked good and I thought I was going to be a millionaire. In fact, at that time, Mr. Deputy Speaker, I felt if I could ever make \$100 a week, I'd stay with that job for the rest of my

life. That was my determination, coming fresh off the farm, but it gave me a bit of an insight into the operations of a union.

Why I rise to oppose this bill is because the opportunity we have to debate are of various views in here. What bothers me are a few things and I want to itemize them. One is this government has tried to portray the image to the people of Manitoba that they're a listening government: "We listen to the people, stand up for Manitoba." That is what they've been trying to sell, that kind of image, but it falls very flat, because if we want to really apply that philosophy, and it's happened, Mr. Deputy Speaker, since the election in March of '86 that we've seen a change in this government.

In their first term, for three years before the election, they were backing off. They said don't bring in anything controversial because we don't want to upset the public. They did that after the French language debate when they got their ears pinned back and finally had to pull back on something that was very embarrassing to this government. So they said, let's all back off, nothing controversial.

But, Mr. Deputy Speaker, a disaster happened in March of 1986, in my mind, and at the present time I would believe in the minds of the people of Manitoba, because this government got re-elected, yourself included. I'm not saying that is necessarily a disaster, although I've seen some changes in that aspect as well. But, Mr. Deputy Speaker, the government now, a little over a year into its mandate - and they did get a mandate - and we respect that, are now flogging us with approximately 70 bills, and there are a few bad ones in there.

It's been discussed many times in this House that from time to time, you know, most of the legislation - the public does not become aware of this - is good legislation. Regardless who is government, there are amendments, but out of each Session, Mr. Deputy Speaker, there are about two, three, four, five, six bills that are controversial bills. That is what divides one side of the House from the other, because that's when the ideological views come forward on each side and that is what we have with this bill, Mr. Deputy Speaker. The only thing is sometimes government pushes through a bill that they believe in strongly even if the Opposition believes differently.

In this particular case, Mr. Deputy Speaker, a Minister who has created some problems - and I've had some experience with this Minister because he was Minister of Natural Resources when I was a critic and had very different views in many of the things that were happening. In fact, I've related this before, but just prior to the opening of a Session, this Minister got transferred out of that department and got transferred into a different department and I was ready for this Minister and I was sort of deflated at that time. But then changing Ministers in the Department of Natural Resources, Mr. Deputy Speaker, is like changing socks; they don't have much respect for that department.

Anyway, following through this Minister's operations, he then ended up being Minister of Labour and Minister responsible for the Manitoba telephone services and, Mr. Deputy Speaker, his record shows. I felt he was a poor Minister when he was Minister of Natural Resources. It's been proven that he was a poor Minister

responsible for Manitoba telephone services, and here, Mr. Deputy Speaker, he is proving again that he is not a capable individual in terms of being Minister of Labour.

And, Mr. Deputy Speaker, I can relate to this Minister. We have differences of opinion, but I do not think that he's a capable Minister. I think that he should be in the legal profession. He should be transferring properties, looking after legal matters, but I don't think that he should be running any portion of this government. Because here comes the fallacy of it, Mr. Deputy Speaker, this government who've said that they are listening to the people, that they will do what people want and here we have a prime example of the hypocrisy of that kind of statement that they're making because the majority of the people do not want this legislation.

The Member for Charleswood raised it and asked the question why. Why is this legislation coming forward now? They would never dare bring this legislation forward close to an election. This is about the best time if they ever wanted to bring it forward, but it's been stated time and time again by our leader and other members on this side, their own members are not necessarily supportive of it. Our leader raised the question at question period: Is this the Waterloo of the present Minister of Labour? If he gets it through, can he then stay in Cabinet? If he can't get it through and has to withdraw it, will he then be finished? Where can you put him after that? He's almost run the gamut on this thing already on the places where they can put him.

Mind you, Mr. Deputy Speaker, this is not the only Minister who's been falling by the wayside, you know, and getting himself into all kinds of trouble. The Minister of Municipal Affairs of course is running neck and neck with him. There have been other members there who have been running into some difficulty.

But the fact is, Mr. Deputy Speaker, why is this government pushing this bill? We've taunted across the floor here from time to time, it's a Bernie Christophe bill that the Minister of Labour and Bernie Christophe are close friends and it's a bail-out type of thing. And, Mr. Deputy Speaker, when we really do the analysis, when we look at who is opposed to this bill and who basically wants this bill, then the comments by the government saying we're listening to the people are falling on deaf ears because now it is their own people who are starting to say to this Minister and to this government, you have gone too far. We have said that for a long time, but now their own people, their own supporters are saying that. The question has been raised many times and we haven't got the answer. Not one of the members opposite, when they spoke, have indicated why this bill is necessary, who's asked for it. What group has been lobbying for it?

Invariably, when the Minister of Transportation brought forward various legislation, there are always lobby groups for and against it, Mr. Deputy Speaker, but that is not happening in this particular bill. All the lobbying is opposed to this bill. All the lobbying in public as far as we know is opposed to this bill, and the Minister proceeds to charge forward. Mr. Deputy Speaker, I just off the cuff made a remark to the Minister of Labour before that if he wanted to shorten this Session and enjoy some of this summer maybe, maybe it would be advisable if you'd pull the bill, because we'll be here a long time debating bad legislation. That is our responsibility as Opposition.

It is bad legislation and, Mr. Deputy Speaker, I am not that wise an individual in here. I have been here approximately 10 years since I got elected this fall. But, Mr. Deputy Speaker, I can tell on the side of the government when they are comfortable with a bill, when they're smug about it or when they're uncomfortable with it. It doesn't take a very smart intelligent man to figure that out. You can see on their faces when they know they are wrong. They are wrong on other bills and we'll be dealing with them. The Attorney-General is wrong on his Human Rights Code Bill, one aspect of it, and they know it, the government knows it. But I'm wondering how, Mr. Deputy Speaker, the government operates in the caucus; those who can best do a selling job get their bills approved.

Mr. Deputy Speaker, I was a backbencher from 1977-81 and I was one of those people that had to say yes to all the things that happened in the front bench.

**SOME HONOURABLE MEMBERS:** No!

**MR. A. DRIEDGER:** Well, up to a point. But, Mr. Deputy Speaker, from time to time, being a little cantankerous, I raised some objections and we finally got to the point, as new members that started you don't quite know the system. After a while, you get to know the system and then you say hold it, hold it, some of this legislation is not good legislation, we better pass it, and convince us in caucus first that it's got to go, because without the bank-bench, there is no government and that's very important. So we started establishing that when we were government from 1977-81.

Now I'm wondering what's happened to the back-bench of the government now. They've turned out to be yes people, because I know, for a fact, that a number of the members opposite do not favour this legislation. You have your doubts, because you have your friends in the unions that are opposing it and you're having your reservations. But if the parliamentary system is supposed to work well, and if you're conscientious representatives of your people, you should be able to take and indicate within your caucus that you're not going to support it. Everybody is begging this Minister to withdraw that bill.

Mr. Deputy Speaker, if it was all the unions supporting this bill, I'd probably say, well if that's what they want, maybe they should have that, but that is not the case. In fact, we've seen, when we talk about all the organizations, the union organizations that are opposing this bill, we get down to one small group that is basically pushing for this bill.

Mr. Deputy Speaker, if I was a member on the government side, if I was an NDP, I'd be concerned about that aspect of it, because as you're very much aware, when you pay your union dues, that a portion of your union dues automatically goes to the NDP Party, and if there was a supportive group that was going to be paying my wages and many people, Mr. Deputy Speaker, in the rural areas and many people that are union members don't realize that a portion of the union dues they pay automatically goes to the NDP Party.- (Interjection)- No, no.

So now you have the group that feeds and sustains you, to some degree, has given you all the moral and financial support over the years, the biggest portion

of it now says, don't pass this bill. They say, don't pass this bill. When a party - never mind not listening to the people of Manitoba - but when a party quits listening to their own supporters, there's a problem, at least in my mind there's a problem.

Mr. Deputy Speaker, I think that this Minister and this government, they thought they'd sort of float this by a little bit, and I'll tell you something, you have heard it as well as me, every time the Minister of Labour has got up to try and defend the bill in question period or anytime, he goes like a record, you know. They've got it all spun out and he says the same thing, the same thing, the same thing. It's going to make labour relations better in this province.

**HON. A. MACKLING:** Hear, hear!

**MR. A. DRIEDGER:** There he goes again - hear, hear! I'll tell you something, when you're thinking of some new innovative ideas that he could bring forward, this Minister is a disaster. He doesn't know, like he's caught in a mind set and he can't get out of it, and I think that's dangerous. Once we get in here and we can't see past your blinders, we have a problem. We have a problem and this Minister of Labour has a problem.

Mr. Deputy Speaker, we intend to debate this issue for a long time. What bothers me, Mr. Deputy Speaker, there's always been that alliance of the unions with the NDP party; and we have been accused of being with the banks, the free enterprise system, whatever you want. We have our fun debating the issues there, but I would honestly think that a government that is sincere with what they're doing for the province would be concerned right now about creating an atmosphere of job creation, where people want to invest.

If I had money, Mr. Deputy Speaker, I don't have that privilege, but if I had money to invest and I wanted to make maximum return, there are various options that you would look at. But being a poor man, if I have money, I put it in the bank and I ask how much interest do I get? What is my return? - whether the bank pays 7, 8, 9 percent depending what the score is. Now, if somebody has money and I'm talking of somebody that's in a position to have enough money to invest - maybe the Member for Transcona, I'm just throwing that out - but people who have real assets and they're going to invest in a business and create jobs, would they not want an assurance that they have that return than just putting it in the bank? Because why would they go out and create a company, create jobs, do manufacturing, if they can't get more than what they're getting when they put it in the bank? Why would you take that risk? Do their own thing. You have to look at the element and the possibility of making more money if you take a risk, that the chance of return is better.

Mr. Deputy Speaker, I have, in my own limited way, did some investing. I bought some properties at the time when inflation was going that way. My problem was I got caught at the wrong end, you see. By the time I finally bought properties and stuff like that, things went down that way. Interest rates went up and I ended up being out of the pocket. But that, Mr. Deputy Speaker, is the chance that I took. I didn't have to invest in properties. I took a chance in making some money and I took a chance in trying to roll a buck in

that. Now, why would anybody who has money to play around with invest if you're not sure or at least have a reasonable risk of making more money? This is what it is all about.

Now we're talking about the union people who say the companies are making too much money. Mr. Deputy Speaker, most individuals who hire people, and I'm talking of small business and industry, hire a limited amount of people and they are not making big money. The investor is not making big money. We're always talking of big corporations. Well, we've seen what happened with big corporations in the province, the Crown corporations. There's no money being made. Lousy management, first of all. Lousy management and the super Minister there, of course, is one who is going to correct it, we hope.

(Madam Speaker in the Chair.)

Madam Speaker, I have difficulty seeing why government would hang their hat on a bill of this nature that offends the majority of the people in Manitoba. We have about three or four bills in this Session that are offending the people of Manitoba, the majority of people of Manitoba, and this is one of them. Madam Speaker, I feel responsible, as an elected representative of the Opposition, that I should fight and do everything possible in terms of stopping government to do that. I really feel there should be no shame in government withdrawing something that maybe hasn't been thought out well. But when government's hang their hat and say, well, we've stepped this far, we can't step back, we have a problem. Because government has the numbers game and we know what it's like when the Whip is on, it's a government bill, but I'll tell you something - there's an opportunity for Opposition to play a key role. We, as Opposition, and the people of Manitoba, and the majority of them are opposing this bill, will take every advantage we can, Madam Speaker, in terms of blocking this bill.

We have asked the Minister many times to withdraw this bill and, Madam Speaker, I really didn't think that the Opposition had that much power, but Opposition does have power. We saw that in the French language debate when we sat here all summer.

I'm cautioning the Minister of Labour: Look at this thing objectively. You have many people from your own supporters who are lobbying you to withdraw it. Get your head out of the sand, Mr. Minister. Withdraw this bill and we can all get out reasonably well some time this summer and have part of the summer holidays to enjoy. It's lovely weather right now. Who wouldn't want to be out when the kids come out of school, and go out and enjoy the summer holidays? -(Interjection)- Madam Speaker, I'm getting some cute calls from across the floor.

We are prepared to stay here as long as it takes - (Interjection)- Madam Speaker, false bravado, false bravado coming across this room. Ministers have major responsibilities. They get tired. I dare say that, unless this Minister is going to do his colleagues a favour and withdraw this bill, you will be very, very tired as Ministers before this Session is going to be over.

Madam Speaker, I've tried to put it in a nice way that the Minister can do all 57 members a favour by withdrawing this bill. Madam Speaker, why should it

be that if government presents a bill - and sometimes you don't know what the gut reaction is going to be. Sometimes you don't know how people feel, the public feels. In this particular case, this Minister is getting to know what the public feels. His support, all the rest of Manitobans, the majority of them are opposing this bill. What will be wrong with having a Minister say, hey, instead of sitting here all summer and, as somebody mentioned, November - if you want to sit until November, fine - but instead of sitting that long, why would the Minister not take and reconsider and say well, it's the wrong time, it's the wrong time to present this bill. Maybe a lobby will build up next year or the year after that for this bill, but it's not the right time right now, Madam Speaker.

I would strongly encourage the Minister. I know that he's got a little problem in terms of an ego trip from time to time. He figures whatever he does, he can't do any wrong but, in this particular case, we've proved him wrong twice, Madam Speaker. I hope that it is not three times and out for this Minister because this bill is going to get a real run, and I doubt whether this Minister can get it through.

So I would nicely ask him, reconsider your position. Your case is very weak at this stage of the game. Withdraw the bill, and we're going to have a nice summer.

Thank you very much.

**MADAM SPEAKER:** The Honourable Member for Ste. Rose.

**MR. G. CUMMINGS:** Thank you, Madam Speaker.

I hear calls from across the way that we now have another expert. I would not purport to be an expert, but it isn't that I haven't sat across a bargaining table before. In fact, I spent seven years sitting in bargaining processes as a member of the school board in Beautiful Plains. I'm sorry to say that, when I came on the board, at that point we had a situation where we were at least three years and almost four years behind in negotiations, and we were able to successfully complete those negotiations.

So I hope that the members opposite will not disregard what I have to say because I come from outside of the City of Winnipeg and from a rural town. When I have a rural background, it does not necessarily mean we have no knowledge in terms of labour negotiations.

What I'm concerned about with this bill, Madam Speaker, is that we have a very deceptive bill. Final offer selection, on the surface and at a very superficial glance, appears to be beneficial legislation that would very quickly bring the end to all labour strife. That is how it is being sold. When you are given a very superficial view, that would seem to be the case.

Madam Speaker, it seems to me that we have in fact the potential to cause an erosion of labour-management relations where we are faced with final offer selection being a solution that is held over the head of management when they go to sit down with the union in order to negotiate a new contract.

Too often, Madam Speaker, we have a situation where those who would sit down to bargain on behalf of the labour force feel that they have not accomplished

anything unless they have accomplished further erosion of management rights. It seems that the one thing that is consistently pointed to with pride is that time is on the side of the union negotiator and that every time he sits down to negotiate and every time he comes up with another contract, while salary can be important, that slow erosion of the rights of management is consistently weakening the position of those who would manage the operations that are put forward in this province.

The Member for Emerson made a very good point when he suggested that if management has to have some opportunity to achieve a return on its investment, and it has to be an opportunity to achieve a return that is better than what we can put on a savings account at the bank, or we're not going to face the risks that are involved with beginning, building, and carrying on business in this province.

Carrying on business means one thing, ultimately, for the labour force of this province. It means more jobs. We've got to have a continual growth of jobs. There has to be a resurgence of business investment to offset what may be a false impression that is being created in the economy of Manitoba at this point. That false impression is being created by an expenditure of government funds into projects which, when they run out, we will see a crippling situation where the economic bubble may very well burst if we do not have a strong business sector, a strong manufacturing sector, a strong investment on behalf of those who want to start businesses and industries and see them grow.

So when we look at this final offer selection, we have to look at it in terms of how it will affect business-labour relations and management-labour relations in this province.

I believe I understand, Madam Speaker, that it requires an atmosphere of willingness to make a settlement on both sides before a good settlement can be achieved. There has to be a willingness to give on both the behalf of management within their ability to provide salary and benefit to their employees, and there has to be a willingness and understanding on behalf of the union on what the limitations of their demands should be and what the limitations of management and ownership are to meet those demands.

It seems to me, Madam Speaker, that this bill interferes with what is the real progress that can be made in negotiations, and that is where there is some risk on both sides. There has to be an atmosphere of willingness, but that willingness can very often be given greater impetus if there is knowingly a risk on both sides as they proceed into negotiations.

We've seen what happened with Eaton's, which was roundly condemned by one of the members on the opposite side. But we can see what happened to Eaton's when they had their first contract settlement imposed, and that is now one of those settlements wherein the workers have now agreed that they wish to be decertified.

That was the first step that this government took which interfered with what is the normal willingness on both sides to negotiate. Now we see first offer selection where again there's an interference, in my mind, in the normal bargaining process. This bill will entrench the ongoing ability of unions to erode, albeit at a slow pace but at a steady pace, the management rights and

options which management wishes to protect because when we go before a selector, it is very hard to put a dollar value on some of these management rights that the owners may wish to protect and may wish to keep for themselves because they cannot be defined in dollars and cents, in gain or loss to the employee or immediate gain or loss to the employer, but they can be defined down the road in lost contracts, an inability to meet deadlines, in lost opportunity for the business which may ultimately, down the road, cause some lost opportunity for some of the employees. I don't think we need to think too long or too hard to find examples to back up that particular aspect of interference with normal willingness to bargain from both sides.

Frankly, Madam Speaker, I believe that this bill puts the boot to the ability of management to negotiate freely and openly within what would be considered a normal forum for negotiations, because they have to be prepared ultimately to face the selector. Both the union and management will not be bargaining in good faith, no matter how much they might want to put forward that public image. They will be bargaining with one eye on what they will be putting forward to the selector when they are forced into final offer selection.

That goes without even addressing the problem whereby the union has the right to reject final offer selection, but the management does not. That, in itself, tells me that this is not a bill that is fair; it is not a bill that encourages free and open negotiations. It is a bill that interferes with what is the normal bargaining process that we would expect to achieve in good management-labour relations in this province.

Madam Speaker, I see this bill as being somewhat similar to Bill 4, which was introduced in the farming sector in the last Session of this Legislature, because it interfered with what is the normal willingness on both sides to achieve agreement. I suspect that this bill will suffer the same fate as Bill 4 did, whereby it has not proven its worth and has simply caused more damage than it has cured problems.

Madam Speaker, I would like to conclude my remarks by asking this government to withdraw this ill-conceived piece of legislation, and I sincerely believe that their attempt to bail out Bernie is going to cause more problems for labour-management relations than it will cure.

## PRIVATE MEMBERS' BUSINESS

### PROPOSED RESOLUTIONS

#### RES. NO. 15 - REPEAL OF HELMET LEGISLATION

**MADAM SPEAKER:** The hour being 5:00 p.m., Private Members' Business.

On the proposed motion of the Honourable Member for Springfield.

**MR. G. ROCH:** Thank you, Madam Speaker.

I move, seconded by the Member for Niakwa, that WHEREAS while statistics have shown that the wearing of helmets may reduce the severity of head injuries sustained in motorcycle accidents; and

WHEREAS there is no evidence that helmets are effective in reducing a frequency of motorcycle accidents; and

WHEREAS in some situations, the wearing of a helmet can be a hazard to the driver of a motorcycle; and

WHEREAS self-taught and inexperienced motorcyclists are greater threats to the safety of themselves and others and, therefore, the emphasis should be on education not legislation; and

WHEREAS the wearing of a helmet by a motorcyclist should be the choice of the individual and should not be legislated by any government;

THEREFORE BE IT RESOLVED that this Assembly request the government to introduce legislation to repeal section 187 of The Highway Traffic Act.

**MOTION presented.**

**MADAM SPEAKER:** The Honourable Member for Springfield.

**MR. G. ROCH:** Thank you, Madam Speaker.

As it was stated in the resolution itself, there are many reasons why I believe that we should repeal this particular section of The Highway Traffic Act.

Although there are various statistics in regard to safety, I'd like to point out that the main issue here is basically one of freedom of choice. We all know that after 20, if you want to stretch a bit possibly even 30 miles per hour or 50 kilometres per hour, whichever term you want to use, it does not really matter whether you're wearing a helmet or not. The fact is that the opportunity will not be there to know whether or not the helmet helped you because once you go that fast the helmet will not help you.

I would like to point out some statistics from - I hear some comments from the member opposite, but it's not a question of ideology in this case because I believe that various governments have introduced compulsory helmet legislation, compulsory seat-belt legislation. The difference is that in some provinces where nonsocialist governments have introduced such compulsory aspects, they have done it because they did believe - rightly or wrongly - that there was bona fide safety reasons. I believe that a socialist government, when it does that, is to increase control over people's lives. I think the fact that there happens to be statistics here and there, that may justify the case. Because nonsocialist governments have introduced it, they try to use it to justify it.

Madam Speaker, it's a fact that in the United States over half of the American States that had originally introduced compulsory helmet laws have repealed such laws because they were ineffective. In the recent study done by the Minnesota Department of Public Safety where it stated that in 1984 the motorcycle fatalities were lowest since the helmet law repeal, it said in that study, Madam Speaker, 57 people have died in motorcycle accidents so far this year compared to 56 at this time in 1976, even though there are approximately 65 percent more licensed motorcycle operators and 9 percent more registered motorcycles than in 1976. Motorcycle fatalities have decreased 15 percent compared to last year at this time and 54 percent compared to 1977 when the number of fatalities increased after the helmet law was repealed.

The report goes on to state, Madam Speaker, that the Commissioner at the Minnesota Department of

Public Safety attributes this decrease to stricter licence testing for motorcycle endorsements, improved motorcycle education and heightened public awareness. "Minnesota motorcyclists have helped make this possible," said the Commissioner. "Through the added fees for motorcycle endorsement and renewals, we have improved licence testing and rider education and have also mounted motorcycle safety public campaigns."

Madam Speaker, it just goes to show, it proves that indeed where there is sufficient education, legislation is not required. Some of the highlights of that helmet effectiveness study were that the data analyzed in this study were provided by the National Highway Traffic Safety Administration from the U.S. Department of Transportation. These data are currently recognized as the most accurate and detailed available on motorcycle accidents.

Another of the highlights I would like to use, some of the results actually, Madam Speaker, of those highlights of that study is that helmets are shown to have no statistically significant effect on the probability of a fatality given that a motorcycle accident has occurred. This means that, based on standard, statistical tests, we cannot reject the claim that helmets do not affect the probability that a rider will survive a motorcycle accident.

A second highlight, Madam Speaker, that the major determinants of fatalities are the rider's crash speed - in other words, kinetic energy - and blood alcohol level. Those are significant factors.

Another one of the highlights of that same report was that a trade-off between head and neck injuries confronts a potential helmet user. Past the critical impact speed to the helmet - it states here 13 miles per hour - which is likely to occur in real-life action situations, helmet use reduces the severity of head injuries at the expense of increasing the severity of neck injuries.

Madam Speaker, as I was saying earlier, once you get to a certain speed, it doesn't really matter how fast you're going, it will not prevent death. It may make your head look better in a casket; it will not prevent death. If governments are really serious about . . . Well, I don't think this government is serious about cost, but that argument is often used, well, there are costs involved in hospitals because of these accidents. If governments were really serious about safety, about costs, then there are many other things which they should outlaw.

I can point out tobacco as being one of the prime reasons why there are so many people in hospitals today, and that is costing us far more, Madam Speaker, than any other reason that people are in hospitals.

What is next? Like I said a while ago, there are many statistics on both sides pro and con the arguments of wearing helmets. But the real issue here is one of freedom of choice. How far are governments going to go in legislating how we live? Are they going to outlaw tobacco next? Are they going to tell us we cannot eat bacon? Are they going to tell us how to dress, what to wear, where not to go, where not to play? Madam Speaker, it's getting to a point where every aspect of our life is getting regulated.

I realize in some parts of our life we do need regulations, but where does it all end? Well over half the hospitals are filled due to cancer-related or heart-

related diseases. Madam Speaker, the issue of whether one wears helmets or seat belts, for that matter, is really insignificant compared to the other higher percentages of people in hospitals.

In the recent overview and critique of the Mulligan Report, which was made public last week, it says in that critique that this is a very politically-sensitive issue. The Minister, the unnamed official says, and I quote: "There is a definite need to develop rational and effective programs concerning motorcycle safety with crash avoidance training as its main objective. The problem of rider licensing, mandatory instruction and restrictions, based on engine size, are among the issues which need to be addressed." That seems to substantiate, Madam Speaker, a good part of what I've been saying.

From another document which I obtained, and this one was prepared by the Manitoba - I forget the exact name of the organization - but it's an organization concerned with head injuries and it had not anything to do with either helmets or any kind of restrictive legislation. It had to do with victims of head injuries. I have the name, Madam Speaker; it's called the Manitoba Head Injury Association.

In that particular study, in contribution made by a Professor G.A. Ryan, entitled, "Injuries in Traffic Accidents," it states in that particular report in regard to motorcycle injuries, Ryan's data indicated that the incidence of concussion and of skull fractures was the same for both those wearing and those not wearing helmets.

Madam Speaker, there was just one sentence which came out of that report but it sort of jumped out at me because this was a report which was not concerned with the wearing of helmets, which was concerned with victims of head injuries, and even they admit that helmets do not contribute in any way whatsoever significantly to the reduction of head injuries.

But to get back to the American effective study I was talking about earlier during this debate, I would like to say that some of the policy implications that they recommended were:

- (1) If a major concern of policy makers is the prevention of fatalities, helmet legislation is not effective in achieving that objective.
- (2) If the overall cost to society of motorcycle accidents is the issue, then cost-benefit analysis that adequately considers the trade-off between head and neck injuries must be conducted before the cost effectiveness of helmets can be determined.
- (3) Until the injury trade-off issue is more carefully studied, it cannot be concluded that mandatory helmet use laws are an effective method to eradicate the slaughter and maiming of individuals involved in motorcycle accidents.
- (4) A more effective policy approach would be two-pronged, including both policies to prevent accidents and policies that effectively reduce the probability of death and the severity of injuries.
- (5) policies to prevent accidents include:
  - (a) the education of the general driving public;
  - (b) the education of a younger and more inexperienced population of motorcyclists

on the issues of accident avoidance and the proper use and control of high horsepower machines;

- (c) stricter enforcement of drunk driving laws; and
  - (d) implementation of alcohol awareness programs.
- (6) Policies to reduce death and injury severity include stricter enforcement of speed limits, the alcohol-related policy suggested in (5) and mandatory driver training and education programs which emphasize the proper execution of evasive action.

Madam Speaker, the various studies and reports which I have quoted here point out that indeed the use of helmets has not significantly contributed or has not significantly deterred from having accidents. In fact, there are many people, Madam Speaker, who will say that the opposite can be true in some cases, especially with the unusually high levels of heat that we've had recently, the loss of vision and in some cases in the case of particularly thick helmets, the impairment of hearing can contribute to accidents.

I have received numerous, as no doubt other members of this Assembly have, letters which I put in envelopes and I have here with me supporting this particular resolution. There are many people out there who do by choice, or I should say did before these laws, wear by choice, helmets, who are opposed to these laws because again, despite the fact that there are many statistics both pro and con the argument, the main issue again here is one of freedom of choice.

And I believe that in society people should be given certain choices. I believe that given the fact that many reports do not show conclusively that helmets can or cannot prevent injuries or accidents, I say that to force someone to wear an accident - I'm sorry - to force someone to wear a helmet does not prove that it can prevent accidents. I say to force someone to wear a helmet, in some cases, could be forcing a person to his death, as it can happen when one wears seat belts. Given the fact that there is no conclusive proof on either side of the case, Madam Speaker, I would suggest that people should be given the option of wearing or not wearing a helmet.

There are organizations in Manitoba, including one called ABATE, which I believe stands for Alliance for Bikers Aimed Towards Education, and the main thrust of their arguments is that we should have education rather than legislation. I believe, Madam Speaker, that if the Department of Highways would get together with people involved in the operation of motorized bicycles, motorized tricycles, including motorcycles, that a good, strong program could be developed - oh, yes, I see my light flashing, Madam Speaker - a good strong program could be developed in order to help reduce fatalities as have happened in many American States.

In concluding my remarks, Madam Speaker, I would urge members of this Assembly to support this resolution. The issue is not whether one should or should not be wearing a helmet for a reason such as safety. The issue is that one should have the choice as to whether or not to wear that helmet.

Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Minister of Highways and Transportation.

**HON. J. PLOHMAN:** Madam Speaker, I didn't see the Honourable Leader of the Opposition applauding on that speech and I think it's for obvious reasons, because he was one of the people who had the foresight and insight to support the helmet and child restraint and seat-belt legislation when it was introduced in this House and passed only a few short years ago. From the general support on the other side, I think he's losing support on his argument for the requirement to maintain this kind of compulsory nature of this legislation in the future because we did see a lot of support for the speaker.

But let me just say, Madam Speaker, that I appreciate the opportunity to speak in this debate on this very important topic. I find some of the remarks made by the Member for Springfield, though, somewhat absurd to say that he believes that forcing a person to wear a helmet is the same as forcing that person to their death. I can't believe that he would make that kind of a statement in this House because that's what he did say. I think if he believes that, he should perhaps consider whether he shouldn't . . .

**MADAM SPEAKER:** Order please, order please.  
The Honourable Member for Springfield.

**MR. D. ROCH:** Madam Speaker, I never said wearing a helmet would be forcing a person to their death. I said wearing a helmet can sometimes contribute to the cause of an accident.

**MADAM SPEAKER:** A difference of opinion is not a point of order.

**HON. J. PLOHMAN:** Well, Madam Speaker, that's not what I heard, but let the member say what he wants to say at this point in time. Sometimes, in debate, people do get carried away with their statements and don't necessarily say what they meant.

Now I will deal with the accident question as well, Madam Speaker, but I can tell the member, if he just wants to use some common sense, or if he would like to knock some common sense into his head, perhaps he could go and run it against the wall, and if he thinks he would knock more sense in without a helmet, then that's his decision. But I think it undoubtedly wouldn't help, Madam Speaker.

Let me just deal with the resolution very quickly. First of all, the Member for Springfield has introduced a number of "WHEREAS's" in his resolution, the first dealing with statistics that have shown that the wearing of helmets may reduce the severity of head injuries. There I think we can agree with the Member for Springfield. He has put forward a "WHEREAS" which doesn't support his resolution, and it is clear that it is a fact. It's not a case of may contribute to reducing the severity of head injuries. It's a fact that studies have shown, clearly, that head injuries, neck injuries and facial injuries are reduced by the wearing of helmets. As a matter of fact, recently in Louisiana there was a repeal of legislation and then a reinstatement of helmet legislation. It's some very interesting information.

In 1980, the effects of Louisiana's 1976 helmet law repeal were evaluated by Louisiana State University researchers who found that it had lowered overall

helmet use by about 50 percent. In other words, 50 percent were wearing it after the helmet law was repealed as were wearing before. Moreover, they found a 75 percent reduction in helmet use among fatally injured cyclists and a 45 percent increase in the motorcycle fatality rate.

Following reenactment of the Louisiana law in 1982, researchers found that helmet use rose to 96 percent and the fatality rate among motorcyclists declined immediately from 38 fatalities per 1,000 crashes to 29 per 1,000. They also found that head and facial injuries were far less frequently cited as the most severe crash injury among those who wore helmets compared with those who did not.

In 1981, the year prior to the law, 27 percent of those who received head and facial injuries had them classified as their most severe injury compared with 9 percent in 1982. So there was a reduction.

Now the fact is, Madam Speaker, that all the "WHEREAS's" are cited in the resolution, and I want to deal with those. I don't want to deal with other factors that aren't in the resolution. For example, the member quite often cited alcohol use in his speech today. However, he doesn't even mention that in his resolution. That is a serious flaw, I believe. However, he didn't mention it and it is therefore not relevant to this particular resolution. So that's why I'm dealing with the resolution.

The combined data for 1981 and 1982 revealed, Madam Speaker - after the reinstatement of helmet laws - the rate of 285 head injuries per 1,000 helmeted injured riders, compared with 634 for injured riders without helmets. So you can see that the difference is much greater. Obviously, head injuries are much greater in numbers per thousand when you do not have helmets.

The hospital costs for injured cyclists fell 48 percent from 1981 to 1982 and dramatic differences were found in the lengths of hospital stay between helmeted and non-helmeted riders. I think that shows quite clearly, Madam Speaker, the significance of helmets in reducing serious injuries, injuries that cost Medicare great amounts of money because of the nature of them in rehabilitation costs for people that suffer from them.

In preliminary information I have received that is probably in the hands of the members of the Opposition - although they don't have the summary that I was referring to the other day, and I will provide members with this summary - the Member for Springfield has confused all kinds of papers that he's had, or likes to feel he has. If he has all of the papers, he needs to have about six or eight of them to be able to say that he's got all of the reports and summaries.

But let's just talk about a summary, Madam Speaker, that I got which just summarizes some of the information from the Mulligan Study in a preliminary way. It shows that head, face and neck regions were severely reduced insofar as injuries during the time that the Mulligan group undertook the study. They came up with information that would show that there were decreases of 54 percent in head injuries, 44 percent in face injuries and 80 percent in neck region injuries. That is a significant factor and I think shows clearly the impact that helmets have had on the numbers of injuries.

It isn't just the number of deaths that we have to deal with when we're dealing with this resolution or dealing with this issue. It is the extent and nature of injuries that motorcyclists suffer as a result.

So very clearly, Madam Speaker, the first "WHEREAS" is something we can agree with and obviously it is true. There is a reduction in head injuries.

The second one talks about evidence regarding reducing accidents. Now there the member reiterated that point. When I said that he had made statements about helmets being the same as almost a death warrant for people having to wear helmets, it was just like forcing them to their death, he stood up and said no, that's not what I said; I said that wearing helmets causes accidents.

I say, Madam Speaker, that there is no factual information that that is a fact indeed, or the case. Clearly, Madam Speaker, let's take a look at the vision part of it, impairment of vision. The wearing of a safety helmet does not impede the operator's vision appreciably. As a matter of fact they say the information is that peripheral vision is reduced by less than 3 percent. That's what the information shows and yet 75 percent, Madam Speaker, of motorcycle accidents arise within 45 degrees of straight ahead. So we see a tremendous difference between that 45 degrees for 75 percent of those accidents and the 3 percent that the Member for Springfield is saying is significant and that it's causing accidents. This 3 percent limitations is far less than is acceptable for many handicapped car drivers on the road today.

Let's look at the matter of hearing because he may also feel that the impact on hearing can cause accidents. The wearing of a safety helmet, Madam Speaker, I would assert does not reduce the hearing capability of a motorcyclist while he is driving. The evidence is very clear that a well designed safety helmet does not significantly reduce hearing, particularly when one considers the level of noise usually generated by a motorcyclist at a typical speed. In fact at typical speeds, the helmeted rider has a considerable advantage in the detection of warning signals as against the bare headed rider who must contend with a high level of wind noise.

Now, Madam Speaker, the matter of whether helmets contributes to neck injuries. The member at the beginning in his "WHEREAS" says that it does reduce head injuries but he seems to be saying that it causes neck injuries. Madam Speaker, a report to the U.S. Congress by the Department of Transportation dated January 1979 showed that of 980 head and neck injuries, only four were attributed to safety helmets and all four of these were minor injuries. In two of these four cases the helmet also saved the wearer from more serious injury to the head itself. That comes from the Department of Transportation report to the U.S. Congress.

I've cited, Madam Speaker, some references to a Louisiana study that showed as well that there was a reduction in neck injuries. I referenced the Mulligan study which shows there is a reduction in neck injuries when wearing helmets. So I don't believe that one can make any kind of a case that would seem to indicate, that would point to a fact of any significance that neck injuries are caused by helmets.

Now we get, Madam Speaker, to the next "WHEREAS" and I think this one is something that I can agree with and that is the importance of education, generally speaking; the importance of education for motorcyclists. The members of the Opposition state in



their resolution that there should be more emphasis on education for motorcyclists, and I think that all of us could agree with that. The Manitoba Department of Highways and Transportation at the current time, administers driver licensing tests to motorcyclists which competently measure the motorcyclist's knowledge and experience. It ensures as effectively as possible, Madam Speaker, that motorcyclists have done their homework and are trained to take on the responsibilities of operating a motorcycle. In addition, the department funds through annual grants to the Manitoba Safety Council a motorcycle safety course which teaches rules of the road and proper driving techniques and safety. And I would agree as much as any member in this House and any member of the Opposition and would like to see more motorcyclists and potential motorcyclists take this course in the years ahead and I hope that we have that opportunity to expand those kinds of courses.

But it seems the crux of the matter, the real argument the Opposition members are coming up with is the freedom of choice issue. There, I think the members should consider very clearly that we, through legislation, in this province, in other jurisdictions, that it's been shown conclusively that the laws of helmet requirements are enacted with the objective of securing the greatest good for the greatest number of people, while at the same time ensuring the greatest liberty for the largest possible number as well.

For that reason, Madam Speaker, the benefits of the majority must be carefully weighed and carefully examined against the possible inconvenience to the minority. I think that helmet laws in Manitoba have provided great benefits to the public in the short time that we've had them in this province, and also to motorcyclists generally, and to their passengers with minimal inconvenience to those people who are operating on the highways.

Helmet laws result in reduction of hospitalization and length of stay in the hospital, and reduction of rehabilitation costs and social costs, lower costs incurred by the taxpayer. That is, I hope, something that can be borne out through greater study in the years ahead in this Province of Manitoba. But the studies in other jurisdictions have, indeed, shown that to be the case.

Madam Speaker, since 1976, 27 states have repealed or weakened their laws requiring helmet use, and motorcycle fatalities have increased by more than 40 percent, while new motorcycle registrations have gone up less than 1 percent. It is estimated that motorcyclists triple the risk of death by failing to use protective helmets. This was stated by the American National Highway Traffic Safety Administration in a report in April 1980.

That is precisely the opposite of what the Member for Springfield has said. Naturally, Madam Speaker, there has to be a reduction in accidents, but helmets have no bearing one way or another on that issue. We have to deal with those people who are affected by the accidents, once they have been involved in an accident, to reduce, if at all possible, the extent and the severity of their injuries.

There is no doubt, and that's why I challenge the Member for Springfield to try it. If he wants to run his head into a wall, I challenge him to do it without a

helmet and with a helmet and see what the results would be in both cases. It's very clear, Madam Speaker - and it's not something that even deserves a great deal of argument in this particular Chamber - the fact is that there are savings to the public, and that's what what has to be considered. Pain and suffering is reduced and dollars are saved, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Niakwa.

**MR. A. KOVNATS:** Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Springfield on a point of order.

**MR. G. ROCH:** I wonder if the Minister would entertain one question? I'm just asking, Madam Speaker, if the Minister would entertain one question?

**MADAM SPEAKER:** The Honourable Minister's time has expired. Does the honourable member have leave to ask a question and the Honourable Minister leave to respond? (Agreed)

**MR. G. ROCH:** I'd like to know if the Minister does or ever has ridden a motorcycle? If the Minister does or ever has ridden a motorcycle?

**HON. J. PLOHMAN:** Madam Speaker, I have been given the permission to answer that question. I know the member wants to help me answer in a one-word answer but he can't tell me what kind of answer to give. The fact is, that I have had the experience of very limited riding, Madam Speaker, but I also have had the opportunity to ride snowmobiles, with helmets and have had a certain amount of experience in that area.

I want to though, I think, refer to a statement, Madam Speaker, made by Priscilla Neufeld, in which she was involved in a motorcycle accident with her fiancé. She said: "I, too, thought the helmet law sucked until now. I will never forget when my head hit the pavement. Thank God I was wearing a helmet. If I hadn't been, I don't think I'd be alive today. I now believe in the helmet law; it can save lives - it saved mine." That is as good as if I'd had that personal experience, reading a testimonial like that, as carried in the Winnipeg Sun on April 29, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Springfield on a point of order.

**MR. G. ROCH:** Madam Speaker, I had a friend of mine die in a motorcycle . . .

**MADAM SPEAKER:** On a point of order.

**MR. G. ROCH:** I had a friend of mine die in a motorcycle accident due to a broken neck too, because he was wearing a helmet.

**MADAM SPEAKER:** The Honourable Member for Niakwa.

**MR. A. KOVNATS:** Thank you, Madam Speaker.

Madam Speaker, we have helmet legislation here in the Province of Manitoba. I sat through many hours when presentations were made for and against helmets. I would just like to bring to the members' attention that on Tuesday, the 16th of June, 1987, when we were in the Estimates for the Minister responsible for Workers Compensation, the Minister made a statement where he stated the Member for Niakwa should know that, really, what happened is, the rules were changed.

I'm not going to accentuate that particular part of it, but a little later on I mentioned, on a point of order, the Minister had made some remarks about how the rules were changed. I'm not reflecting on decisions, Madam Speaker. All I'm saying is that if rules are not good, if there's something about the rules that don't fit the situation, I think that they should be changed, and I'm speaking today to see that the rules governing helmet legislation should be changed.

Madam Speaker, last Sunday, as I was returning from working on my farm, I was driving down Highway No. 1, coming back into the city, and I was travelling at just under the legal speed limit of 100 kilometres per hour. Madam Speaker, I was passed like I was standing still by dozens and dozens of cars, trucks and some motorbikes. Madam Speaker, the problem is not by legislating to protect people as they're driving, I think the problem is that people should be more aware. There's a program of education that would be by far more beneficial.

I was very uncomfortable as I was driving back from my farm last Sunday. The air conditioner in my car was not working and I understood what it's like for somebody to have a helmet during the hot weather and having to drive.

**A MEMBER:** It shrinks hair.

**MR. A. KOVNATS:** Well, it shrinks hair, it causes additional perspiration. I'm receiving a lot of help from one of my friends, Madam Speaker. Friends like that I wish were on the other side.

Madam Speaker, helmets aren't the be-all and the end-all.

**A MEMBER:** Just like in a football game.

**MR. A. KOVNATS:** Well, I used to wear a helmet on the football field and I know what it's like, except that on the football field you could take time out to take the helmet off and wipe the perspiration away. You can't do that when you're driving your motorbike.

Madam Speaker, the danger is to the uneducated, not knowing the consequences of your actions. I dislike - in fact I guess I'm almost to the point where I hate motorcycles, to the point where I have an abnormal fear of motorcycles. I do not drive a motorcycle; I've not allowed my children to drive motorcycles. But the preference should be for anybody who wants to drive a motorcycle, that's their choice, without the restrictions that we put on. Because I don't like a motorcycle, I don't think that we should have restrictions so that people who do want to drive a motorcycle should be hindered and limited in driving their motorbike.

Madam Speaker, I have seen people, daredevils, driving motorcycles, and they go in and out of traffic,

but also I have seen people who are responsible driving motorcycles, and they seem to me to be driving in a responsible manner. We have some sort of an idea or a feeling about everybody who drives a motorcycle belongs to a gang. You know, these gangs that go in and take all kinds of liberties. Well, I just can't believe that all people are of that consequence where they're not responsible. As a matter of fact, my very next-door neighbour where I live is a motorcyclist and he happens to be a very responsible person and does follow the rules of driving a motorbike.

Madam Speaker, in the resolution, it says the wearing of helmets may reduce the severity of head injuries. That's not what I'm arguing here today, Madam Speaker, whether helmets would reduce the effects of injuries or whether in fact they won't reduce the head injuries. I think that anybody who is driving a motorbike at anything over 20 or 25 kilometres per hour is in danger of injuries if they have an accident. I was aware of one particular accident, and I guess we all know somebody who has been either maimed or just injured slightly, or even, in some cases, have been killed because of a motorcycle accident.

I know of one because we've had a few from the Windsor Park area that have been killed on motorbikes and we had one, not too long ago, that was coming in from Headingley on the highway and was driving 100 miles an hour - at least I am told that he was driving 100 miles an hour - and lost control of his bike. Whether losing control of his bike was because of wearing the helmet, because he was wearing a helmet, or just because he turned aside and looked somewhere else, rather than on the road, was the cause of his death. He was killed in a particular accident, a single car accident. He went out, he didn't involve anybody else, and he's gone. I think that he had been driving a motorbike for less than a month and was driving a great big machine well beyond his capabilities. He just wasn't capable of driving this type of machine.

Madam Speaker, it's not the helmet that causes these accidents, it's the lack of education and the lack of control in allowing people, beginners particularly, without the proper education to drive machines that they're just not capable of handling. I think that something should be done in that case, rather than concentrating on helmets, Madam Speaker.

Madam Speaker, I don't want to be political about this helmet legislation, but I've always had the idea that it should be freedom of choice. Right after the legislation was passed and we went into an election here and I happened to be speaking to a few of the people who were against the helmet legislation, and one of the chaps said to me, you know, Mr. Kohnats, I'm with you 100 percent; I support your stand on helmet legislation; I'm against helmet legislation. He says anytime that you come around, please, stop by my house, and he gave me the address and it was out in St. Vital.

As it happened, I thought I would take advantage of that association when it came time to the last election, and sure as heck, I was going by his house and I looked and there's a political sign on his front lawn, except that it wasn't one of mine, Madam Speaker. So I stopped at the house and I said I'm supporting your motorcycle helmet legislation. He said that's fine, but it's not because of political beliefs. I know that you feel it's the absolute way that we should be on helmet

legislation, freedom of choice. And you know what? When it came down to that, Madam Speaker - it should cross all party lines - it happened to be a New Democratic Party sign that he had on the front lawn, and thank goodness it wasn't as effective as I was worried about it. But I do feel that we should have the freedom of choice and we should be able to agree that it's not that we agree because of party lines. It's because we do believe in having the freedoms to make our own decisions.

I think that we have to make decisions for those people who can't make decisions for themselves. I supported the seat belt legislation for those who couldn't make the decision for themselves, and I supported child restraints in cars because those people couldn't make that decision. But, Madam Speaker, for those who make the decision, I think it should be up to them. I think that the legislation could be repealed, should be repealed. I'm looking forward to a better form of education for motorcycle drivers, and I'm also looking forward to the repealing of helmet legislation so that these people can drive in comfort, drive with freedom of mind and know where they're going. I would hope that everybody would agree with me at this point and support this resolution by the Member for Springfield, and let's repeal this motorcycle legislation at the earliest possible time.

Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Inkster.

**MR. D. SCOTT:** Thank you very much, Madam Speaker.

Madam Speaker, I rise with some pressure. I've only got 12 minutes left. I see I'll have to try and pack in my 15-minute speech in 12 minutes.

But, Madam Speaker, this issue, as both members opposite have tried today to raise this and to claim it's a non-partisan issue, and then they sink into the same rhetoric and the basis of the whole resolution is upon their rhetoric, claiming that this government, because it's a socialist government, doesn't want the people to have choice. Now how can you have it both ways once again?

There has been a piece of legislation that should be dealt with in a non-partisan way, declares that you're non-partisan in your presentations and then, further in the same presentation, contradict yourself. And I guess that's part of the same contradiction that I find difficult with the resolution because, if you shorten the resolution up and little bit and just do a whereas and your resolve, it says: "WHEREAS statistics have shown that the wearing of helmets may reduce the severity of head injuries sustained in motorcycle accidents, THEREFORE BE IT RESOLVED that this Assembly request the government to introduce legislation to repeal section 187 of The Highway Act." How stupid can you be? How stupid can one be?

Madam Speaker, the bringing of this issue once again has been trying to play to a particular audience, a political audience out there, but doesn't have a heck of a lot of success. I've had a couple of questions and phone calls from one family to me. They've written me letters as well, asking me to change my position. I told them what my position was on the issue, told them I

would listen to the arguments presented here in the House, but when I read the resolution that the Member for Springfield has so brilliantly brought forward to us, telling us that statistics have shown the wearing of helmets reduces head injuries and, at the same time, says repeal the act, I cannot in any way, like or form, accept a resolution of that nature. I'm sure even his own leader, after having made a wise decision a couple of years ago to support the government's initiative in this area to make the Province of Manitoba consistent with all all across Canada, where no other jurisdiction do they allow people to ride motorcycles without the wearing of a helmet.

Now, I'm not sure if the Leader of the Opposition has changed his mind. I don't think he has. He shot off some words in departure there, but he hasn't, to the best of my knowledge, expressed his opinion on this or changed his vote or wants to change his vote from back in 1983 or so when we dealt with this legislation the first time.

There's been some reference today to the injury rates and to the Mulligan study. I called them up to get some more details on the study they had done and I find - and I'll repeat some of the statistics that the Minister responsible for Highways, the Member for Dauphin brought in this afternoon - a reduction in head injuries in the study period, from post-legislation compared to pre-legislation, a reduction in head injuries by 54 percent; a reduction in facial injuries of 44 percent; and a reduction of neck injuries, which we were told were going to skyrocket by those people fighting against the legislation five or six years ago said that the helmets would cause, they would break necks.

They tried to bring in evidence substantiated by someone claiming to be a physician in another jurisdiction that the helmets were going to cause, not reduce, the number of neck injuries, and here we have in a comparative study period pre- and post-legislation, a reduction of 80 percent in neck injuries.

In looking at the actual numbers, and it's difficult dealing in actual numbers . . .

**A MEMBER:** Are you talking about . . .

**MR. D. SCOTT:** . . . I don't know if I can or not. You might want to hang in.

The number of head injuries and actual injuries, in the comparative period previous to the legislation, 113 head injuries down to only 48 head injuries in the post period.

So, Madam Speaker, for a member of the Legislature to bring in a recommendation to this House to repeal legislation that has, in a statistical manner, in a comparative fashion, one year over the other, had some 60 less people ending up in the hospital with severe head injuries is, I think, irresponsible to bring in and to say that we should throw out the legislation.

It is fine for members of either side of the House to talk about rights, but we must also talk about responsibilities that we have to one another, to ourselves and to the society. One of the things that we dealt with in this legislation when we brought it forward a few years ago was the need for motorcyclists to show responsibility to the federal citizens in a reduction on health care costs that would go along and correspond

with a reduction, especially in upper-body injuries or head and neck injuries in particular.

No one, the Minister certainly has not, no one on this side has claimed that helmets alone are going to save a person's life when they have traumatic injuries either to the head or to the - and especially when combined with the rest of the body. It's just not possible to survive that sort of an accident, helmet or no helmet. The helmet on the other hand does substantially reduce the number of injuries to the head and to the neck where an individual has minor injuries elsewhere. In other words, if the bodily injuries that a person suffers are not going to be life threatening, the likelihood of a person suffering life-threatening head injuries is dramatically reduced, not eliminated, but dramatically reduced. That was the spirit and the principle with which this legislation was brought in, in the first instance, to try and reduce the number of head injuries that motorcyclists are prone to.

When you drive in a motorcycle, you're just virtually the same as being nude going down the middle of a highway. You have next to no protection when you are in face with vehicles weighing several tonnes or even half-a-tonne or a tonne-and-a-half, especially catapulting down the road at speeds of 60 miles per hour. It is just not feasible for even another vehicle and the passengers in another vehicle to be able to sustain that kind of impact without some form of injury, in comparison to a motorcyclist who has virtually no chance of coming out of it.

I speak on this, not as someone who has been an extensive motorcycle rider, but one who certainly had, in my earlier years, age 16, 17 and 18, spent a fair amount of time on a bike and have been in accidents, yes, in ripping up some of the streets and whatnot. I know, perhaps it's not an exact comparison but, having been in an accident at one time in which a canine critter met its final end on a bike -(Interjection)- No, the dog wasn't riding on the bike. I'm afraid I was. But, Madam Speaker, transferring that to a human being, being on a bike and being hit by another vehicle or even another motorcycle, the chances of surviving are relatively limited.

If legislation requiring people to be responsible, to be considerate of the other people in their society who share the burden not only of the immediate medical cost but, in many instances, for medical care and the compensation payments or whatever to be able to sustain that person's life, perhaps for the rest of their lives. The wearing of helmets certainly can dramatically reduce the types of injuries that are not only life threatening but lifestyle and quality of life threatening as well.

So, Madam Speaker, I certainly would commend to the members opposite, as well as members on this side of the House, that we do reject this ridiculous resolution. There is only one aspect of the resolution that gives any credibility whatsoever, and it's not even really emphasized in the resolution. It certainly is not emphasized in the "RESOLVE" portion of the resolution and this deals with education and driver training.

When this legislation was introduced a few years ago, in my presentation both in committee and in the House,

I had requested that we bring in compulsory training, that we bring in limits to the size, the power of a motorcycle that a beginner can buy. I still do not believe that a young person or an older person starting to drive a motorcycle should be able to hop on a machine with 60 or 70 horsepower that can do zero to 100 kilometres an hour in about five or six seconds. It's just too darn much power for a person, without having excellent driver skills, to be able to put on the road.

Look what has happened with young people in car accidents since the decline of the old supercars, the superbeasts, the 500-horsepower beasts that used to be on the road. There's hardly any of them left; they're all cracked up. It's rare that you see one of the old 427's or 396 Chevy's or the Chrysler Hemmies (phonetic) on the road. They're virtually all in the scrap heap now. I say, as much as I loved those vehicles in their time, I think they're far better on the scrap heap than they are on a highway because they are a public hazard, especially in the hands of young people who are relatively immature. They threaten not just themselves, but certainly other people as well. These exceptionally powerful motorcycles are a risk far more to the riders than to members of the general public, but they certainly are lethal weapons in the hands of an unskilled and an immature driver.

So I would suggest and urge my Minister, I'm not at all pleased with the lack of success that we've had of bringing in training programs. There are still no training programs. They are voluntary. I do not believe, when a person can go out and spend \$3,000 or \$4,000 on a motorcycle, that they should, in the least bit, be complaining and whining, as one of my letter writers were, about a \$25 fee to take a driver's safety course, claiming people can't afford it.

Well, if you can spend a couple of grand on a bike, you can spend a couple of hundred dollars on a good safety driver course. I think that it should be included and brought in as part of the licensing package. They would scream, they would yell, but I think it would have a dramatic impact in increasing defensive driving and reducing the number of accidents on the road.

Because, after a person's had a motorcycle licence for several years, the rate of accidents is dramatically reduced - dramatically reduced, Madam Speaker - and perhaps, if we could get them to that level via rigorous training programs, making them drop their bikes when it's moving, so that they know what it's like to drop a bike, or to be in a situation where you drop your bike, to be able to slow down or avert an accident quicker.

Once those sorts of things are achieved, you would have a dramatic reduction once again, as we have already had with our current law - an additional reduction in the amount of carnage on the highway.

**MADAM SPEAKER:** The hour being 6:00 p.m., the honourable member has two minutes remaining when this issue is again before the House.

I am leaving the Chair and we will reconvene at 8 p.m.