

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, March 5, 1990.

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**Mr. Helmut Pankratz (Chairman of Committees):** Mr. Speaker, I beg to present the Fifth Report of the Committee on Law Amendments.

**Mr. Clerk (William Remnant):** Your Standing Committee on Law Amendments presents the following as their Fifth Report.

Your committee met on Thursday, December 21, 1989, at 10 a.m. and Thursday, March 1, 1990, at 8 p.m., in Room 254 of the Legislative Building, to consider Bills referred.

Your committee heard representations on Bills as follows:

Bill No. 40—The Land Surveyors Amendment Act; Loi modifiant la Loi sur les arpenteurs-géomètres

Mr. Alex Gauer - The Association of Manitoba Land Surveyors

Mr. Bill McKenzie - Association of Professional Engineers of Manitoba

Mr. Mel Craven - Manitoba Association of Architects

Mr. Bernie Smith - Manitoba Association of Certified Engineering Technicians and Technologists Inc. (MANSCETT)

Mr. Tim Stratton - Association of Consulting Engineers of Manitoba

#### Written Submissions:

Mr. John Leech - Applied Science Technologists and Technicians of British Columbia

Mr. Charles Brimley - Canadian Council of Technicians and Technologists

Mr. Rick Chale - F.W. Sawatsky (Western) Ltd.

Bill No. 65—The Fatality Inquiries Act; Loi sur les enquêtes médico-légales

Mr. Michael Guardian - Private Citizen

Bill No. 70—The Provincial Court Amendment Act; Loi modifiant la Loi sur la Cour provinciale

Mr. Sheldon Pinx - Canadian Bar Association (Manitoba Section)

Bill No. 71—The Law Society Amendment Act (2); Loi no 2 modifiant la Loi sur la Société du barreau

Mr. David Goddard - Pointts Advisory Limited

Mr. George Orle - Manitoba Bar Association

Your committee has considered:

Bill No. 39—The Human Tissue Amendment Act; Loi modifiant la Loi sur les tissus humains;

Bill No. 66—The Summary Convictions Amendment Act; Loi modifiant la Loi sur les poursuites sommaires;

Bill No. 68—The Court of Appeal Amendment Act; Loi modifiant la Loi sur la Cour d'appel;

And has agreed to report the same without amendment.

Your committee has also considered:

Bill No. 6—The Law Reform Commission Act; Loi sur la Commission de réforme du droit;

And has agreed to report the same with the following amendment:

#### MOTION:

THAT clause 3(4)(c) be struck out and the following substituted:

(c) is declared under The Mental Health Act to be mentally disordered or incapable of managing his or her affairs.

Your committee has also considered:

Bill No. 40—The Land Surveyors Amendment Act; Loi modifiant la Loi sur les arpenteurs-géomètres;

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

#### MOTION:

THAT the definition of "practice of land surveying" in section 1, as added by section 2 of Bill 40, be amended by striking out clauses (c) and (d) and substituting the following:

"including the preparation of maps, plans and documents and advising and reporting with respect to any of the matters described in clauses (a) and (b)".

#### MOTION:

THAT section 3 be amended by adding the following after subsection 54(2):

#### "Exception for architects and engineers

54(2.1) Nothing in this Act applies to or affects

(a) the practice of architecture by an architect practising under the authority of The Architects Act; or

- (b) the practice of engineering by an engineer practising under the authority of The Engineering Profession Act".

**MOTION:**

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

Your committee has also considered:

Bill No. 65—The Fatality Inquiries Act; Loi sur les enquêtes médico-légales;

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

**MOTION:**

THAT the definition of "inquiry report" in section 1 be amended by striking out "subsection 7(4)" and substituting "subsection 7(5)".

**MOTION:**

THAT clause 10(1)(b) be amended by striking out "family services under Part II of" and substituting "services under".

**MOTION:**

THAT the English version of clause 11(1)(a) be amended by striking out "lead" and substituting "led".

**MOTION:**

THAT subsection 36(3) be amended by striking out "of not more than \$1000." and substituting "not exceeding \$1000. and, in default of payment, to imprisonment for a period not exceeding six months".

**MOTION:**

THAT subsection 42(6) be amended by striking out clause (d).

**MOTION:**

THAT clause 43(1)(c) be struck out and the following substituted:

"(c) whether an inquest was held or, where an inquest has not been held, whether an inquest is expected to be held;"

Your committee has also considered:

Bill No. 69—The Law Society Amendment Act; Loi modifiant la Loi sur la Société du barreau;

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

**MOTION:**

THAT section 12 be deleted and the following substituted:

**Section 36 amended**

12 Section 36 is amended

- (a) in clause (x), by striking out "a chartered accountant, certified public accountant, or accredited public accountant" and substituting "an accountant";

- (b) by striking out the period after clause (gg), substituting a semi-colon, and adding the following:

- (hh) by resolution, appoint a person who is not a bencher to sit for a specified period of time as a voting member of a committee of the governing body, where the governing body considers it in the public interest and in the best interests of the society.

**MOTION:**

THAT section 19 be amended by striking out "the" after "Form A of".

**MOTION:**

THAT section 20 be amended by adding "of Schedule A" after "Form B".

**MOTION:**

THAT section 21 be amended by striking out "Form C is amended by striking" and substituting "Form C of Schedule A is amended by striking".

Your committee also considered:

Bill No. 70—The Provincial Court Amendment Act; Loi modifiant la Loi sur la Cour provinciale;

And has agreed to report the same with the following amendment:

**MOTION:**

THAT section 9 of the Act, as proposed in section 5 of the Bill, be deleted and the following substituted:

**"Appointment of Associate Chief Judges**

9 The Lieutenant Governor in Council may, on the recommendation of the minister, after consultation with the Chief Judge, appoint from among the judges such Associate Chief Judges as may be required for the proper administration of the court".

Your committee has also considered:

Bill No. 71—The Law Society Amendment Act (2); Loi no 2 modifiant la Loi sur la Société du barreau;

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

**MOTION:**

THAT clause 57.1(4)(b) as added by section 2 be struck out and the following substituted:

"(b) if no report of bodily injury is made under subsection 155(4) of The Highway Traffic Act in respect of the event giving rise to the offense".

**MOTION:**

THAT section 57.1, as added by section 2 be amended

- (a) by renumbering subsections 57.1(5) to (7) as subsections 57.1(6) to (8); and
- (b) by adding the following as subsection 57.1(5):

**"Privileged communication**

57.1(5) A communication between

- (a) a person acting as an agent on behalf of another person and that other person; or
- (b) a person providing legal advice to another person and that other person;

is privileged in the same manner and to the same extent as a communication between a solicitor and the solicitor's client".

**MOTION:**

THAT subsection 57.1(7), as proposed in section 2 of the Bill, be amended

- (a) by striking out "and" at the end of clause (d);
- (b) by adding "and" at the end of clause (e); and
- (c) by adding the following after clause (e):

"(f) respecting the manner in which moneys paid on account of fees and disbursements are held, and respecting procedures for the review of fees and disbursements".

**MOTION:**

THAT subsection 57.1(7) be renumbered as subsection (8), and the following be added after subsection (6):

**"Appointment of advisory committee**

57.1(7) The minister shall appoint an advisory committee of not less than four persons to advise him or her from time to time on the operation of this section, including any regulations enacted under subsection (8), and the advisory committee shall consist of

- (a) a barrister that is selected by the minister from a list of six persons to be submitted by the society at the request of the minister;
- (b) a barrister employed by the Department of Justice; and
- (c) not less than two persons who are not barristers".

**MOTION:**

THAT the following be added after subsection (8):

**"Advisory committee to be consulted**

57.1(9) The advisory committee appointed under subsection (7) shall be consulted before a

licensing scheme is established under clause (8)(e)".

**MOTION:**

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

All of which is respectfully submitted.

**Mr. Pankratz:** Mr. Speaker, I move, seconded by the Honourable Member for Swan River (Mr. Burrell), that the report of the committee be received.

**MOTION presented and carried.**

**INTRODUCTION OF GUESTS**

**Mr. Speaker:** Prior to Oral Questions, may I direct the attention of Honourable Members to the gallery where we have from the Machray School, eighteen Grades 4 to 6 students, and they are under the direction of Ray Dielschneider and Jean Forbes. This school is located in the constituency of the Honourable Member for St. Johns (Ms. Wasylucia-Leis).

On behalf of all Honourable Members, I welcome you here this afternoon.

**ORAL QUESTION PERIOD**

**Manitoba Medical Association  
Negotiations**

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, on December 4, 1989, I raised in this House the disgraceful actions of this Government in their negotiations with the physicians of the Province of Manitoba, disgraceful because not only did they break faith with the doctors, they attempted to bully and indeed malign them by calling them liars.

At that time, the Minister of Health (Mr. Orchard) stated: "The current MMA contract is in force and effect until April 1, 1990. We will undertake and continue discussions with the MMA on the next agreement."

Can the First Minister (Mr. Filmon) tell us why, in the last 91 days, with only 26 days to go before the termination of this agreement, no substantive negotiations have taken place between this Government and the physicians of the Province of Manitoba?

**Hon. Gary Filmon (Premier):** Mr. Speaker, as usual the Leader of the Opposition has her facts incorrect.

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

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

**Mr. Filmon:** There has been an offer on the table to the doctors, a very substantive and reasonable offer, for now almost four months. During the past number of months we have had discussions with the MMA and at their request set forth a negotiating group, a group

that included Gerry Irving of the Civil Service Commission, our principal negotiator, who have been meeting with Mr. Laplume, who is sitting in the gallery, having provided the questions for the Leader of the Opposition (Mrs. Carstairs), and they know full well that there has been ongoing discussions and negotiations.

They know the position of the Government; they know what we have prepared and proposed, and in fact what do they do, Mr. Speaker? They put forth again misinformation in a news conference today saying that somebody has not been looked after because we have imposed rationing. We are talking about a proposal that has not even been adopted or put into force, and they are attributing it as the cause why somebody is not being looked after for a particular operation.

Does she think that is reasonable; does she think that is an honest portrayal of the situation, Mr. Speaker? No, the fact of the matter is that those discussions are ongoing and that is the process; we will continue to negotiate and discuss the issues with the doctors.

\* (1335)

**Mrs. Carstairs:** Well, thank you, Mr. Speaker, but the style of this Government in bullying the people of this province continues. At the meeting with the doctors on the 28th of November the Minister of Health (Mr. Orchard) went through the rhetoric of saying: I am determined to end the sense of conflict. I believe that the medical profession supports the things we are trying to achieve; however, I am here this evening to present Cabinet's final position.

How can there be any negotiation with a Government that has already determined its final position after 18 months of supposedly bargaining in good faith?

**Mr. Filmon:** Mr. Speaker, as I have said publicly before, we did not have any bargaining in good faith, or discussions going, other than informal discussions between the Deputy Minister of Health, Mr. Maynard, and Mr. John Laplume, the executive director of the MMA, attempting to arrive at a suitable proposal without going through formal negotiations and bargaining. That is the purpose that resulted in a proposal being put forth which the doctors found unacceptable.

We are now into the situation in which we bring forth our negotiating team that includes, and is headed by, Mr. Irving of the Civil Service Commission. That is the process that is now under way and that is what the doctors obviously prefer to have done, is to have that kind of formal negotiation and bargaining. We are undertaking it in good faith and we will result ultimately in some resolution to the matter.

The fact of the matter is that we must preserve our health care. We must ensure that we provide access to our health care. We must ensure that, despite very dramatically decreased revenues from Ottawa, which the Leader of the Opposition (Mrs. Carstairs) has indicated she would raise personal taxes in order to cover, we cannot face the people of Manitoba with increased income taxes. We have to give them a fair resolution to the problem.- (interjection)-

**Mr. Speaker:** Order, please. The Honourable Leader of the Opposition.

**Mrs. Carstairs:** Mr. Speaker, this First Minister talks out of both sides of his mouth. He talks about access to service and then he wants to impose a 2 percent growth cap on the physicians of the Province of Manitoba that will deny needed services to the patients of the Province of Manitoba. How does he access services and put a cap, one at the same time? How does he manage to do that?

**Mr. Filmon:** Let us say first that we are talking about a proposal that was rejected by the MMA, but the proposal was not to restrict access to services. We said we are committed to ensure that all services are covered and that in fact no patient is ever denied access to the health care system. What we were talking about was a proposal that would have altered the income of doctors by some 15 cents per procedure. It was on that basis that the doctors are so vehemently opposed to it, for their own income, not for their concern about access to the system.

**Mrs. Carstairs:** Mr. Speaker, the citizens of this province know cutbacks when they experience them themselves and when their friends and neighbours, like David Kehler, are asked to wait a year and a half in pain 24 hours a day because they cannot get that form of essential service.

Mr. Speaker, how does this First Minister pretend to the citizens that he is negotiating in good faith when he has presented a final offer position?

**Mr. Filmon:** The Leader of the Opposition, acting as the bargaining agent for the MMA, has now put very clearly on the table the issue. The MMA is using individual patient cases to try and make an argument about a proposal that has not been accepted or implemented, has nothing to do with the situation. If there are people who are on waiting lists and who lack the ability to access the system, it is not because of the actions of this Government thus far.

In our first two budgets, we have increased the funding for health care by 9 percent in the first budget, double the rate of inflation, and by over 7 percent in the second budget, well over the rate of inflation, and we have brought in a capital works program in health that is the most ambitious in the history of this province. So none of what they are talking about has to do with the actions of this Government thus far, yet they are spending \$2 million on billboards throughout the city and the province, on a direct mail campaign, on full-page ads, \$2 million to do what? To try and convince people that they need more money.

\* (1340)

**Mr. Speaker:** Order, please. The Honourable Leader of the Opposition.

**Mrs. Carstairs:** Mr. Speaker, Mr. Keller had a year-and-a-half waiting list before this Government intended to cap services. How long does the Premier think the waiting list will be after he caps services?

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**Mr. Filmon:** Mr. Speaker, I repeat, none of the aspects of our proposal cap services or access to health care services. They may limit doctors' increases in income. That is the issue that the MMA are fighting, and that is the issue that obviously the Liberal Party wants to get involved with. They want to argue for more money for the doctors. They are welcome to do that, because they do not have to pay the bill, or in fact if they had to pay the bill they would raise people's personal income taxes in order to do that.

That is what the Leader of the Opposition (Mrs. Carstairs) said. She said she would have no option but to raise people's personal income taxes in order to satisfy the demands of the doctors of this province. We do not believe that is a fair or a reasonable way to try and enhance and protect health care services in this province.

### Binding Arbitration

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, what is a fair way of solving this dispute is arbitration, by allowing the Government to present before an independent arbitrator and allow the physicians to present before an independent arbitrator and allow this arbitrator to come up with the best solution. Why does this Government deny—

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

**Mr. Speaker:** Order.

**Mrs. Carstairs:** Why does this Government deny access to the physicians of the Province of Manitoba to arbitration?

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

**Mr. Speaker:** Order, please. Order. The Honourable First Minister.

**Hon. Gary Filmon (Premier):** In that process, Mr. Speaker, the inevitable outcome is the Liberal policy, and that is that nobody speaks for the taxpayer in that process. The Government signs a blank cheque and turns it over to somebody else to fill in the amount. That is the Liberal attitude of responsibility.

It is totally irresponsible, because the taxpayer never has a say in it. The taxpayer just simply has to fork out more money, as the Liberal Leader has said, with increased income taxes that she would slap upon them. That is the most irresponsible approach that has ever been taken in this province.

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

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

### Manitoba Medical Association Premier's Apology

**Mr. Gary Doer (Leader of the Second Opposition):** I think our position is clear. We want the same rights for garment workers as we do for doctors.

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

**Mr. Speaker:** Order, please. The Honourable Member for Concordia has the floor.

\* (1345)

**Mr. Doer:** Thank you, Mr. Speaker.— (interjection)—

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

**Mr. Doer:** Thank you, Mr. Speaker. This is a very serious situation. The doctors said today that they are prepared to go on strike to deal with the issue of capping, as proposed by the Government, and the rationing that they perceive is being proposed and many patients now perceive as being proposed in the present dispute. None of us want to be surrogate representatives for any group, but the issue of the principle of capping is a public policy issue.

The Premier (Mr. Filmon) has stated that they want to deal with this issue in good faith. They want to bargain in good faith. Months ago we asked the Premier, in terms of good faith, to have the comments, "the doctors are lying," withdrawn and apologize so we can get back on a civilized basis. Would the Premier now, today, apologize to the doctors of Manitoba so we can indeed deal with these very critical negotiations on behalf of Manitoba patients in a good faith way?

**Hon. Gary Filmon (Premier):** Mr. Speaker, now we have an idea of what are the issues in this whole dispute. We have it being laid out very, very thoroughly by both Leaders of the Opposition.

Here we have the doctors of this province threatening strike, withdrawal of services. How does withdrawal of health care services, needed, vital health care services, improve health care service in this province? How does it improve reduction of the waiting list? How does it reduce the waiting lists in this province? How does it ensure more access to the health care system for doctors to withdraw their services, vital services to the patients of this province? Here we have Leaders of both Opposition Parties supporting them in that.

Mr. Speaker, I repeat for the Leader of the New Democratic Party (Mr. Doer), the proposal is not to cap access to services. It is to cap doctors' incomes at certain levels of increase. In fact, they have been proposed to be given very substantial increases beyond which they will be capped, not cutbacks whatsoever. That is what we are offering to them. It is a very reasonable proposal. Yet, what do we have in response? We have strike threats given to the needy people of this province, the people who need health care services. They will be faced by threats of strikes by doctors.

### Negotiations

**Mr. Gary Doer (Leader of the Second Opposition):** Mr. Speaker, it is because none of us want strikes that we are raising this question. There are two sides of the table—one side of the table calling the doctors liars, and the other side of the table threatening strikes for our patients. It is a serious situation.

My question to the Premier (Mr. Filmon) is, in light of the fact that there is an offer on the table that radically changes the way in which doctors and patients deal in our health care system, would the Premier now, on behalf of the front bench, the Treasury Bench, withdraw the proposal from the Minister of Health (Mr. Orchard) to cap health care services for doctors and get into the negotiations on the basis of salaries rather than a radical change in the way in which patients and doctors deal with each other, particularly in light of the fact that the Premier has admitted it was only 15 cents a procedure.

**Hon. Gary Filmon (Premier):** Mr. Speaker, I might say that I have indicated in continuing discussions with doctors throughout the province, including some past presidents of the MMA, that we remain flexible, we remain open to discussion of alternatives, but we do have some outside limitations upon the finances that we have to deal with. In fact, those outside limitations were severely handicapped by the federal budget of last week. That federal budget saw us have to face another \$75 million problem of income less than what we were expecting to get for this year. The fact of the matter is that everybody is going to have to take a part in the solution of this problem, that if we are going to maintain levels and standards of health care in this province, everybody is going to have to be reasonable in their expectations in what they demand out of the system in order to ensure that we can meet the needs that are there.

**Mr. Doer:** Mr. Speaker, I fully support the principle of the Government and the front bench bargaining tough and bargaining consistent with the financial limits of the province. What we have here is a radical change in the way in which the Government, the doctors and the patients deal with our health care services, a change that is now precipitating a strike. If the Premier (Mr. Filmon) is saying that it is only 15 cents a procedure, why would the Premier not withdraw this proposal rather than leading us into the potentially disastrous situation with our patients and our citizens of Manitoba and have the tough bargaining on the salary side, but do not radically change the principle of how Medicare operates in this province with doctors and patients and risk us precipitating a strike?

**Mr. Filmon:** Mr. Speaker, the Leader of the New Democratic Party, as a former union leader himself, ought to know that is what the whole negotiation is about. It is about salaries and it is about doctors' incomes. It is about doctors' incomes, that is what it is about.

We will not permit any reduction of access to the health care system. We will not permit any denial of service to patients in this province, Mr. Speaker. What we are talking about is doctors' salaries growth and how far we can go with that growth of salaries that the doctors are demanding. That is the issue. We will continue to bargain in good faith, to discuss in good faith with the doctors our ability to meet their concerns and needs within the context of what we can afford as a province, and that is how it will be done

\* (1350)

**Mr. Doer:** I have negotiated 250 collective agreements without a strike, and I can see one coming when it looks me in the eyes, Mr. Speaker, unlike the Premier.

My final question, Mr. Speaker, is to the Premier. The Premier has underspent \$28 million last year in health care. His Government has so far underspent \$28 million again this year. Doctors are saying that our patients with cancer, heart disease and senior citizens are suffering as a result of the health care services in Manitoba.

Would the Premier now instruct his Minister of Health (Mr. Orchard) to allow the kind of services in health care that this Legislature has approved and provide the kind of services for our patients waiting in hallways, waiting for surgery that we have approved in this Legislature, rather than going with the public relations number that they say they are spending and underspending every day at the expense of health care patients across Manitoba?

**Mr. Filmon:** Mr. Speaker, you know that the Leader of the New Democratic Party and his colleagues were attempting to promote a strike of foster parents in this province, were attempting to promote and foment a strike of day care workers and are doing so with Child and Family Services agencies and others. They are always attempting to promote and foment a strike.

Mr. Speaker, as a result of the good faith of this Government, as a result of our willingness to listen, to be co-operative and to hear both sides of the issue before we proceed, we have been able to come up with satisfactory resolutions to all of these difficulties that we face.

May I say to the Leader of the New Democratic Party that every year that his Government was in office, over six and a half years, they underspent the health care budget in many, many areas in many, many ways, Mr. Speaker.

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

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

**Mr. Filmon:** Mr. Speaker, in all those circumstances we are managing very carefully the very scarce resources that we have available to us because each and every dollar is a dollar that we have to collect from the taxpayers. We know that the taxes in this province, thanks to the NDP, are the second highest in the country, and they have gone too far already.

### Toronto Dominion Bank Workplace Accidents

**Mr. Paul Edwards (St. James):** Mr. Speaker, my question is for the Minister responsible for Workplace Safety and Health (Mrs. Hammond). We have learned from a subcontractor working on the site of the new Toronto Dominion Centre at Portage and Main, Mr. Ernie Hrushka of Superior Caulking, that on January 19 a crane working on the site right behind the TD centre swung and hit a swing stage eight floors up on the TD centre. Two workers were very nearly killed.

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Workplace Safety and Health was contacted that same day and Mr. Garry Hildebrand of Workplace Safety and Health said he would take care of it. Mr. Speaker, four days later the crane swung yet again hitting the swing stage, this time leaving one worker dangling from a rope and knocking the swing stage all the way around to the north side of the building.

Mr. Speaker, is the Minister aware of these terrorizing incidents, and can she tell us why Workplace Safety and Health, when called, did not apparently take action?

**Hon. Gerrie Hammond (Minister of Labour responsible for Workplace Safety and Health):** Mr. Speaker, yes, I am aware of that. I am aware that our investigators were out on both incidents, that they have been investigating it and still are. I do believe that in that instance there was a work stoppage, but I will get back to the Member if I am incorrect on that.

**Mr. Edwards:** Mr. Speaker, that answer is very interesting, because the problem persists on the site today and work persists according to people who were there. When the Minister investigates this incident more fully, will she make sure that she speaks to the subcontractor involved, whom I have already named, whose confidence in Workplace Safety and Health, quite frankly, has been seriously shaken after calling and being told it would be taken care of and then having his men again almost killed four days later?

**Mrs. Hammond:** Mr. Speaker, the first priority of the division of Workplace Safety and Health is of course the safety of the workers. That has been taken into consideration, and I certainly will check and see what has happened further with that.

### Workplace Safety and Health Cancer-Causing Substances

**Mr. Paul Edwards (St. James):** Mr. Speaker, my final question is for the same Minister. We are now going on six months since the Premier (Mr. Filmon) said his Minister would be restoring Workplace Safety and Health standards for carcinogens in the workplace to the lowest detectible level. It took this Minister a matter of days to reduce those standards after becoming the Minister. Why is it taking upwards of six months to put them back? I have a feeling that this change is not part of Phase 2 of the Tory plan.

\* (1355)

**Hon. Gerrie Hammond (Minister of Labour responsible for Workplace Safety and Health):** Mr. Speaker, I think the Member for St. James is wrong in his premise. We will be bringing forward new regulations as were recommended by the Workplace Safety and Health Advisory Council.

### Pembina River Diversion Impact Farming Community

**Mr. Harold Taylor (Wolseley):** Mr. Speaker, for the last two years we have heard from the Tories about the

need to drought-proof Manitoba. Towns, industries, farms and ranches are all short of water and particularly in the southwest. Now we see this Government proposing to divert the Pembina River into Pelican Lake, largely for the benefit of cottagers and other recreational users, to the obvious benefit of downstream agricultural users.

Mr. Speaker, how does the Minister of the Environment (Mr. Cummings) square this proposed hijacking of the Pembina River with the Tory's longstanding supposed commitment to the water needs of farmers and ranchers in the driest parts of Manitoba? -(interjection)-

**Mr. Speaker:** Order, please. The Honourable Minister of the Environment.

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, I do not know where the Member gets his ludicrous background, talking about hijacking rivers. If the reason he is referring this kind of a question to me is whether or not I would have environmental concerns, obviously projects of that nature would be considered in environmental considerations and regulation. If he is somehow saying that in rural Manitoba, considering the problems that we have been faced with for the last four years, we should simply ignore the problem or not attempt to take pro-active means to deal with supplying water in rural Manitoba then he does not understand the problems of rural Manitoba.

### Hearing Delay

**Mr. Harold Taylor (Wolseley):** Mr. Speaker, at 5 p.m. yesterday a single copy of the latest version of the Water Resources Impact Statement Report was delivered to opponents of this diversion of the Pembina River. Can the Minister of the Environment (Mr. Cummings) explain how opponents can be fairly expected to reasonably respond, given they are getting a report of that nature? When the first public hearing of the Clean Environment Commission is this Thursday, will the Minister intervene and ask for a reasonable delay of the hearings of the Clean Environment Commission so that opponents of the project can properly prepare?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, I am quite confident that we are following normal process and procedures in dealing with this matter, and I will check to see if there is something unusual in the manner in which it is being handled. Other than that, I would be confident that it will proceed.

### Minister's Position

**Mr. Harold Taylor (Wolseley):** The Tories have been notorious in their poor handling of environmental issues, Mr. Speaker, particularly water issues. My question to the Environment Minister, is it the Minister's intention to add the Pembina Valley diversion to the litany of botched water projects like Rafferty, Island Falls, The Forks Boat Basin, Shoal Lake and the Gladstone

pipeline, or is he going to deal fairly with this one, finally?

**Hon. Glen Cummings (Minister of Environment):** Let us just talk about what the Member appears to be asking for. Rafferty-Alameda is on hold by a court order. The Island Falls has been stopped. The West Lake water project is in limbo waiting further studies. His idea of development is to stop everything.

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

\* (1400)

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

### Bill No. 42 Standing Committee Referral

**Mr. Jay Cowan (Churchill):** My question is to the Premier (Mr. Filmon), Mr. Speaker. There seems to be some confusion regarding the Government's actual intention with respect to Bill 42. On Friday the Premier was somewhat vague and indefinite in his response to the question of when Bill 42, The Residential Tenancies Act, would be brought before committee for public review. That very same day, later in the day, the Minister of Housing (Mr. Ducharme) said that he fully intends to bring forward the Bill for final reading this Session.

Both the Liberals and the NDP have publicly supported this legislation. Both Parties are putting public pressure on the Government to pass this legislation to protect tenants' rights. It seems as if only the Government is so concerned about the concerns of landlords that it is prepared to stall this Bill in spite of public pressure by the Liberals and by the Conservatives and by tenant groups so that it will die on the Order Paper.

Can the First Minister (Mr. Filmon) indicate why it is he is so vague with respect to passing this legislation even though he has public assurances from both Parties that they will assist in that process?

**Hon. Gary Filmon (Premier):** Mr. Speaker, public assurances from New Democrats and Liberals about what co-operative attitude they are going to take toward passage of anything in this House is not worth the paper it is printed on.

The fact of the matter is that we are in the midst of the second longest Session in our province's history, not because there is such an extensive agenda of legislation or initiatives on the part of this Government, it is very modest and very moderate. There are some very important things that we have been able to accomplish as a result of some consistent effort and pressure on our part to get things done, but we have faced the filibustering, the frustrating efforts of Liberals and New Democrats day after day after day.

We are in the midst of a Session that began last May 18. We have just recently done a Concurrence Motion one week ago today, on the Estimates of Expenditure for the fiscal year that ends the end of this month.

These people have frustrated and filibustered at some considerable cost, the Member for Churchill (Mr. Cowan) being the person who spent four days on his speech, and cost \$25,000 of the time—

**Mr. Speaker:** Order, please; order, please. The Honourable Member for Churchill.

**Mr. Cowan:** Mr. Speaker, what we are trying to do is expedite the business of this House by giving - (interjection)-

**Mr. Speaker:** Order.

**Mr. Cowan:** Well, the Premier says we are not showing it. We have given him our word. The New Democratic Party has given the Premier (Mr. Filmon) and the Minister of Housing (Mr. Ducharme) their word that we will cooperate with them to the extent that is required to provide for speedy passage of Bill No. 42 through this Legislature. The Liberals have publicly stated that to be the case.

Can the Minister indicate what it is he is afraid of with respect to those public assurances that is preventing them from bringing forward this Bill so that we can wrap up the remaining business of this particular Session and get on with the other business that is at hand and has to be accomplished?

**Mr. Filmon:** Mr. Speaker, what we are dealing with is a very major piece of legislation that obviously requires a good deal of further improvement. We have gotten suggestions by people on both sides of the Bill, landlords and tenants alike, for major amendments that they want to put forward. Those major amendments are going to take a great deal of time, and it is important that they be done right.

I believe that as we get closer and closer to the end of the Legislative Session with all of those Bills before committee that have to be dealt with, for instance the final offer selection legislation repeal that is taking on and on and on, days and days, weeks on end to be dealt with. The fact of the matter is that all of these things have to be dealt with in a course of trying to complete the Session.

When a Bill has proposals for such extensive legislation amendments as this particular Bill does, the fact of the matter is that we have to consider what is the best way in which to handle it, Mr. Speaker, and that is precisely what we are doing.

### Bill No. 42 Standing Committee Referral

**Mr. Jay Cowan (Churchill):** Mr. Speaker, there is an implied contradiction between what the Premier (Mr. Filmon) is saying today and what the Minister of Housing (Mr. Ducharme) said on Friday.

My question is to the Minister of Housing. Can the Minister of Housing confirm, as he indicated to the media on Friday, that Bill No. 42 will go to committee this Session before this House prorogues or adjourns

for an extended period of time and will be brought back to this House for final reading and a vote on third reading? Is he prepared to publicly confirm in this Chamber what he told the media on Friday in spite of what the First Minister is doing to undercut his initiative in this House?

**Hon. Gerald Ducharme (Minister of Housing):** Mr. Speaker, I wish the Member would read between the lines also that I mentioned—

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

**Mr. Speaker:** Order.

**Mr. Ducharme:** Mr. Speaker, I mentioned to the media that that Bill would be brought forward when everyone is ready and all concerns were dealt with. That is exactly what I said to the media.

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

### Forks Development Corp. Boat Basin Funding

**Mr. Speaker:** Honourable Member for Ft. Rouge. Order.

**Mr. James Carr (Fort Rouge):** Mr. Speaker, the Government's handling of the boat basin situation at The Forks has been appalling. We asked questions to the Minister of Tourism (Mr. Ernst) last week and he took them as notice on behalf of the Minister of Urban Affairs (Mr. Ducharme). We then, two days later, asked the Minister of Urban Affairs the same questions and they were answered by the Minister of Tourism.

Mr. Speaker, on January 12 a director in the Ministry of Environment had given approval to the excavation and the construction of the boat basin. Just a few days ago the Minister of Environment (Mr. Cummings) has changed his director's mind.

My question is simple, to the Minister of Urban Affairs (Mr. Ducharme). Has there been funding approval for this project? How much does it cost and from where will the money come?

**Hon. Gerald Ducharme (Minister of Urban Affairs):** Mr. Speaker, first of all, I reject the Member from across the way in suggesting that it was handled incorrectly. All the rules were followed by The Forks. We had approval not only by the environment—a letter that he talks about—we also went through the design stage of the City of Winnipeg, approval by the City of Winnipeg and approval by Works and Ops. All this was approved by The Forks or by the City of Winnipeg.

### Riverbank Developments Environmental Impact Study

**Mr. James Carr (Fort Rouge):** I guess reading between the lines, Mr. Speaker, in spite of the fact that they had all the approvals, the Minister of the Environment has chosen to squelch the project.

I have a supplementary question to the Minister of the Environment. There are other riverbank

developments under way right now, including the walkway between the Legislative Building and The Forks and indeed the boat dock currently being constructed no more than a couple of hundred yards from this building. My question to the Minister of the Environment is: Did he ask for any assessments, either environmental or heritage, before excavation began?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, the works at The Forks and the boat dock behind this building were both considered not to be developments under The Environment Act so that they could proceed. All of the archeological work was taken care of by the Minister of Culture and Heritage (Mrs. Mitchelson) and done properly.

We have, however, a decision which amounts to the fact that Judge Schwartz has indicated that the boat basin should in fact be considered a marina and not a dock and therefore will be subject to environmental impact studies. The Department of Environment looks to discharges where possible gasoline, diesel fuel, is being loaded, where people are overnighing, where there are bilges being emptied, that sort of thing. It was deemed not to be a development, because those were activities that would not have taken place at the basin. However, in light of the recent court ruling, we will follow the direction of the judge.

**Mr. Carr:** Mr. Speaker, we understand that the boat dock being built just behind this building now, where excavation of the riverbank has already occurred, will also involve the parking of boats and perhaps boats even larger than those which are intended to be parked at The Forks. Will the Minister demand the same kind of environmental assessment behind this building that he is now demanding at The Forks basin?

**Mr. Cummings:** Mr. Speaker, I hope the general public takes a look at the position of the Opposition regarding boat docks behind the Legislature here. The Department of Environment has not deemed docks to be developments.

In light of the previous reference decision regarding The Forks, we have asked our department to take a second look at the riverbank development and make sure that the environmental impacts are being properly cared for.

Mr. Speaker, stabilization of the riverbanks and the long-term enhancement of the downtown riverways in this city is deemed to be a very favourable project. We want to make sure that we do it in a way that is proper. We are quite prepared to co-operate in any way that is reasonable.

### Goods and Services Tax Government's Position

**Mr. John Plohman (Dauphin):** The hypocritical position of this Government on the GST and on free trade is becoming more evident with each passing day, particularly in light of the fact that the Minister of Finance (Mr. Manness), on March 1 in answer to a question from my colleague, the Member for Brandon

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East (Mr. Leonard Evans), indicated that there was not an awful lot of progress with regard to the GST and talks with the Government of Manitoba, and besides he was not interested in a co-operative sales tax system with the federal Government. He said, even though he was quoted recently that in GST talks with the federal Government, that Manitoba's priority is a unified collection system.

**Mr. Speaker:** Is there a question here, please?

\* (1410)

**Mr. Plohman:** I ask the Finance Minister (Mr. Manness), will he now come clean with this House and with Manitobans and clarify precisely what this Government's position is with regard to this punitive and unfair GST that is being imposed on Canadians by the federal Government—

**Mr. Speaker:** Order, please; order, please. The question has been put. The Honourable Minister of Finance.

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, there are some days I long for the Member for Brandon East (Mr. Leonard Evans) and a question from him, particularly dealing with financial matters. Let me say, the Government's viewpoint with respect to the goods and services tax has not changed. As I indicated in Question Period last week, and I will reiterate, our officials have been in discussions primarily in two areas. One is to save harmless the municipalities, the universities, the schools and the hospitals from having to pay taxes, and secondly, it is in some way to try and co-ordinate so therefore to minimize the cost to small businesses in the Province of Manitoba, the additional burden of the implementations of the federal goods and services tax. That has not changed at all; it has been the case now for several months.

### **Cross-Border Trade Provincial Import Tax**

**Mr. John Plohman (Dauphin):** Mr. Speaker, this Minister should table his mandate for the discussions that he has been undertaking with the federal Government.

In view of the fact that this Government, Mr. Speaker, and their Conservative cousins in Ottawa advocated free trade, because they said Manitobans would be able to buy cheap consumer goods in the U.S., why is this Minister now undertaking a hypocritical position for this Government by endeavouring to undercut those savings that Manitoba consumers can have by applying a 7 percent tax on imported goods, which would result in a massive cost increase for those goods purchased?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, the Member opposite obviously has fallen prey to a very highly speculative news story. Let me say that I woke up with some trepidation this morning at 6:30, when I heard a statement made on a certain radio station that a certain tax was being imposed. Let me indicate that the story has little basis in fact, that

Manitoba has not brought this issue to the table, that other provinces, east and west, have seen this as a prime issue. But let me also say that Manitobans will not see violated their present tax-free status of goods that they decide to bring back into the Province of Manitoba, that this provincial Government in no way would support a federal Government system where indeed that tax-free status in any way was violated.

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

## **ORDERS OF THE DAY HOUSE BUSINESS**

**Hon. James McCrae (Government House Leader):** Mr. Speaker, would you call the business as it is laid out in today's Order Paper, and after completion of Bill 100, should that happen, I would ask for leave to bring forward from the Law Amendments Committee, for report stage, Bills 6, 39, 40, 65, 66, 68, 69, 70, 71. That would be by leave.

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

**Mr. Speaker:** Orders of the Day. Order, please. Order. The Honourable Opposition House Leader.

**Mr. Reg Alcock (Opposition House Leader):** Mr. Speaker, I only caught the last of the Government House Leader's (Mr. McCrae) remarks. I understood he is asking for leave to—could he just repeat the request?

**Mr. McCrae:** Mr. Speaker, what I had proposed was to deal with Bills 19 and 35 at report stage, then 99 and 100 at second reading. Should we move to that point or beyond, then we could call the Bills reported from the Law Amendments Committee for report stage should there be leave of the House.

**Mr. Speaker:** I would like to thank the Honourable Government House Leader for that clarification.

## **REPORT STAGE**

### **BILL NO. 19—THE GROUND WATER AND WATER WELL AMENDMENT ACT**

**Mr. Speaker:** Bill No. 19, The Ground Water and Water Well Amendment Act; Loi modifiant la Loi sur les eaux souterraines et les puits. The Honourable Minister of Natural Resources.

**Hon. Harry Enns (Minister of Natural Resources):** Mr. Speaker, I am pleased to indicate that the Bill has been reported to by the Standing Committee on Public Utilities and Natural Resources and that it now be concurred in, seconded by the Honourable Minister of Energy (Mr. Neufeld).

**MOTION presented and carried.**

## COMMITTEE CHANGES

**Mr. Speaker:** The Honourable Member for Gimli, committee changes.

**Mr. Edward Helwer (Gimli):** Mr. Speaker, I move, seconded by the Member for Lac du Bonnet (Mr. Praznik), that the composition of the Standing Committee on Industrial Relations for Saturday, March 3 session be amended as follows: Ducharme for Downey.

**Mr. Speaker:** Agreed? Agreed.

## REPORT STAGE (Cont'd) BILL NO. 35—THE WILDLIFE AMENDMENT ACT

**Mr. Speaker:** Bill No. 35, the Wildlife Amendment Act; Loi modifiant la Loi sur la conservation de la faune. The Honourable Minister of Natural Resources.

**Hon. Harry Enns (Minister of Natural Resources):** Mr. Speaker, I am pleased to report that Bill No. 35 has received consideration by the Standing Committee on Public Utilities and Natural Resources, and now be concurred in, seconded by the Minister of Justice (Mr. McCrae).

**MOTION presented and carried.**

\* (1420)

## DEBATE ON SECOND READINGS BILL NO. 99—THE APPROPRIATION ACT, 1989

**Mr. Speaker:** On the proposed motion of the Honourable Minister of Finance (Mr. Manness), Bill No. 99, The Appropriation Act, 1989; Loi de 1989 portant affectation de crédits, standing in the name of the Honourable Member for St. Vital (Mr. Rose), who has four minutes remaining.

**Mr. Bob Rose (St. Vital):** I am back for the third day on popular demand. When I went for a drink of water everybody said, we are dying to hear the ending of your speech.

Mr. Speaker, when I first got up we heard that the Tories did not know very much about the farming community and who was good and bad farmers in this community. Then the next time I got up we heard just at the same time that they did not know anything about getting building permits for boat basins. Then what did I find halfway through, that they used the old method for counting, 1, 2, 3, 4, 5, and then took one of these. Well, if they are going to use that method they better start learning to take their left shoe off so that we have the type of people listening in that we have today. If you get that down straight, you better—

## POINT OF ORDER

**Mr. Speaker:** Order, please; order, please. The Honourable Minister of Northern and Native Affairs, on a point of order.

**Hon. James Downey (Minister of Northern and Native Affairs):** Mr. Speaker, I think there is a matter of relevance, and I would suggest that the Member should have that brought to his attention, that he should speak to the Bill that has been called.

**Mr. Speaker:** I would like to thank the Honourable Acting Government House Leader, and I would remind the Honourable Member for St. Vital (Mr. Rose) that he has been recognized to speak to Bill No. 99, The Appropriation Act, 1989, and I would ask the Honourable Member to keep his remarks relevant to the question.

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**Mr. Rose:** Please accept my apologies, Mr. Speaker, for digressing a little bit. I must say that those who came looking for the end of my speech unfortunately will not see it today because I am hardly halfway through and it will have to be completed obviously in Bill 100. I will promise to use my usual great oratory in finishing up my speech.

I wanted to say, if I could get through this, Mr. Speaker, that in Estimates I brought up the matter of the transience of the school children, particularly in Winnipeg 1, and its negative effect on the learning and its ultimate effect of illiteracy in Manitoba. At the time the Minister acknowledged having said at an earlier date in a letter, and we have the letter, "our research does not seem to indicate a clear connection between social assistance, shelter allowance and transience."

I could well understand that a Minister believing this, that is surely the attitude and policy of her Government towards the disadvantaged and the working poor. This was illustrated graphically when the Minister's department boycotted the December 4 housing and vigil sponsored by the seven denominations of churches. In Estimates, the Minister continually hedged when requested to table research that led her to this conclusion.

I would wonder that shortly in regard if the Minister's memory failed her a bit, if she would be prepared to supply us with these research documents that she said was available at the time, and if she is not prepared to give us those research documents, would she now acknowledge that she did not go to the trouble at all to research this most important social problem? Does the Minister believe that it is correct to be at variance with all the experts in this field, and can she explain that? That is one thing that the Liberal Party would be interested in knowing because this is a very important issue in Manitoba.

Mr. Speaker, before I close for this portion of the speech, I would like to say that we have several calls from people, the working poor and those on social

assistance, low-income people, who are worried about the understanding of the green pamphlets that has been put in the income tax form. I notice today that the federal Government has, and we congratulate them, put information on page 5 today for seniors, as to how they can get their rebates, and we would hope that this Government would, if it is not already in the works, prod their cousins from Ottawa in the Department of Finance to do the same so that those people who are on social assistance and low income in the Province of Manitoba would get their rebates back later on in the year as quickly as possible. We had hoped that, like other programs, mostly federal—

**Mr. Speaker:** Order, please; order, please. The Honourable Member's time has expired. The Honourable Member for Kildonan.

**Mr. Gulzar Cheema (Kildonan):** Thank you, Mr. Speaker. For the last 19 months we have seen a number of things coming from this side of the Government.—(interjection)—The Minister of Northern Affairs, the Minister responsible for Seniors (Mr. Downey), from his seat, is saying: do not say anything bad about people if you cannot say anything good about people. I will try to keep a balance, but I think it would be dishonest not to mention one of the major things which is being done wrong to the Manitoba Health Care system and I think the Minister of Northern Affairs would agree with me on that, and I will convince him if he does not.

Mr. Speaker, for the last nine months now this administration has spent \$29 million less than they were supposed to spend and everyday in this House, and today when the Premier stood up in this House and protected his Minister of Health (Mr. Orchard) and his administration on their health record—their health record is not very impressive and we all know that.

\* (1430)

Mr. Speaker, if you look at the total history of health care in this country, this administration along with their counterparts at the Ottawa level, they are trying to destroy the health care system. They are trying to do it in Manitoba by capping the services. From Ottawa, Michael Wilson is trying to do it with cutting transfer payments to the provinces. It is going to become very difficult in the long run to continue to support the health care system in Manitoba because when you have \$78 million less to spend in two years, and when the funds are not available, and that is not only the fault of this administration, it is the fault of previous administrations, too, when we are paying \$600 million on interest payment on a debt per year it is very, very difficult for Governments to continue to support all those programs. They are not getting any help from their counterparts from Ottawa by cutting further our health care system.

Mr. Speaker, we have raised those serious concerns and the Minister of Health (Mr. Orchard), as well as the Premier (Mr. Filmon), has defended their policy and they have made it very clear that they will not cut services and we are asking them a basic question: how are you going to continue to afford these services when you have less revenues coming, when health care costs

are rising, and the statistics are very clear that the health care costs for the last 10 years have gone up by 178 percent, and the population has only grown by 6 percent? That is about the highest rise in any spending area in Manitoba. Mr. Speaker, 34 percent of the provincial health care budget is being spent on health care.

(Mr. William Chornopyski, Deputy Speaker, in the Chair)

This administration has not shown us new ways of how they are going to spend health care dollars in the future. They are just buying time, and I have made it very clear, and I have repeatedly said that they are buying time and they have developed this Health Advisory Network for their own protection, not for the people of Manitoba. They are going to use the health care ideas when the election call is made, not for the benefit of the public right now, and that is cause for the question.

Mr. Deputy Speaker, out of this Health Advisory Network—where we have spent about \$500,000 this year, and last year's budget allocated \$500,000, however, they only spent \$58 last year. For the last about 12 months they have not made a single major announcement other than bringing a single report that was on the task force on the extended care facility. That report is not even at the final stage. This Government was looking for a window just to make sure what the public reaction will be so that they can manipulate or they can adjust the report to meet their own political agenda, not what is good for the people of Manitoba. That is a shame, and people will notice that.

Mr. Deputy Speaker, they have completely failed to bring the new policies. The Minister of Health (Mr. Orchard)—without being disrespectful to him, because he is not in the House—has recycled the major announcement at least three times. He is known for recycling of his announcements, known for creating the new committees. He has made more committees than any other Minister in the history of Manitoba.

No Health Minister has never done it that way. He has made a number of committees, and every issue they are passing to the committees. Why are they doing it—because they do not want to take any responsibility. It is a good way of passing the buck and not making the right decision at the right time. It is nothing more than a political way of doing things, not the right way of doing things.

Let us deal with a number of issues which are outstanding in Manitoba right now, Mr. Deputy Speaker. There is not even a single day when you do not hear about the line of facilities. You hear about patients waiting for four days for minor surgery. You know about patients who are waiting for a needed replacement. You know about patients who are waiting for heart surgery. You know about patients who are waiting for minor surgery for a number of days.

That situation has not improved for the last 19 months. It is rather deteriorating. The evidence is very clear. What is being done to correct the situation—

nothing. When you are spending 34 percent of your Health budget it should be corrected. It is a shame that no leadership has been shown in that regard.

Mr. Deputy Speaker, if some person, some individual, when we are paying the second highest taxes in this country and when we have to wait for 18 months for a simple procedure that is not acceptable. People cannot take it any more. They are saying that we are not satisfied and we are not happy with the present administration as far as the management in health care is concerned. They have not brought the new ideas to alleviate the shortage of beds in hospital.

In your own riding, the Seven Oaks Hospital, you yourself were a part of the board of directors there. You have seen how Seven Oaks Hospital was mistreated by the previous administration, and this administration is no different from them. They are dealing in the same way. It is the more political way of dealing with things rather than the right way of doing things.

That hospital has, at any given time, an average of four to six persons waiting in hallways. That is excluding the 16 beds in the observation units. When patients are waiting for seven to 10 days on an observation bed to find the right place, it is not acceptable. Many people leave and they are frustrated, but they have nowhere to go. When we bring those issues in this House, they are not getting attention, because for them it is old news, but when people are suffering, any suffering is not old news, it is very important. It is the issue which is of concern to all people and should never be ignored. Any administration, any individual who can think they can ignore the plight when people are asking for help, I think they will tell them every time opposed. Who will remind them?

\* (1440)

Mr. Deputy Speaker, the situation at other hospitals is no different. Concordia Hospital has continued to suffer under this administration, and they were suffering under the previous administration too. They are looking for a 60-bed expansion they have not got, and this extended report even does not favour that hospital. We are looking for a final report that will at least see some sense so that hospital is given priority also. That hospital is serving about 120,000 population, not only in that part of the city but also during the summertime on the 59 Highway. There are a large number of people who go to Grand Beach and Victoria Beach. When they are coming back, they go to that hospital, and that hospital has a maximum number of out-patient services than any other major, known, teaching hospital in Winnipeg.

Misericordia Hospital has similar problems, patients waiting in the corridors, acute beds that are occupied by the chronic-care patients, people have no place to go, but nothing is being done. At the same time, we have these 88 beds at Deer Lodge Hospital and they are empty. They are empty not because they are not ready to be occupied, they are empty because there is no action from this administration, and they have kept those beds empty for the last 10 months.

They are wasting taxpayers' dollars, and that is not good management. No person who is right in their mind

will think that this is the right way of doing things. Keeping at least 25 percent of the acute care beds occupied by chronic care patients is costing us lots of money. Simple calculation by \$250 per day, 25 percent of the patients, is a large amount of money, and that money can be utilized in a proper way. That can be done if we have proper home care services, if we have proper extended care facilities, if we have proper out-patient clinics, if we have proper community-based clinics, that money can be saved in the long run, but we have not seen anything from this administration. That is a shame, because when they were in Opposition they would even bring an issue in this House when somebody even had a scratch on their finger, but when there are major things that are not being done in Manitoba, nobody is paying attention, because politically maybe that is not suitable for them.

The end result is going to be terrible. Any political Party who will play with the emotions and the health of individuals will not survive. It is just a matter of days or weeks or months or a year, but ultimately, the end result—the NDP saw it, and this administration will also see it, because they do not have a vision for the whole of Manitoba. They may have their own political philosophy to meet their own needs, but not the public at large. That has been very, very clear. That is why many people are questioning that letter, a fund-raising letter which is calling for a clear majority to have the Phase 2 of this Government. That will probably be right-wing, cutting of services, and that will remind people what happened when the previous administration, the Lyon administration, was in Manitoba. That is why they could not last more than a few years. That is exactly what is going to happen here.

Well, people in this House can play with the rules and try to take advantage, but in the public mind those things do not count too much. When it comes to real things, people will vote for the right people. What happened on Monday is a shame, what happened that evening, how the system was manipulated, denying people the right, whether it is a direct way or indirect way. When you are passing major motions you should have the courtesy to discuss with the Opposition House Leader (Mr. Alcock) or the Deputy House Leader who was present in the House at that time, and they did not do that. In my mind, I think this is a dishonesty, and they were successful. It may be good news for a couple of hours, but in the long run they have not gained anything. They have lost respect from this side of the House, and the NDP was part of the whole game.

You do not see more than two Members in this House. There were eight to nine Members that night. They were calling for a question how they are misusing and misrepresenting the people of Manitoba.

Mr. Deputy Speaker, actions like this in this House will ultimately hurt people who are not being honest to the public they were elected by. That is what is happening right here. It is very clear. They can stand in this House and say, well, the seven months have passed, whose fault is it? It is not the fault of the Opposition Party. We have always tried to co-operate with them. We cannot just let them roll over. If you give them a single opportunity, they will do the same thing as they did last Monday night.

Mr. Deputy Speaker, aside from that aspect, it was very disturbing. I was also present in this House, and by the time our Deputy House Leader got up, things were already passed, the money you passed. Such a major concurrence motion, people should be given the right, even a moral obligation, to ask them do you have any questions, rather than just laughing and giggling and passing the time and being big heroes of the House because they have been here a few years earlier. You should never do that, especially when the Minister of Finance (Mr. Manness) was here. I think he has hurt his own credibility by not standing up and telling us what was happening.

Mr. Deputy Speaker, for any administration to be successful, you have to be honest with people, and first of all you have to be honest with yourself. If they are not honest with themselves and they are not honest with the fellow Members in the House, they will not be good to anyone. They are just working for themselves, and that is the problem here. That is ultimately going to hurt them. People are very educated, they are very smart and know what is happening in this House, and ultimately it is going to hurt the Tories.

They are taking advantage of the three-Party system for their political platform, but ultimately it will not be sufficient for them to survive in the long run. In the election it will not be possible. (interjection)- That is fine. I will keep my comments and probably I will continue to speak to you rather than being disturbed by other people, other Members in this House.

Mr. Deputy Speaker, I was conveying through you to the people of Manitoba what happened on Monday night. I think that has not only -(interjection)- No, no it is not a question of sliding. It is a question of whether you are—we are not embarrassing our colleagues. We are telling them what the bunch of two groups in this House who -(interjection)-

Mr. Deputy Speaker, the Minister of Family Services (Mrs. Oleson) is saying that I was in this House and that is why we are concerned. The way you made this process go within two minutes without giving any chance to the Deputy House Leader to come up here and speak—it is your fault. It is all your fault.-(interjection)- No it is not a reflection on the Speaker. It is a reflection on other Members in this House.

Mr. Deputy Speaker, to have this health care in place and to continue to have the best possible care in the future, you have to have a plan. Where I was addressing was that the plan has to be for long-term care, how you are going to take the care from the institution to an outside institution, then how you are going to balance it and how you are going to manage within the very tight tax dollars. That is the whole question not for only Manitoba, for all provinces of Canada when the health care costs are rising.

\* (1450)

The only way of doing things is to use the resources in the best way possible. Patients who can be taken care of at home with the home care assistance, they should be in their homes. Patients who should be in an extended care facility should be there, but by keeping

88 beds empty at Deer Lodge Hospital, not only is this Government being dishonest with itself and being ignorant, they are wasting tax dollars and people should not forget that.

They have not brought any plans to set up the out-patient surgical clinics. That is a very economical way of solving health care problems in the future, because you can do out-patient surgery and send patients home so that the hospital beds can be free, can be used for other purposes, but that is not being done. You could set up community clinics where you can save tax dollars, have all the services under one roof where the physician, the nurse, the social worker, the physiotherapist, the occupational therapist all can work in one team under one roof and give all the possible services and not only save tax dollars but give compassionate care.

This administration has not done anything in that regard at all, absolutely their record is zero. There is not any progress. The only thing they are talking about is the Health Advisory Network. I think the Minister has become more like a symbol for the Health Advisory Network rather than the Minister of Health. In two years time not a major decision by him. Then when anything positive is coming, the Minister of Health (Mr. Orchard) is doing it and he becomes a big charge and recycles these announcements, but when there is a problem that is cleared under the committee. That was an example when they cleared a quick response team and as a way of defusing the issue. How many other teams is he going to appoint? How many other hospitals is he going to infiltrate with his own people to tell them what to do? That is not going to solve any purpose. Leadership and plan has to come from him. That is missing because they do not have any plan. They are passing time and they are passing time for the election time.

Mr. Deputy Speaker, this option when the Premier stood up in this House and he said capping by two person services will not hurt patients. Somebody must be out of his right mind to make that statement. When you are capping services you are restricting the services either directly or indirectly. That is what is going to happen. With the aging population, with the changing technology, with the patient expectations arising, people want to go to their doctors and use services more than before. How are you going to tell patients not to come to my office because I have reached my limit, go somewhere else. That is the question that if you start capping services you are going to destroy the health care system. That is the first point. That is made very clear by people of Manitoba who do not accept that. That is why the Premier is so upset and nervous. He should simply swallow his pride and bargain in good faith. That is not happening.

He is continuing to use the same philosophy as David Peterson did. He thinks that he is David Peterson. We know he is not David Peterson. We do not live in Ontario. We live in Manitoba, where the economy and the patient-doctor population is very different. The pay scale for physicians are 25-30 percent lower already below the national average. It is going to drive people more away from Manitoba if that process goes through.

It is not going to have a good impact on the University of Manitoba either because we know that there are

eight programs under the microscope already. When you drive professionals away, other people also leave. It will put the programs at risk, but they do not seem to understand that. That may not be critically popular for them. That may not bring more votes for them. It is a matter of leadership, Mr. Deputy Speaker. With yourself, you have seen Manitoba how it has changed. You have seen how people throw politicians out if they are not doing their job, and they will be thrown too. It will not be too long.

Mr. Deputy Speaker, let me deal with the two or three major problems that this province is facing and continues to face. First of all, there is the health care manpower or the health care resources in Manitoba, the health care providers. We continue to have a shortage of physicians all over Manitoba. There are a number of communities who are without doctors. They will be without doctors as long as this administration is there, that they do not have any plans. The community of Ashern is raising \$30,000 for a doctor to come to Winnipeg and have internship. This administration is not doing anything, not even their own communities. They do not want to follow a very economical, a very practical, and the Opposition proposal is too hard for them to swallow their pride and say, well, this is a good suggestion and we should follow that. Nothing has been done.

Not only that, they are leaving those communities without a primary care, that some of those communities even survival is dependent upon the hospital and doctors and other services. Those services are not available, other professions also leave and that is what is happening with a shortage of physiotherapists, shortage of speech therapists and other caregivers are also leaving.

That is why it is so important for someone to take hold of what is happening in the Department of Health. Nobody really knows and nobody is in charge of the whole program right now. Is the Health Advisory Network working in collaboration with the Minister of Health (Mr. Orchard) and they look at what is the popular thing to do this week, and how they are going to protect the Minister of Health. That is their whole \$500,000 work, the protection of the Minister of Health, not the protection of the health care of Manitoba, and that is not happening.

Mr. Deputy Speaker, we have seen a number of times how many children in Manitoba under the age of 18 months have gone pass the age before they even get an assessment, a simple assessment of communication disorders, because if you lose one aspect of your life at 18 months you are definitely going to suffer from the deficiency of others. Speech and mental development go hand in hand. For them to wait for another two years before the committee brings in the report will not be acceptable, but who is paying attention? Is there anyone paying attention? No. They are saying, why should we do it because it is not politically popular. It will not bring them too many votes.

Not only are they doing a disservice to those children, and it is almost criminal to deny anybody the right to have the best possible care in this country. That has been happening regularly, but nobody is paying

attention. Not only those services are going away, we can see the shortage of, as I said earlier, physiotherapists, occupational therapists and the nurses in Manitoba are undergoing a lot of stress.

The nurses abuse paper came along. It was very clear from the paper that job circumstances have changed, the expectations have changed. They are being asked now to work as a computer worker rather than bedside management workers. That is driving people away and that will not help them. That will not help people in Manitoba in the long run. Nothing is being done. The previous administration did not have one representative on the Health Advisory Network, but nothing is being done. It is just a matter of time before the election call is made and we will see how this organization will let these people come to this House ever again. They are watching them very carefully.

\* (1500)

A shortage of nurses is causing a problem at Thompson Hospital. It did not happen over a period of weeks or months. It has been happening for almost two years now and it is deteriorating every day. We gave the Minister of Health (Mr. Orchard) a warning about nine months ago about the impending disaster. It was said, well, this is not our fault. The NDP has done it, so why should we do it? Now we can see it very clearly that the hospital had to close the intensive care unit, three-bed care unit, serving a population of 50,000. If somebody had a heart attack, not only will they suffer there, they will be transported to Winnipeg to the teaching hospitals and those hospitals are already overcrowded. It does not make any sense. How you are going to justify having this patient transported and ease your mind that he will get the best possible care, not only four to six hour transport, be that it is crucial—it is a very expensive way of treating patients. Who is paying for that? The people of Manitoba.

I have said a number of times that tax money does not grow on trees, people pay for it, but if you are not use their money in the best possible way you are being dishonest to people who elected you.

Mr. Deputy Speaker, there is one area where progress has been made. I think we have made a lot of progress in the area of mental health, and definitely the Minister of Health (Mr. Orchard) deserves credit for that to some extent. We have pressured him enough to move in the right way and will continue to help him.

I think that is very positive because our budget in the mental health area is spent in a very irrational way. You are spending 87 percent in the hospital and 13 percent in the community and really that does not help patients because when you are sending patients out to those communities you do not have adequate resources. That was a mistake of the previous administration when they had no plan. They tried to do something different but without saying what was going to happen ultimately, so they released a lot of patients to that community without putting adequate resources, but definitely there has been progress and we will continue to monitor the progress in that respect.

Mr. Deputy Speaker, we have seen that the number of communities in rural Manitoba have hospitals which

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are losing patients to Winnipeg because they do not have specialists, they do not have adequate resources. It is also draining their economy away. It is not only causing a discomfort to the patients and their families, it is also bringing the economy away from the communities, and the best thing to do is to establish a few centres outside Manitoba, decentralize some of the services and provide that in major places like Swan River, Dauphin, just to mention a few, and those will also provide and use the hospital space which is already there.

We are waiting here for 18 months for some of the hospitals to have an empty space and that is not being used properly, but somebody is not making a noise because that is not politically popular, but taxpayers are paying all the money.

Mr. Deputy Speaker, it is a very difficult area to criticize something where you are politically not strong and you want to be, but what is the right thing, you should say the right things. I have no doubt in my mind that we should decentralize some of the services, some of the health services, in the small hospitals so that surgery can be done there. We have all the operation theatres, we have all the equipment there, but we do not have the people who are going to provide services.

That is why this two percent capping business is going to be a very destructive element to drive people away. We should bring people to Manitoba, rather than tell them to go somewhere else, but the message is very, very wrong, very dangerous and no Government in this country has ever tried to do that. It is just a minority Government. I think somebody gave them the wrong advice. They know it is wrong, but they have to find a way of correcting it. They should simply swallow their pride, go back to the bargaining table and negotiate on behalf of people of Manitoba for the best possible care without taking any sides.

Mr. Deputy Speaker, this looks like I was going away from my usual area. The discussion was how to use the services in the smaller communities which is very important in the long run. That is why these community clinic concepts in combination with outpatient clinics and using those hospitals will save us a lot of tax dollars in the long run and also keep those communities alive and well. I think those communities need more support. Rather than bringing the economy to Winnipeg, we should use them where they belong. People feel that way, and it has been very clearly evident throughout all the hearings of the Health Advisory Network. People are telling them what they feel. I think that has to be corrected, but there is no clear-cut policy from this administration, at least we have not seen it, and people in Manitoba have not seen it so far.

Mr. Deputy Speaker, there are going to be deficiencies in the health care system no matter what administration comes. There are going to be difficulties in the long run. It is going to be very difficult to continue to provide the same kind of services. There has to be a different plan so that we can reallocate resources. We can have innovative new ideas for the '90s and for the next century. That has to come from the present administration, but it is not happening.

Mr. Deputy Speaker, I think they have a good opportunity right now. They had for the last two years

in the minority situation to do the best things which were right for the people, and they have failed. I am so happy to see the Minister of Finance (Mr. Manness) because on Monday night I was disappointed with his way of dealing with things, how he kept quiet. He should have given us a chance to, even though we were - (interjection)- no, you do not have to ask a question yourself, but you should not deny other people asking questions too. You should give other people the right to ask the questions.- (interjection)- I did not expect it from the Minister of Finance. I could expect it from a few others.

Mr. Deputy Speaker, what I was saying basically is that any administration, it does not matter which political background will be there, it is going to have a difficult time to support the health care system. There has to be new plans and new ideas, innovative ideas, and let the public know how the money is being spent, what other alternate ways of health care are available. That is not being provided right now, and that is what I strongly believe this administration is lacking. With that, I will end my remarks. Thank you.- (interjection)-

## COMMITTEE CHANGES

**Mr. Deputy Speaker:** Order, please. The Honourable Member for Gimli.

**Mr. Edward Helwer (Gimli):** Mr. Deputy Speaker, I move, seconded by the Honourable Minister of Rural Development (Mr. Penner), that the composition of the Standing Committee on Industrial Relations for Monday evening's session be amended as follows: Burrell for Helwer, and Downey for Ducharme.

I move, seconded by the Minister of Rural Development, that the composition of the Standing Committee on Law Amendments for Monday evening, 8 p.m., be amended as follows: Gilleshammer for Downey, Neufeld for Cummings and Driedger for McCrae.

I move, seconded by the Minister of Rural Development (Mr. Penner), that the composition of the Standing Committee on Public Utilities and Natural Resources for Tuesday, 10 a.m., be amended as follows, Helwer for Cummings and Penner for Downey.

\* (1510)

I move, seconded by the Minister of Rural Development (Mr. Penner), that the composition of the Standing Committee on Industrial Relations for Tuesday, 10 a.m., be amended as follows: Oleson for Enns.

I move, seconded by the Minister of Rural Development, that the composition of the Standing Committee on Industrial Relations for Tuesday evening, 8 p.m., be amended as follows: Enns for Downey.

**Mr. Deputy Speaker:** Agreed? Agreed.

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**Mr. Deputy Speaker:** The Honourable Minister of Finance, on a point of order.

**Hon. Clayton Manness (Minister of Finance):** Mr. Deputy Speaker, I beg your indulgence on a point of order. I could not help but notice that the MLA for Transcona (Mr. Kozak) is about to speak on this very important Bill.

I just would like to serve notice to him that, because he has promised me on three occasions that he was going to show us the way to reduce taxes, reduce the deficit and increase expenditures, I am now waiting for him to show me that magic formula in this speech.

**Mr. Deputy Speaker:** The Honourable Minister did not have a point of order.

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**Mr. Deputy Speaker:** The Honourable Member for Transcona has the floor.

**Mr. Richard Kozak (Transcona):** Thank you, Mr. Deputy Speaker. I particularly thank the Minister of Finance (Mr. Manness) for his interest in my forthcoming remarks. I will attempt to accommodate him as fully as possible with suggestions specifically directed to the fiscal policy of this Government, suggestions that relate particularly to Bill 99 but also that are theoretical suggestions which are equally applicable to the development of the next budget of this province, which I know is a matter of concern to this Minister.

I do not know whether it will be possible for me to deal with every item that the Minister mentioned in his comments earlier. However, I think he will be most satisfied with the genuine attempt that I make in the time allotted to me to accommodate him as fully as possible. In fact, as a token of my good faith, should there be questions arising in any Honourable Member's mind with regard to certain aspects of what I state in my remarks this afternoon, I will do my utmost to accommodate those questions during the 40 minutes allotted to me.

I am indeed pleased to rise to address Bill 99, The Appropriation Act, 1989. This Bill gives effect to a substantial portion of the Government's fiscal plan and touches, in detail, on all of the operations of this Government. Mr. Deputy Speaker, I intend to address the principle of this Bill on a theoretical plane, although I recognize that my remarks will be relevant not only to Bill 99 but also to the development of the next provincial budget.

Mr. Deputy Speaker, the Minister of Finance (Mr. Manness) has repeatedly called for my advice on the upcoming budget. I doubt that any Member will take offence at the dual purpose of my remarks today. The thrust of my argument today is that as this Government prepares its fiscal plan, it should avoid any temptation to follow the advice offered to Canadians at year-end by the Wall Street Journal, that is to raise taxes, slash

social programs and to take measures that will have the effect of destroying the labour peace of this province.

In short, Mr. Deputy Speaker, there is less cause for panic on the fiscal policy front in Manitoba than at the federal level. I specifically refer to my suggestion that there is no need to raise taxes at the provincial level. I am amply on record in this House as having called repeatedly for greater competitiveness on the part of our tax system vis-a-vis the tax systems of other jurisdictions in Canada and neighbouring jurisdictions to the south in the United States.

I note, Mr. Deputy Speaker, and I believe all Honourable Members will agree with me, that there are serious areas where the competitiveness of Manitoba's tax structure, despite certain improvements that have been introduced over the last two years, continues to lag behind the more attractive tax climate of jurisdictions in other parts of Canada and in the United States.

I would suggest that in the very interest of the health of our economy, the Minister of Finance (Mr. Manness) and his colleagues should take to heart that they, and we agree with them, have utterly no capacity to exacerbate the problem of the uncompetitiveness of our tax system through tax increases. My remarks later this afternoon will amply demonstrate that there is in fact no need to do so.

I referred also, Mr. Deputy Speaker, to the proposition that there is utterly no need to slash social programs and to take measures that will destroy the labour peace of this province. I have repeatedly expressed concern in this House, and my colleague, the Member for Kildonan (Mr. Cheema), has distinguished himself in making similar remarks, about underspending by this province vis-a-vis its budget plan in crucial social areas such as health. This underspending has been explained repeatedly as being related to short-term factors which would come out in the wash at fiscal year-end. However, for the benefit of my honourable colleagues, and I doubt that I will be disputed, this underspending has never come out in the wash and has proceeded unabated right through fiscal year-end.

I will once again, Mr. Deputy Speaker, document my belief that there is no need for slashing of social programs in this province. We do not, once again, face the kind of financial crisis, the virtual bankruptcy, that our federal colleagues face that requires a certain different approach on their part.

I referred also to the absolute necessity that the next budget introduced by the Minister of Finance (Mr. Manness), and I am sure he will introduce it in good conscience, does nothing to undermine the climate of labour peace in this province. It is not generally known, Mr. Deputy Speaker, that Manitoba benefits from the second lowest average number of days lost to strikes per employed person in the entire country for the period commencing in 1985 and ending in 1989.

Indeed, Mr. Deputy Speaker, average number of days lost to strikes for employed persons during that period amounted to less than .1 percent of a day in that five-

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year period. I would suggest that budgetary measures that impair that excellent record, Sir, could cause great harm to the labour peace on which the relative stability of our province's finances over the last two years has been built in this province.

Once again, Mr. Deputy Speaker, there is less cause for panic on the fiscal policy front in Manitoba than at the federal level. Indeed restrictive fiscal measures at the provincial level at this point would guarantee that the recession in our consumer sector as manifested by growth in personal income tax revenues and retail sales tax revenues below the rate of inflation over the last nine months will deepen. The federal Government is in fact promoting a recession nation-wide by a multi-year agony of 31 tax increases, slow spending cuts that make no dent in the federal deficit and spiralling interest rates that reflect a national debt run wild.

\* (1520)

Mr. Deputy Speaker, I stand here today and assert that this House can minimize the chances of a long and deep recession. We can offset some of the folly of federal policy and take advantage of opportunities that the federal Government has lost the financial capacity to address. In all candour, there is in fact one area that can scuttle some of the suggestions I would like to put on the record today, namely, the interest rate outlook. The federal Finance Minister presented us with the prediction of interest rates moderating by in excess of 2 percentage points during the 1990 calendar year. It is not going to happen.

I refer to the interest rate forecast of the Royal Bank of Canada dated February 21, 1990, which presents the picture of a gradual rise in interest rates in Canada through virtually all of 1990. I would suggest that this projection of increased interest rates throughout this calendar year threatens the ability of this province to minimize the effects of the recession that we have been experiencing in its initial stages for the last nine months.

The Royal Bank does not speak in isolation, Mr. Deputy Speaker. The forecast that I refer Honourable Members' attention to today now in my view represents a credible consensus forecast shared by a large number of the most credible financial forecasters in the country. In the course of the development of his budget, which I expect will be presented this fall, I would hope that the Minister of Finance (Mr. Manness) will not present to us a rosy interest rate forecast that suggests we will have minimal problems on that front. I suggest that he convey honestly to Manitobans that this is the most serious area in which our province will have to bite an extremely distasteful bullet.

I would like to proceed, Mr. Deputy Speaker, to review certain comments I made during this House's emergency debate related to the federal budget. I do this not only to refresh my colleagues' memories with regard to my comments of February 21, 1990, on a most serious manner. In fact, I took a tone of some desperation during my comments. I review this comments only to demonstrate with greater clarity that our province's hands are not tied to the extent that the federal Government of our country finds its hands tied.

Without belabouring the points I made on February 21 of this year, I accused the federal Government of lack of intestinal fortitude in dealing with a debt run wild. I accused the Prime Minister of this country, Brian Mulroney, of an authoritarian arrogance which prevents him from listening to his own caucus and to Canadians of various degrees and statures in this country. I further accused the federal Government caucus of lack of intestinal fortitude in compelling their leadership to deal with the urgent financial situation of our federal Government at a time when they could have done so with some ease.

For six years, as I pointed out on February 21, the Party of phony fiscal responsibility, the Tories, have lectured us about a federal debt run wild. They have lectured us saying that we need firm measures to ensure that Canada's competitive position around the world is not impaired and irreparably impaired by a federal deficit run wild. What do we see? Well, under the Mulroney Government, this debt run wild, to use their words, will reach \$400 billion some time in 1991, \$400 billion after six years. This Government at the federal level continues with no remorse to serve up to us federal deficits exceeding \$30 billion in each and every fiscal year. They have made no progress in reducing the deficit and our accumulated debt position despite their firm protestations to the contrary. Shameful.

Like Manitoba's succession of weak-willed provincial Governments, both of the NDP and Conservative variety, the federal Government has in fact missed its opportunity to use the past good performance years, the past seven years, to achieve deficit reduction, and thereby to ward off the troubles that come with a recession. If firm action had been taken over the previous seven years, we would today be able to entertain stimulative action that would benefit the citizenry of Manitoba and Canada instead of facing a restrictive federal budget that promises nothing but suffering and recession according to the technical definition of the word.

As I pointed out a few minutes earlier, the cost of this lack of strength has been a slow agony of taxation increases, spending cuts and high interest rates which will not fail to destroy our economy in the not too distant future. I hope that I do not have a reputation in this House for being alarmist, but indeed, Sir, I am alarmed today. My alarm is, however, directed toward the federal Government, and I will in very short order put on the record concrete suggestions that will I hope be of benefit to the Minister of Finance (Mr. Manness) as he prepares his fiscal plan for the next fiscal year.

Over that entire period of six years, this federal Government, a Government that preaches fiscal responsibility, instead of taking firm action has undertaken slow and agonizing spending cuts that have barely made a dent in the deficit and have been fully offset by the accompanying growing burden of debt servicing costs. We are no further ahead after six years of agony under the present federal Government. At the same time, due to the lack of intestinal fortitude on the part of the federal Government, Canada has today lost control—I repeat, lost control—over its own interest rate policy. Today this country that we like to consider

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great had fully \$260 billion in foreign debt outstanding—debt to foreign Governments, debt to foreign banks, debt to foreign corporations, debt incurred by the federal Government, provincial Governments and in addition by businesses and individuals from Canada.

A few days ago, the Minister of Finance (Mr. Manness) of our province suggested to us that he has lost a certain amount of his capacity to borrow on domestic markets and must once again return to the Swiss capital market.

In the past, Mr. Deputy Speaker, I criticized this Minister for offshore borrowings, indicating that it exposed the taxpayer to speculative fluctuations in the foreign countries whose currencies we are borrowing. Today I would like the Minister of Finance (Mr. Manness) to understand that I accept that he is in a box, I accept that the financial irresponsibility of the federal Government has had the effect of crowding him and this Government out of domestic financial markets, a serious tragedy.

We are partisan in this House. I would take the opportunity to blame this Minister for foreign borrowing if I could; however, I will for the moment cease and desist from blaming him for the need for foreign borrowings.

If the debt of this country were domestic, as my good friend the Member for Brandon East (Mr. Leonard Evans) points out, we would today be able to set our own interests rates. We would today be able to set the level of debt we please. We would today be able to stimulate an economy that is fast sliding into recession, an economy that in Manitoba has satisfied the technical definition of recession for fully the last nine months. We are in the hands of the foreign currency markets, and we owe \$260 billion to them at the federal level and at other levels, thanks to the lack of will of our federal Government.

\* (1530)

At the same time, the Japanese and west Europeans are raising their own interest rates, and they demand a pound of flesh in interest from poor supplicant Canadians that are at their mercy for loans, that have the most unmanageable debt in the Western World. I point out that the debt of this country, the foreign debt of this country, far surpasses that of Brazil on a per capita basis or indeed any other basis, and I am concerned today as to where the federal Government has us heading.

I wanted to be constructive on February 21, and in addition to the suggestions that I will put on the record for the provincial Minister of Finance (Mr. Manness) today, I made specific suggestions to Michael Wilson. For the benefit of Members who did not have the opportunity to hear my remarks, I will review them briefly. I suggested at that time what Finance Minister Michael Wilson could do now. I suggested at that time what Bank of Canada Governor John Crow could do now, because indeed they can deliver a glimmer of hope to Canadians.

The first thing they can do is to resign, ignominiously in recognition of their limited spine and their limited

mental capacity that has delivered us as a country into an impossible situation, an impossible situation that I hope Manitoba can avoid due to some favourable factors that benefit this province.

Secondly, I suggested that the federal Government could bring down the deficit dramatically so that confidence in the Canadian dollar could be restored and so that interest rates could drop. The federal Government would have us believe that this is a painful process, deficit reduction, that must be accomplished at the expense of health and education programs. As we all know, this is a specious argument. At the same time as the cuts we face today at the federal level are being made, a 5 percent increase in the area of defence is taking place while our major alliance partners are cutting their defence budgets.

Indeed, Mr. Deputy Speaker, I believe no Member of this House would stand up today and tell me that the West Germans feel that our presence, through Canadian Forces Europe, is essential to the degree that it was in previous years, and that substantial savings could be realized in that area.

At the same time as the cuts we face today at the federal level are being made, the federal Government, in its lack of wisdom, has found little scope and has had little dedication to introducing internal economies at the federal Government level. I would suggest that the federal Government should be more aggressive in that field.

(Mr. Speaker in the Chair)

The federal Government could accept a decline of the Canadian dollar to the 75 to 80 cent range vis-à-vis the U.S. dollar so that interest rates could fall. These measures are hard measures, but they would at least offer Canadians a glimmer of hope.

I would suggest to my colleagues in this House that we face these measures inevitably in any case, because of the lack of intestinal fortitude of the Mulroney Government that makes these measures the only possible measures for the salvation of our country.

However, Mr. Speaker, Manitoba's situation is considerably more benign. I referred a short while ago to the fact that the federal Government faces an accumulated deficit of fully \$360 billion, which is approximately \$15,000 for every man, woman and child in this country.

Now, in the past I have referred to the fact that our province faces an accumulated deficit of \$11 billion. I have shown some alarm over that figure, but I point out that the \$11 billion accumulated deficit of this province represents \$10,000 per man, woman and child in this province compared to \$15,000 at the federal level. Their crisis is a crisis. Our situation is less severe.

Mr. Speaker, that \$11 billion figure has a silver lining to it that does not exist at the federal level. I would point out that fully half of the debt of this province is self-supporting debt, debt that is indirectly owed only by the Province of Manitoba, self-supporting debt that organizations such as Manitoba Hydro are quite able to retire based on their own internal revenues. I

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believe—and I know the Minister of Finance (Mr. Manness) agrees with me from his chair—the room that this Province of Manitoba has in its fiscal policy is considerably greater than the situation of near bankruptcy which faces the federal Government of Canada.

I would suggest too that because of our more benign debt situation we can to a certain extent give ourselves the luxury of attending somewhat, paying some attention, to the long view. I point out that there are built-in factors which guarantee this province an increase in its revenues over time with no tax increases.

I would refer in particular to the fact that Canadians at this point of time have contributed a total of almost \$80 billion to registered retirement savings plans on which income they have not been taxed. I would further suggest that due to increased limits for RRSP contributions, we can expect annual contributions to registered retirement savings plans of approximately \$10 billion per year, none of which income has been taxed to date.

If we use a conservative estimate, Mr. Speaker, that this \$10 billion in annual contributions to RRSPs will remain and collect interest at 10 percent for a 20-year period before being removed by the beneficiaries of the plan, that we can expect fully \$80 billion of income reported, \$80 billion of income reported, that has not been reported or taxed in previous years, and that the effect of the system of registered retirement savings plans and other retirement savings plans in this country, will be to vastly enhance the revenues of both the federal and provincial Governments down the road with no increase in taxes and with no substantial alteration in the registered retirement savings plan rules and retirement savings plan rules that exist at present.

In other words, to a certain extent over the longer term the debt of this province, the annual operating debt of this province, will resolve itself through the gradual taxation of savings that are presently being accumulated within registered retirement savings plans and other retirement savings plans.

Furthermore, Mr. Speaker, the deindexation of income tax rates, which does not extend inflation protection to the first 3 percent increase in inflation and in incomes, further suggests that with no increases, no alterations, in the present tax regime, both the federal Government and the province can expect substantially enhanced receipts from personal income taxes without any increase in established tax policy.

Therefore, Mr. Speaker, if we take a longer view, we find not only that the financial circumstances of this province are substantially better than those of the federal Government, and that in any case the effect of the growth and eventual redemption in taxation of retirement savings plans combined with less than full inflation protection accorded to income under our Income Tax Act will provide something of a windfall in revenues to this province over the longer term.

I point out too that this province, as a result of its better fiscal position, can and should immediately take advantage of opportunities that will not last long. Recent

developments in eastern Europe, and I suggest this is a very important matter which I would hope that not only the Minister of Finance (Mr. Manness), but the Minister of Industry, Trade and Technology (Mr. Ernst) would attend to, recent developments in eastern Europe open massive opportunities for business penetration directly or indirectly by aggressive Manitoba businesses.

\* (1540)

I would suggest that this province assist entrepreneurs in this province in developing business contacts with west European and east European firms that intend to take advantage of the new opportunities in eastern Europe. I would suggest that significant resources go into building those contacts, because I suggest further that the resurgence of an eastern European economy, the need for new capital development infrastructure and supply of goods replacement will offer massive opportunities to this province if we do not blow it.

I call on this Government not to blow the opportunity to penetrate the vast opportunities in the emerging east European market. We should have trade delegations establishing linkages too with firms such as West German firms that will need, because of the immense strains on their economy, overseas participation to assist them in penetrating and fully servicing the east European market.

We are not talking small opportunities here, Mr. Speaker. We are talking about one of the largest opportunities to penetrate a massive market that has developed in the entire 20th century. If this Government misses, through inaction, the opportunity to create ventures and jobs in this province to service east European opportunities, I would suggest that they will deserve every criticism that this side of the House can level against them. This is an opportunity that must be taken to heart.

If we follow these suggestions, Mr. Speaker, I believe I have amply demonstrated that we need not panic about Manitoba's economic position. We need not see urgency about raising taxes. In fact we can still look at selective tax cuts. We need not see urgency about slashing our social programs because the opportunities that can be obtained through appropriate use of venture capital methods, including partnerships with west European firms, offer us a huge opportunity.

Also, I would suggest to the Finance Minister (Mr. Manness) that he is already benefitting from what is going on in eastern Europe. We have remarked, we are not ignorant of the fact that in recent days base metals prices, nickel, copper, zinc, have begun a rapid resurgence on the London Metals Exchange specifically because exchange participants understand full well that these base metals and others will be the raw material of the restructuring of eastern Europe's economy. I would suggest that the Minister has been overly pessimistic in predicting revenues from the mining sector of this province due to the resurgence of base metals prices on the London Metal Exchange in anticipation of opportunities over the next decade and decades in eastern Europe for restructuring of those economies.

Finally, Mr. Speaker, I repeat that it is of significant importance to me that this Government not in its next budget or in any intentions it has regarding matters that can affect the labour peace in this province over the next year show considerable restraint in its approach to those measures. I pointed out earlier that we have a situation of labour peace in this province that is unrivalled by any province other than Prince Edward Island, and I believe that my comment, although it may seem general and difficult to understand, is directly related potentially to the budget that the Honourable Minister of Finance intends to introduce this fall.

I have done my best, Mr. Speaker, to answer as many of the concerns of the Minister of Finance that I was able to today. I intend to speak again on Bill No. 100 to address further suggestions to the Minister of Finance. I would however at present ask him in particular and his colleagues in Government whether he would like me to indulge any questions that remain in their minds before my time expires. Otherwise, I will thank you and I hope I have honoured my obligation to the Honourable Minister of Finance.

**Mr. Gilles Roch (Springfield):** Mr. Speaker, it appears -(interjection)- Yes, I will take the advice from the Member for Thompson save the inside story for my memoirs. The Members opposite refer to this as my swan song. I guess they have accepted the fact that there will be no more Legislature. Maybe they intend on calling the election soon. There is no doubt that regardless of the outcome I will not be the Member for Springfield after the next election. That is a correct fact. Just as the Member for La Verendrye (Mr. Pankratz) will no longer be the Member for La Verendrye. Of course that is because of other reasons too. The Member for Emerson (Mr. Albert Driedger) certainly saw to that, and the Member for Tuxedo (Mr. Filmon). Anyway that is another story.

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

**Mr. Roch:** Some Honourable Members, oh, oh. I am not moving from Springfield; La Verendrye has moved to me.

**An Honourable Member:** We have inside information that tells us that your colleagues really do not want you there.

**Mr. Roch:** The Member for River East (Mrs. Mitchelson) has inside information perhaps she would care to share with the House. I would certainly grant her leave to do so, providing I do not lose my spot in the speaking order.

**An Honourable Member:** As a matter of fact we are trying to sell memberships to keep you in there, Gilles.

**Mr. Roch:** Good, well, I am certainly happy to hear that. I am sure the First Minister (Mr. Filmon) would not appreciate that, but I am glad to hear that I still have the support of the Members of the—some of my former colleagues anyway, they still want me here.

To get back to Bill No. 99, The Appropriation Act, 1989, to refer to what the Minister of Finance (Mr.

Manness) was saying, what is going to happen? Will they screw up the courage to call an election, or will the third Party screw up the courage to vote against the Government if it does indeed introduce a budget in the near future? -(interjection)- yes, and not school principals, either, we are talking about. In any case - (interjection)- why would I not want an election? Tell your boss to go across the street to see His Honour and we will go for it. When the dust has settled, well, you may be down to 12 and the other Members may be down to two, one. There may be none left. We know Concordia is going to be gone for them anyway.

**An Honourable Member:** It would be in your best interest to keep us in Government for four years.

**Mr. Roch:** I think we have to look after the best interest of people of Manitoba, not the best interest of the people in this Chamber. That is what the Members opposite are forgetting about. They want to do what is in their best interest. We are elected to represent the best interests of the people of Manitoba, not our personal best interests. That is what has to be looked at primarily.

**An Honourable Member:** And that is the reason you crossed the floor.

**Mr. Roch:** What did you say? Definitely. The difference between myself and the Member for Rossmere (Mr. Neufeld) is that he crossed the floor before the election and I crossed after.

**An Honourable Member:** He is smarter, there is a big difference, Gilles.

**Mr. Roch:** The general opinion, contrary to what the Minister of Northern Affairs (Mr. Downey) has said, the general opinion and consensus out there is not that the Member for Rossmere (Mr. Neufeld) is smart, but that is based more on his performance as a Minister than on his intellectual capability. There is a difference. People who have been here long enough do not take these things personally, but the Member for Rural Development (Mr. Penner) and the Member for Rossmere (Mr. Neufeld) are getting used to that-(interjection)- The Member for Virden (Mr. Findlay) is catching on.

**An Honourable Member:** Actually I feel bad that you were on my side.

**Mr. Roch:** Actually I felt bad when you were, especially when you could not find the committee room, never mind the washroom.

\* (1550)

We are digressing. I am trying to keep relevant to the Bill and the Members opposite keep diverting attention from the Bill.

**An Honourable Member:** Kevin will call the quorum on you.

**Mr. Roch:** Well, yes, last Friday, when there was not one single New Democrat present in the House, we

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called a quorum when the majority of the Liberal Caucus was here and there were three or four Conservatives present. Let us not forget that it is the Government's responsibility to have a quorum in this House—

**Mr. Speaker:** Order, please; order, please. I have recognized the Honourable Member for Springfield (Mr. Roch) to speak on Bill 99, The Appropriation Act, and I would ask the Honourable Member for Springfield to keep his remarks relevant to the question before the House.

**Mr. Roch:** I apologize for having digressed, but as you know from time to time in this House it is difficult not to digress—questions are asked. I understand they are getting ready for after the next election. They are practising asking questions again, so I am practising answering them.

Mr. Speaker, maybe I would like to quote a little bit from some comments I have made in the past in regard to this overall process of the budget and Estimates.—(interjection)— Well, just in case the Member for La Verendrye (Mr. Pankratz) has lost his copy, I will refresh his memory. I know he enjoys to hear me speak in any case.

**An Honourable Member:** Which cup are you drinking out of?

**Mr. Roch:** It is not a styrofoam cup, unlike you. Mr. Speaker, I have to bring up three quotes from the budget, which we have just recently concluded, or almost concluded approving. This Bill will do it, I assume.

**An Honourable Member:** You were here last Monday night, too, Gilles, you were the head of the House at that time, were you not?

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

**Mr. Roch:** Mr. Speaker, the Members make reference to Monday last. The unfortunate part about Monday last is that in the spirit of co-operation when the Deputy House Leader was trying to get the Chairman's attention, instead of just saying, nay, like some Members would, or agreed, blindly, he was trying to be co-operative, but, no, after the Government and the third Party joined caucus, they arrived through the concurrence motion just to save the NDP embarrassment and be on record once again as supporting the Conservative Government, just to save them the embarrassment —(interjection)— no, we voted against. Yes, let the record show that the Liberal Caucus was opposed to the concurrence motion.

Mr. Speaker, the Deputy Whip was quite clear. He got up and wanted to ask questions. Unfortunately, he did not catch the eye of the Chairman, and there is no doubt that the Ministers opposite, the Government Members opposite, and their colleagues in the New Democratic Party wanted the concurrence motion passed without a recorded vote. Two reasons, No. 1 the Conservatives—

**Mr. Speaker:** Order, please; order, please. I will remind the Honourable Member for Springfield for a second

time that the question before the House is Bill No. 99, The Appropriation Act, 1989, and I would ask the Honourable Member for Springfield to kindly keep his remarks relevant to the question before the House.

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**Mr. Speaker:** The Honourable Minister of Culture, Heritage and Recreation, on a point of order.

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation):** Yes, Mr. Speaker, I am not the House Leader or the Deputy House Leader for Government, but I just want to indicate, unless I am somewhat confused, I think if there is a recorded vote, it is up to the Members that are present in the House to call for a recorded vote, and obviously the Liberals—

**Mr. Speaker:** Order, please; order, please. The Honourable Minister does not have a point of order. The Honourable Member for Springfield.

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**Mr. Roch:** Mr. Speaker, she is quite correct that she is not the House Leader out there. Everyone knows that the Member for Churchill (Mr. Cowan) is the House Leader of both caucuses out there. For clarification, for your guidance, maybe I was not on the relevance of Bill No. 99, and I may be wrong, but I thought talking about the concurrence motion was relevant to Bill No. 99. If it is not I will certainly not speak about it. I thought the whole budgetary process sort of culminated in this Bill, which in effect gives the authority to Government, the spending authority—95 percent of it has been spent already—to spend the remaining 5 percent that is left of the original budget as passed.

In any case, to go back to the three quotes that I was referring to, when one looks back on the budget, and these particular three are of significance, the 1989 Manitoba Budget Address, it says, and this is on Page 3, well it is part way through the sentence, but I will quote at that point anyway: "Over the past year, spending, particularly debt costs, came in well under budget. Other revenues have been higher than anticipated, and we have benefited from increased federal transfers."

The other quote that I wish to bring out in that budget which was introduced back in 1989 was on page 4 and it said on there: "A new Department of Rural Development will provide a more co-ordinated and proactive approach to economic development and diversification initiatives."

Further on, on page 23 of the same document, the Minister states, and I refer here to the Minister of Finance (Mr. Manness), because he was the one reading the budget. That third quote, and again I quote for Hansard's clarification: "Therefore, today I am announcing the Government's intention to establish a Fiscal Stabilization Fund. Two hundred million dollars of the exceptional revenue received in 1988-89 will be deposited in the Fiscal Stabilization Fund."

\* (1600)

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Those are the three quotes which I want to—The Honourable Minister of Family Services wishes to ask me a question, I will be happy to answer it if I can hear it again.

**Hon. Charlotte Oleson (Minister of Family Services):** I said, you voted against it.

**Mr. Roch:** Definitely, because the Minister knows very well it was just a shell game. They used to always attack the NDP for their "fraud fund," but the fact is, Mr. Speaker, the Minister of Northern Affairs (Mr. Downey) knows that we could have had a budgetary surplus, but the fact is, that is just a shall game. Were it not a minority Government, would he have done this? I mean, we all know that with the authority, despite the fact that the First Minister disclaims any responsibility for the letter which was circulated to various people in Manitoba talking about Phase 2, what would have happened, what is the hidden agenda of this Government as far as budgetary matters? What would Bill No. 99 look like if the Conservative Government did have a majority? There are several things which cost money, which would have to be reflected in The Appropriation Act.

Now, if Meech Lake were to be approved, as is the Government intention, they form a majority, what would the cost be and under which department of appropriation would this be in? We do not know. The Minister knows full well where I stand on Meech Lake, that I am opposed to it in its present form, as I have said during every single all-candidates meeting in the last election, as I said when I sat in that caucus and as I said to the press when I was demanding a free vote.

**An Honourable Member:** What did you say when you were with the NDP Caucus?

**Mr. Roch:** Mr. Speaker, I never sat in that caucus. To get back to the quotes, to the Bill at hand, to the Fiscal Stabilization Fund which is contained in this Appropriation Bill, one can only assume—it is strange that the Conservatives used to refer to the NDP's Job Fund as a "fraud fund," and the Minister took very much exception to the fact that not only Member of this House, but media personnel, especially when he was on the Peter Warren show on time, the Action Line. The Minister is usually very calm, cool, rational. He is one of the handful. You can count them on one hand, count the Ministers on that side, but at that time when Mr. Warren referred to it as a slush fund he got very upset. He would have been even more upset if it had been called a fraud fund, but I think it is.

I do not want to call the Minister dishonest because he is not, but I think that the whole issue, which was probably decided by Cabinet as a whole, of putting this \$200 million aside, gives the perception of dishonesty. Mr. Speaker, one gets a distinct impression, especially given the comments a while ago which alluded to the possibility of an election coming up in the near future, that the Government may come up with an election-type budget and, heaven forbid, should they form a majority, well then Phase 2 would come in and,

all of a sudden, for whatever reasons and no doubt they would blame the NDP; they might even blame Doug Campbell's Government, and say, oh, well, we have all these other expenses that have come up since then and the budget which we proposed prior to the election will have to be changed, or something to that effect.

People out there are asking questions and wondering, what is Phase 2?

**An Honourable Member:** And what are you telling them?

**Mr. Roch:** Well, you should tell me.

**An Honourable Member:** What is your agenda? Why do you not tell them yours?

**Mr. Roch:** The Minister of Family Services (Mrs. Oleson) says, what is on my agenda?

I think, Mr. Speaker, that it is very strange that the Ministers opposite keep looking to this side asking question, what do you want to do? What are your solutions? What is on your agenda? They are obviously not experienced, or maybe they have no desire of governing, because they are always looking around, always looking around for answers.

The facts are that, whether they realize it or not, they are supposed to be the Government, they are supposed to be the ones revealing their agendas, they are the ones supposed to be giving the answers. It happens very, very, very seldom.—(interjection)—What does the what?

**An Honourable Member:** What does the public out there think?

**Mr. Roch:** The public out there thinks that the job this Government is doing is not what was expected of them. The public out there thinks, and if one goes by the polls—I mean, the Minister knows full well that if an election were held right now the only areas where they have some hope is in south—then, one never knows what is in the southwestern parts of the province. Even there, where they used to win by 3,000 or 4,000, that is not going to happen again.

It is not exactly a secret that the Liberals are going to sweep the city. Rural Manitobans certainly do not want them in the outside looking in. Especially the people of eastern Manitoba, many of whom are commuters and interact and talk with the people and their fellow workers in the City of Winnipeg, they know what is happening. They are not going to let themselves be bulldozed by all kinds of rhetoric.

Again, someone asked awhile ago, tell us more about Phase 2. Well given the very deep mistrust and indeed anger, and unfortunately in some cases it has turned to hate on the part of the public, of the federal Conservative Government and the Wilson budget, there is a deep-rooted fear that Phase 2 would be Mulroney-like, Wilson-like types of fiscal measures in this province, because let us face it, Mr. Speaker, this Appropriation Bill is simply going to give the Government the authority

for the balance left in this fiscal year, but budgets will have to come in the future.

Mr. Speaker, the facts are that all of these people across are all Members of the same political Party, which just brought in the most recent federal budget, which has great, great negative effects on the Province of Manitoba. I recall the day after the federal election when they came in all wearing their little blue carnations, which indicated their show of support. Although they hardly had a victory in Manitoba, having the Liberals win five seats, three of which were taken from the Conservatives.

Mr. Speaker, I had the other quotes here, but now that I am on the issue of the federal budget, which has effects on our whole fiscal situation in Manitoba, maybe I should dwell on it at a bit more length. They sometimes rib me, kid me, sometimes in fun sometimes not, about the fact that I have left their Party. If they in fact are so—

**An Honourable Member:** Me too.

**Mr. Roch:** That is right, my colleagues, who were there too, crossed over before I did but crossed over nevertheless.

\* (1610)

The facts are, Mr. Speaker, that if they were truly in good conscience opposed to the GST; if they were really in good conscience opposed to the Meech Lake Accord; if they were really in good conscience opposed to all of the negative measures that the federal Government are bringing in, fiscally or otherwise, why then do they maintain their memberships in that political Party. It does not jibe. If they were sincere they would do like the Member for Brandon West (Mr. McCrae) suggested sometime ago, and publicly, that the name of the Party be changed, provincially at least.

At least the Conservatives in British Columbia go by another name. They call themselves the Social Credit Party. At least they can make the claim that they do not belong to the same Party.

Although for what they hope to be their own political purposes they are trying to distance themselves from their Conservative colleagues in Ottawa, the fact remains that the M.Ps in Ottawa, including the federal Finance Minister and the MLAs from Manitoba, including the provincial Finance Minister (Mr. Manness), attend the same Party conventions and mingle with each other.- (interjection)- Whether he has been there recently or not is irrelevant. The fact is he is an automatic delegate.

Regardless of whether he attends the conventions or not, whether he attends the meetings or not, that is up to him, that is his personal decision. The fact is he is a card-carrying member of the Conservative Party. Therefore, by association, one would assume that he approves of the fiscal measures brought down by his federal colleague counterpart.- (interjection)-

Well, Minister of Family Services (Mrs. Oleson), not necessarily, one has to assume that they do. One has

to assume that. Mr. Speaker, might I ask how much time I have left?-(interjection)- Thank you, Mr. Speaker.

To touch on the other two quotes that are involved in there which are part of The Appropriation Act.

We had been talking, Mr. Speaker, before I was interrupted by the Members Opposite, about the Fiscal Stabilization Fund. Then that was the third quote. Seeing as how we started with the third one first, we will go to second one second.

I will re-read it for the benefit of those who may not have heard it and this was from page 4 of the original budget document tabled last spring in this House. "A new Department of Rural Development will provide a more co-ordinated and pro-active approach to economic development and diversification initiatives."

Mr. Speaker, it appears that this department has allocated a total of \$57,819,700, a significant sum. It is always easy to criticize and be critical, but one must give credit where credit is due. There are some items in here which have been moved from other departments to this department, which make good logical sense. Having put rural economic development from Industry and Trade into this department is perfectly logical. Having put the conservation districts into this department is very logical. Having put the Water Services Board into this department is a logical move, but to say that they have created a new department is stretching the truth a little bit, or exaggerating it at least.

The facts are, first of all, the term itself was first coined in Saskatchewan with the Government over there. We all know it is only the Department of Municipal Affairs renamed, so it was hardly a bright, new initiative. There is hardly any great developments happening in rural Manitoba.

As a matter of fact, when the Premier (Mr. Filmon) was in Brandon he announced his great plan of decentralization of which nothing is happening yet. He put in a few jobs in Boissevain, but other than that nothing has happened. When questioned during the Estimates process, the Minister had no answer. He said, wait and see, basically. It is not a direct quote, of course. That is basically what the answer was.

Mr. Speaker, one has to be very careful too about what we define as rural development and decentralization. Taking city people out of Winnipeg and putting them in the rural areas is not exactly a program for development for rural Manitoba. Now creating jobs to retain rural people in rural Manitoba, that would be initiative. That is exactly what the Leader of the Opposition (Mrs. Carstairs) said in Brandon. As a matter of fact that is exactly what the policy of the Liberal Party is when it comes to decentralization. Unfortunately, some of those statements are distorted by Members opposite and some of their supporters within the media.

I think that if one is to be truly interested and sincere in wanting to have development in the rural areas, there are several ways to go about it. First of all, of course, decentralizing logical departments of Government is one way. In some areas of course one will have not

much choice but to relocate people from the city to the rural areas in certain positions which require a certain amount of technical expertise or a certain amount of professional expertise. It may be necessary to even bring them from out of province at time. This happens all the time. It is not unusual.

For many of the more regular type jobs, other kinds of employment for which people may be trained, they have to go to centres outside of their home towns to get the academic or professional training that they need. They can certainly go there and come back to their home communities. Areas like rural development, like Northern Affairs, like Agriculture, it would be logical to have those departments outside of the city. I realize that the Minister, the Deputy Minister have to be in this building for obvious reasons.

Mr. Speaker, one can not rely simply on the Government to relocate departments, agencies and Crown corporations as the only way to decentralize. It cannot happen. It is one way, it is a good way, but as I mentioned already, the best way to do it is to create jobs for rural Manitobans in those areas as opposed to transplanting urbanites into rural Manitoba. It is certainly one way of helping to stem the flow from rural Manitoba to the City of Winnipeg.

One also has to attract private industry, the private sector, to rural Manitoba, not just in areas which are just a few miles from Winnipeg, but also in those areas which are more far-flung. I, not long ago, was out in my home town where I grew up as a young lad, Notre Dame de Lourdes. It is out in southwestern Manitoba. I took a ride around the many small communities.

You know, Mr. Speaker, it is sad when you drive through a little village which used to be vibrant and alive, and you see the store, the sign is hanging crooked, the paint is peeling and in some cases, worse yet, the doors are boarded up. I find it sad too that the industry that I am involved in, the hotel industry in those corners, they are closing up their doors because of the fact that there are no customers left. They are following the lead of the storekeeper, the garage keeper, you name it. They are following the lead of the many farmers who have had to move out because of the economic reality on the farm.

Unfortunately most of us are realistic enough to realize that at least in the near future, it does not look too, too bright for the agriculture economy in Manitoba. Hopefully I am dead wrong, but I think most agree that it is a reality at the present time.

\* (1620)

With some Government initiative on two fronts, one of those being relocating certain departments outside of Winnipeg and again providing incentives for private industry, the private sector, to relocate outside of Winnipeg, it can happen. We have seen it happen in the past. We have seen companies locate in Portage, in Brandon, in Morden, various ones from food processing companies to manufacturing entities to different kinds of corporations.

We have seen communities in the southeast, and I can point out to Steinbach, which is not far from where

I live, as one which has managed to attract some. I realize that not all of them will succeed. One opened up and closed up, but that happens from time to time, and it happens in the city as well as in the country. The fact is that where there is a will there is a way, and we can and must attract the private sector as well as the public sector outside of Winnipeg if we are to retain a viable economy outside of the Perimeter. Many, many people enjoy the rural way of life.

**An Honourable Member:** Some of us live there.

**Mr. Roch:** Yes, some of us live there. I am fortunate that I am one of those that live there. As the Minister of Finance (Mr. Manness) points out, just as many of the other side live there as well, and probably many more in here might be living out there too, had there not been a slow but sure migration of people from the rural areas to the urban areas. I think it is a sad fact that in the next election the City of Winnipeg will have 31 seats.

Mr. Speaker, one party can form a majority Government with City of Winnipeg seats alone. That is a sad fact. Even of those seats outside of Winnipeg, not all of them are rural. I mean, one can hardly consider Brandon a rural area. It is a small city, smaller than Winnipeg granted, but not rural. Actually Brandon East and Brandon West are two urban seats. The seat of Thompson -(interjection)- That may be. Well, again there is not one single New Democrat in the House. Oh, I am sorry, the Member for The Pas (Mr. Harapiak) is here. There is one present. Anyway, the seat of Thompson, although it looks like a big area on the map, apart from a couple of small hamlets it is basically the City of Thompson.- (interjection)- That is a gray area. One could call it northern, rural, urban, a bit of both. If you just take the southern half of the province, we will actually have 33 urban seats, 31 in the City of Winnipeg, 2 in Brandon. When we say we have 26 seats in rural Manitoba, that is an incorrect assumption. We will have 24 seats outside of Winnipeg.

**An Honourable Member:** Shame.

**Mr. Roch:** I agree with the Minister of Finance (Mr. Manness), it is a shame. It is not very long ago that the majority of the seats were from outside of Winnipeg, and that was not an unhealthy situation, because as one knows, the rest of the seats are spread all over the province with not one particular area or region having control. Now we have the very unhealthy situation of one large city potentially controlling the whole province. We have the unhealthy situation where any one political Party can win 29 seats in Winnipeg and have a majority and dictate to the rest of the province, if that Party so desires.

Mr. Speaker, I realize in our system of parliamentary democracy we do not have a choice. Therefore the alternative is to find solutions to stop the migration from rural to urban. I realize that eastern Manitoba has gained a seat in the redistribution, but the reality of the situation out there is that in my situation under the existing boundaries, and there are new boundaries, the majority of the people who live in those seats are people

who either work in Winnipeg or have businesses in Winnipeg.

The people on the farm, actually full-time involved on the farm make up approximately, based on 1986 figures, 8 percent of the population of the riding I represent under its current boundaries. I am not exactly sure of the demographics under the new boundaries, but the significance will be, not much, not much different. A far, far cry from what is a typical rural seat in the western part of the province, for example.

Then it does lead to what I have been saying as to why, despite the fact that they are working in Winnipeg out of necessity, why have those people moved out of the city into the rural areas? Two reasons, and one of them is the fact that many of those people originally come from the rural areas and have moved back out to the country because they want to live in a rural milieu, in a rural setting, but are forced out of economic necessity to work in the city.

Others are people who were raised in the city, feel there is a better quality of life in rural Manitoba, which in my humble opinion, there is, and therefore move out to the country, are willing to put up with the—I do not think it is an inconvenience, but some might feel it is, of driving to and from, you know a 45-minute drive, an hour's drive, for some people it is not that bad. I know a lot of my friends who are currently people I went to school with, grew up with, who are living in the City of Winnipeg, some of them have stayed in the city, some of them moved out, but all of them, or at least most of them all work in the city. Had they had a choice, they would still be in the areas where they grew up in or in a similar setting.

I think this is where, and unfortunately, and I certainly will not blame this Government for all of this because that would be most unfair, but I think that what often happens in our society is that once an area or an item has reached a crisis proportion we try to solve it.

The same thing is happening in North Dakota and over there as a matter of fact I might point out, we are hearing about all these 2000 committees which are happening in this province. North Dakota long ago established a North Dakota 2000 Committee where they have a real concern, where 70 percent of their economy is directly dependent on Government subsidies, whether agricultural or military. With the federal U.S. Government looking at ways to cut their deficit, the same as is happening in this country, those are two areas which are being targeted for cuts.

When it comes to Rural Development, it is very unfortunate that next year there may or may not be the money available to put into this area because of the cutbacks of the recent federal budget. Unfortunately, the federal Government has offloaded its debt to the provincial Government, which means whether they have done consultation or not is hard to say. It means that although we have these directions, the desires for rural development, it may not be possible to carry through with them.

I would like to—oh, I see my light is flashing, Mr. Speaker. I have been unable to get down to the third

quote, but let me just say that it is my sincere hope that if this Government continues to hang on to power with its support from the third Party that they will take, instead of just using rhetoric, they will provide real action, real leadership and make some real changes in the rural areas to stop the drain of our brightest and best young people from rural Manitoba to Winnipeg.

I see my time is up, Mr. Speaker. Thank you, and my colleagues, both sides of the House, for their attention.

## COMMITTEE CHANGES

**Mr. Speaker:** The Honourable Member for Inkster, with his committee changes.

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I have committee changes. I would ask the Chamber be patient, it is quite at length. First of all, to confirm the committee changes that were made last Saturday, through leave, I move, seconded by the Member for Springfield (Mr. Roch), that the composition of the Standing Committee on Industrial Relations be amended as follows: on March 2 at 2 p.m., St. James (Mr. Edwards) for Niakwa (Herold Driedger); on March 3 at 10 a.m., Radisson (Mr. Patterson) for Ellice (Ms. Gray); on March 3 at 2 p.m., St. Boniface (Mr. Gaudry) for Radisson (Mr. Patterson).

\* (1630)

Mr. Speaker, I move, seconded by the Member for Springfield (Mr. Roch), that the composition of Industrial Relations be amended as follows: Fort Garry (Mr. Laurie Evans) for St. Boniface (Mr. Gaudry).

I also move, seconded by the Member for Springfield again, that the composition of the Standing Committee on Law Amendments be amended as follows: Radisson (Mr. Patterson) for St. James (Mr. Edwards); St. Norbert (Mr. Angus) for Seven Oaks (Minenko); Sturgeon Creek (Mrs. Yeo) for Springfield (Mr. Roch).

**Mr. Speaker:** Agreed? Agreed.

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**Mr. Speaker:** The Honourable Member for Radisson. Order, please. The Honourable Minister of Northern and Native Affairs.

**Mr. Downey:** Mr. Speaker, I wonder if it is the disposition of the House to do away with Private Members' hour today and just keep debating other business of the House.

**Mr. Speaker:** Is there going to be leave? No? No leave? There is no leave. The Honourable Member for Radisson.

**Mr. Allan Patterson (Radisson):** Thank you, Mr. Speaker. It gives me pleasure to rise and set a few comments on the record concerning Bill No. 99.

Before I do so, I would like to extend to my own, and I am sure I express the feelings of all Members

of this House, my own pride and pleasure at receiving this little lapel pin that you so generously gave all of us today. It is one that I will wear with considerable honour and pride. I think I have said before, it is a wonderful privilege to be a representative in this House.

Out of the million Manitobans, there are only 57 of us that can be here. It is something which we can and I am sure we all are very proud. Although we keep most of our arguments in the House here, we are arguing about the means toward the good of the Province of Manitoba and its citizens by whatever particular lights our Parties bring to it.

So again, Mr. Speaker, I extend to you my thanks for this very, very meaningful token, which unfortunately I cannot, but I am sure other Members of the House will be able to pass on to their grandchildren.

Mr. Speaker, back early in the Estimates in Co-operative Consumer and Corporate Affairs, the Estimates of the department were discussed and questioned extensively during the process, but there were no Estimates dealing with the Workers Compensation Board. The board is more or less of an arm's length operation that is not in the Estimates of the department itself, so by some oversight, perhaps lack of experience on our part at any rate, the Minister's salary was passed before the Workers Compensation Board Estimates were considered.

At that time, the New Democratic Party appeared to be anxious to avoid the Workers Compensation Estimates and perhaps because the Member for Thompson (Mr. Ashton), their critic, was tied up at that time in the Health Estimates.

Nevertheless, there had been opportunities to discuss the board while debating Bills 46 and 56. Bill 56 of course is now going to committee. We have said much of this before, but I think it helps to be on the record particularly at this time.

There has been tremendous criticism of the board over the past many years and the problems that more or less of today or a year or two ago we cannot lay entirely at the door of the present administration. We have mentioned before, and I reiterate now, that the Government did inherit a considerable mess so to speak.

However, the Government has been in power for two years now and must start taking responsibility for any problems that are still ongoing. Nevertheless, there have been serious attempts to correct many of the difficulties and there have been many successes. Mr. Speaker, we do want to give credit where credit is due. The picture is not completely black by any means.

Now over the past year the board itself in their day-to-day operations has undergone a very, very extensive reorganization. With this there has been a great deal of effort expended on the part of the board to improve the services to Manitobans generally and of course injured workers. Just about a year ago at this time there were very lengthy delays in adjudication both at the initial level and also and more particularly at the appeal level, and particularly there was a very, very severe problem at the level of the board of commissioners, and that is at the final level of appeal.

At that time, appeals sometimes took six months or more to hear, sometimes even longer than the six months. So this of course was entirely unacceptable, both to the Government and to the other parties, but it is a problem that did need some addressing in a very serious way. So there has been, admittedly, considerable progress in this particular area, and today, the appeals to the board, that is the final level of appeal, are being scheduled within three weeks.

Also, there has been some significant improvement at the initial level of adjudication, and it is rare now that adjudication at this level takes more than 30 days. Now, there is still some backlog as to the level of the review committee, and currently, about 80 claims are waiting to go to the review committee, and approximately 15 claims per week are being reviewed. However, overall, this internal reorganization at the board has resulted in some significant improvement in service, admittedly, and a lot of this is due to the qualities and efforts of the new chief executive officer that was appointed somewhat over a year ago.

The appointment of an internal ombudsman, we think, was a forward step of the board. The ombudsman is providing a worthwhile and meaningful service to the board, generally, and to us here and any problems that we want to take up with the board.

The New Democratic Party, in its comments on Bill 56, has pointed out, and I would say there is some value to the suggestion, that the ombudsman might better have been provided for in the legislation itself rather than just an internal appointment of the board, which while it is made today can be withdrawn tomorrow, so to speak. At any rate, we do commend the appointment of this—or the creation rather—of this particular position.

Another helpful change was in the creation of what they call an advance unit, where more or less open-and-shut, clear cases of injury on the job are taken care of in a very efficient manner and in very, very short order, and without any undue delays. The introduction or the creation of multidisciplinary teams has been of considerable help. However, one problem is that on many of the major changes that were created at the board, there was not prior consultation with the interested parties, at least on many of the parties that are concerned with the injured workers.

\* (1640)

It would have been well to have had more consultation before the legislation was introduced, rather than just being advised of it after the fact, and then just leaving things to the hearings, let us say, at the committee stage or debate here in the House.

Now, while I have been acknowledging some of the creative and worthwhile efforts that have been taking place at the board, I must still point out that we still do get some complaints on the service at the board, and also the occasional type of complaint that indicates what appears some lack of courtesy on the part of board employees in treating clients. So there are still improvements to be made, and we will continue to monitor progress of affairs at the board.

One of the major changes actually implemented last year, Mr. Speaker, and really it is a change that you might say is illegal in that the Act does call for a full-time chairperson of the board. We have been without such full-time chairperson for exactly some roughly nine months or so now with the creation of what the Government has called the corporate form of organization, whereby there is a part-time, more or less outside board that is charged with the overall responsibility of the board, of course, but more particularly to guide the direction of the board and to consider and establish policy and various policy changes, not to be tied up in the day-to-day administration of the organization, as the previous board was to a very large degree.

However, this part-time board, as well as being an innovation in itself, also departs considerably from the past practice; as set out in the requirements of the current Act, the board consists of representatives of both workers and employers with the permanent and impartial chairperson. The Government has introduced the tripartite board with equal representatives, three each, representatives of the workers, representatives of the employers as before, but they have added to it what they call three representatives of the public interest. This might work, but the New Democratic Party, of course, has raised some serious concerns about it and is very much against it, this addition of the third party to make a tripartite board, the public interest along with that of the workers and the employers.

I have said before that the best definition that I have seen of the public interest is that the public interest is whatever the relevant authority at the time says it could be. Of course, in our system here in Canada, the relevant authority is the various Legislatures and Parliament in their respective jurisdictions. Given this, these public interest representatives will, of course, be appointees of whatever Government happens to be in power, whatever Party happens to form the Government. I do not find too great a fault with this, in Government appointments of this sort that are available. They obviously will be made by the Government of the Day. The key thing is that, whatever appointments of this nature are made, they be seen to be and recognized as competent individuals for whatever they might be appointed to.

While there is room for considerable concern in this type of board, Mr. Speaker, and possible, say possible but not necessarily probable, slanting of the direction of the board more towards one side than the other, I think it remains to be seen just how this will work out.

(Mr. Deputy Speaker in the Chair)

This again is something that we will go along with initially, but we will be monitoring this very, very carefully over the course of time and the near and the intermediate term to see just what effect, if any, this type of board will have on the decisions that are made and particularly that affect the welfare and treatment of injured workers.

Another problem with this type of board, Mr. Deputy Speaker, we have the three representatives of the employers, the employees or the workers and then the

public interest and then with the neutral chairperson, with a total board of ten. With this there can be quorum problems whereby the whole membership of the three from any one particular side of these three sides might be absent from a particular meeting and yet there are enough there if the others are all present for a quorum. It is possible that one side could lose representation just depending on the attendance at some particular meeting.

Again, the legislation calls for the fact that the board will meet, I believe it is ten times a year at least and may meet more, but it does not necessarily have to be in the City of Winnipeg. Again, this is a point that we commend and we certainly urge and support moves to have the meetings of the board, say once a year at least, in places like say Brandon or The Pas or Thompson, in areas where there is considerable industrial activity and where workers are being injured on the job and cases are being generated. If at any time the board does, outside of just having meetings outside of Winnipeg, decide to set up maybe a branch office in some other part of the province, this is something that we would look on with favour.

The other major change of considerable substance is that of merit rating that the board instituted during the first Session of this Legislature well over a year ago. Here again, this is something that this merit rating has an appearance of being something very, very desirable and worthwhile—you know, who can be against merit and rewarding organizations for good performance, and punishing those with poor performance. Again, this is something that might work, but it remains to be seen.

This again is something we will be monitoring very, very closely to see in fact how it does work out, because there is very little of empirical evidence to show it is a particular advantage where it has been used. While it is only speculation and therefore—because of this I would not want to say that it should not be given a chance, but the concerns the labour movement and the New Democratic Party have expressed are real concerns on this system of merit rating when they express the fear that because of this employers will attempt to have workers not report accidents in order to keep their accident record of injured workers down to the point where they at least are, let us say, paying about the average ratings or something better.

We certainly do not want to see this type of thing happening, where at the expense of injured workers or workers generally the premiums paid by any particular employer can be brought down through this system. So while it does have some possible merit to it—and we hope that it does work out and without any lack of well being to the workers, we would hope that the system does work out—that does remain to be seen and again bears very careful watching certainly on the part of the Liberal Party here.

\* (1650)

Again, and this ties in with the merit rating system, Mr. Deputy Speaker, is the fact that employers are able to challenge the decisions of the board on injured

worker cases and claims. Here again, this particular right, we might say, that has been extended to employers certainly could have an effect on this interaction—it does not have an effect on but certainly can interact with the merit-rating system in that employers might well be motivated to challenge a good many claims with the expectation that if the challenges are upheld it would have a positive effect on their claims against them and so reduce their premiums through the merit-rating system. So the interaction of these two clauses in the Act again needs to be monitored very, very carefully.

Something that has been omitted—I am sorry, I might say that there have been many omissions in the Act, and these are largely from the report and recommendations of the Legislative Review Committee, known usually as the King Committee, where a very large number of recommendations—I do not have the exact figure in front of me—if I recall, it is something in the order of about 178 recommendations, Mr. Deputy Speaker. Of these, something in the order of 100 to 165 of them were unanimous on the part of the tripartite commission. I have said this before, in addressing Workers Compensation problems, that one would be hard put to find just cause for not implementing at least all of the 160 or so unanimous recommendations of the committee. Very few of them, a relatively small percentage, out of the 165 or so have been incorporated in the current Act so we will look forward, certainly in the next Session, to seeing far more of the recommendations of the committee implemented in future legislation.

Along with the omissions of the Legislative Review Committee, Mr. Deputy Speaker, there is the case of the firefighters. Now back in the early 1960s as a result of the Turgeon Commission of the late 1950s on Workers Compensation, the board passed a regulation giving protection to firefighters for heart problems and smoke or gas inhalation problems. Now this regulation was in effect from 1976, with a few subsequent amendments, for a good many years, over 20 years, and was in force. It was challenged during the 1980s by the City of Winnipeg, and Mr. Justice Lyon and the Court of Appeal in early 1988 found that this particular regulation was not within the jurisdiction of the board itself to set out.

At no time was there any criticism of this particular regulation from the point of view of looking after injured firefighters. It was just a technical matter that it was beyond the board's power to do this through regulation. If we are going to exist, it should be in legislation. The firefighters association has been in fairly continuous contact with the Minister over the last couple of years about this matter, and we think that it is one that should be addressed in the current Bill. This is not anything new that is coming in. It is just a restoration of something that was there for over 20 years and was accepted by the various administrations of the day. In 1966, it was the year of the Roblin administration; it was not challenged during the Schreyer administration, and it was not even challenged during the administration of the Honourable Mr. Justice Lyon himself from 1977 to 1981.

Now we find at this late stage that it is something that the firefighters have lost, and they feel very, very

hard done by and I think with considerable justification in having this taken away from them. I think it would be worthwhile for this to be restored to them. It should receive very thorough and careful consideration by the Government, and it might well have been introduced with Bill 56.

Another problem with the Bill, Mr. Deputy Speaker, is in the matter of fraud. If an injured worker is found to have given a false statement or information, he or she could be subjected to some very severe monetary penalties. This is something that could have a serious effect on injured workers where they might unknowingly or without full information make some statement that is not true, but with no particular intent to make an untrue statement. We think in this matter of alleged fraud that there should be something in the particular section along the lines that some intent to give the false statement must be shown before penalties could be applied.

On some other matters, Mr. Deputy Speaker, Manitoba generally, and I guess Winnipeg more particularly, has had some very, very severe body blows economically over the last few years with the loss of a very large number of well paying, semiskilled jobs through such things as the shutdown of Canada Packers and the Ogilvie Mills and more recently the Varta Battery case. Now we do not know, there are very many variables that affect such decisions of a business organization to shut down a particular plant. Frankly, we think that in recent times many of them have been the result of the alleged Free Trade Agreement which might more justly be called the Mulroney-Reagan Trade Deal rather than the proper Free Trade Agreement. Many of the blows that Manitoba has received along these lines that I mentioned can well be as a result of the impact of the Free Trade Agreement.

However, given the fact that these things have occurred and possibly more might occur, the reaction of the Government to them has left something to be desired. In the matter of the labour adjustment, what is going to happen to these various individuals and many individuals who have lost their well paying jobs through such shutdowns? The Department of Labour certainly needs to be more pro-active in this to foresee some of these things that might be happening and have labour adjustment policies in place to take care of it more or less immediately rather than waiting to set up for each one a labour-management adjustment committee to help the workers. This whole area of getting workers relocated, trained for new jobs or retrained for new jobs, or upgraded in training for some of the skills they might have are things that should be carried out and have in place for when the event occurs.

In the education system, at the community colleges or any kind of training and retraining, we need to see that they are market-oriented, and that when any training or retraining is done it is for jobs that are out there in the labour market for individuals to fill, rather than having a lot of training but with no skills that anyone else wants to use.

Again, just in the few minutes I have till Private Members' hour, Mr. Deputy Speaker—

**An Honourable Member:** Leave.

**Mr. Patterson:** No, we must let the Private Members have their due. I would not want to infringe on the right of Private Members to have their say.- (interjection)-The Member for Transcona (Mr. Kozak), Mr. Deputy Speaker, he is like a tiger in his cage, just ready to get out there and speak on this Bill of his at one second after five o'clock. I would not want to infringe in any way on his right to speak now.

At any rate, Mr. Deputy Speaker, on the matter of decentralization, the Member for Springfield (Mr. Roch) just spoke eloquently about the problem of rural depopulation and the dying away of many of the small towns and villages, several of which will be inevitable, but something can be done for some of them. The decentralization of many Government services is a good move. The Liberal Party is not against decentralization, but we certainly have some issue to take with the Government on the way it was announced and the way it is being carried out.

Decentralization is not taking, let us say, 500 Government employees from Winnipeg and transferring them to, let us say, Morden, or Winkler, or Brandon, or spreading them around a bit. What is needed is the moving out of some Government functions to the other areas of the province, but where citizens, the workers, in those particular areas will be able to fill at least a majority of those positions, if not all of them. Very likely, some of the supervisory or management staff, initially, in such a setup will have to come from Winnipeg, but just to say to the Members of the province that Civil Service, some 500, are going to be transferred out to the rest of the province is a bit of a shock. They are all wondering, well, am I going to be one of them, and what does it mean to me? If I am close to retirement, will I want to go, or if I have children going to school in Winnipeg, will I want to go, and so on and so on.

**Mr. Deputy Speaker:** When this matter is again before the House, the Honourable Member will have two minutes remaining.

\* (1700)

### PRIVATE MEMBERS' BUSINESS

**Mr. Deputy Speaker:** The hour being 5 p.m., time for Private Members' hour -(interjection)- time for Private Members' hour, yes.

### COMMITTEE CHANGES

**Mr. Steve Ashton (Thompson):** Mr. Deputy Speaker, if I could make some committee substitutions. First of all, I move, seconded by the Member for The Pas (Mr. Harapiak) that the Industrial Relations Committee for March 3, ten o'clock be amended as follows: The Member for Flin Flon (Mr. Storie) for the Member for Thompson (Mr. Ashton), and the Member for Elmwood (Mr. Maloway) for the Member for St. Johns (Ms. Wasylycia-Leis).

I also move, seconded by the Member for The Pas (Mr. Harapiak), that the Standing Committee on Industrial Relations for March 3, 2 p.m. be amended

as follows: The Member for Churchill (Mr. Cowan) for the Member for Flin Flon (Mr. Storie), and the Member for Rupertsland (Mr. Harper) for the Member for Dauphin (Mr. Plohman).

I further move, seconded by the Member for The Pas (Mr. Harapiak), that the composition of the Standing Committee on Industrial Relations for Monday, March 5, the eight o'clock meeting be amended as follows: The Member for Thompson (Mr. Ashton) for the Member for Churchill (Mr. Cowan).

**Mr. Deputy Speaker:** Agreed? Agreed.

### PROPOSED RESOLUTIONS

#### RES. NO. 38—URBAN COMMERCIAL DISTRICTS

**Mr. Richard Kozak (Transcona):** As we enter Private Members' hour and the consideration of resolutions, I move, seconded by the Honourable Member for Fort Rouge (Mr. Carr),

WHEREAS the incorporation of urban municipalities within the Perimeter Highway into the City of Winnipeg amalgamated a legacy of prosperous regional commercial districts; and

WHEREAS the recent political and economic focus on downtown Winnipeg and the development of regional shopping centres has eroded the viability of some historic commercial districts; and

WHEREAS many regional business districts would benefit from redevelopment through the City of Winnipeg Business Improvement Zone and the Community Revitalization programs; and

WHEREAS the Business Improvement Zone Program is an excellent framework for planning business development throughout Winnipeg; and

WHEREAS the Winnipeg Core Area Initiative Program addresses the need for urban renewal and revitalization, and exceptions have already been made to the Core Area Initiative boundaries to assist renewal of other areas; and

WHEREAS the Legislative Assembly of Manitoba recognizes the need to develop business and employment opportunities.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba strongly urge the Core Area Initiative Policy Committee to encourage the establishment of local business improvement zones to assist in the revitalization of Winnipeg's regional commercial districts; and

BE IT FURTHER RESOLVED that assistance provided by the Core Area Initiative should be based on consultations with local merchant associations; and

BE IT FURTHER RESOLVED that the Clerk be directed to forward copies of this resolution to the mayor of Winnipeg and the senior federal Minister responsible for Manitoba.

**MOTION presented.**

**Mr. Deputy Speaker:** The Honourable Member for Transcona has the floor.

**Mr. Kozak:** Thank you, Mr. Deputy Speaker. I believe that the Minister of Urban Affairs (Mr. Ducharme) and the critic of the third Party are well aware of the introduction of this resolution and I look forward to their comments following completion of my remarks. On October 24, 1989, during consideration of the Urban Affairs Estimates, the Honourable Minister of Urban Affairs and I did have the benefit of an initial exchange on the proposal that I lay before the House today.

To review some of the remarks made at that time, I asked the Minister if he felt at that time, and indeed if he feels now, if there is any scope at present for provincial involvement in the City of Winnipeg Business Improvement Zone Program. The Minister did me the courtesy of pointing out that the province passed enabling legislation which made it possible for the extremely important Business Improvement Zone Program to go ahead to the benefit of neighbourhoods throughout the City of Winnipeg.

Mr. Deputy Speaker, subsequent events have made this initiative work substantially less satisfactorily than anyone in Government could have anticipated at the time of the passage of this Bill. The sad fact is that only areas presently benefitting from Core Area Initiative money have received sufficient kick-start from Core Area Initiative money to proceed in the introduction of Business Improvement Zones. Clearly, there has been a failure here in addressing the needs of our historic downtowns spread across the city. The objective of the Business Improvement Zone Program was not simply to benefit cities in the core area, but that is the way it has worked. Equally historic, equally important core areas outside of what we now call the Core Area Initiative area have in fact been blocked from receiving these funds. I allege that, in terms of the intent of those who set up the Business Improvement Program legislation, we are facing discriminatory policy directed against, unfortunately against, the other historic commercial districts in this city.

Mr. Deputy Speaker, it is patently unusual and unacceptable that a program that is available with a kick-start provided by federal, provincial and municipal money—presumably to be available to all citizens of Winnipeg—it is patently discriminatory that commercial districts one mile, two miles, or in the case of downtown Transcona, five miles from the downtown area of Winnipeg have been excluded in practice from the Business Improvement Zone Program, although no one at the time could ethically have wished that that should be the outcome.

\* (1710)

In the case of Business Improvement Zones, Mr. Deputy Speaker, that have been founded and operate within the boundaries of the Core Area Initiative, there has in fact been a provision of seed money, kick-start money, which has induced the business districts involved to participate in Business Improvement Zones which have worked out to the long-term benefit of the communities under consideration.

I see the Honourable Member for Concordia (Mr. Doer) making notes. I know he realizes that historic commercial districts in his own neighbourhood have faced a very similar exclusion, and I look forward to his comments later today. In fact, no Core Area Initiative money, no provincial money, no federal money, no municipal money, that is specifically dedicated to the purpose has been available as seed money, and there is a certain sense of merchants in historic commercial districts outside of the core area, in virtue of the fact that they are outside the boundaries of the Core Area Initiative, are treated in a different and second-class manner.

I wonder if this is a matter of concern to the Minister of Urban Affairs (Mr. Ducharme), that provincial money is being given to Business Improvement Zones strictly on the basis of location in some areas and denied to Business Improvement Zones strictly on the basis of location in other areas, only a matter of one or two miles away? Justice is an important part of the activity of this Chamber, and I suggest today that a significant injustice should be addressed today in the comments of the Minister of Urban Affairs, in the comments of a representative of the third Party in this House.

Mr. Deputy Speaker, I will not belabour this series of points. I would like, however, to suggest to the Minister that an opportunity is available to him. There is in Winnipeg's historic commercial districts a significant amount of interest in the potential of the Business Improvement Zone Program sponsored by the City of Winnipeg. There is a determination on the part of historic downtowns to survive and to rise above the decay that has beset them in recent years.

I would suggest to the Minister that providing a kick start to action of self help on the part of regional merchants in this city would be an extremely inexpensive proposition to the provincial Government with long-term benefits. Minor costs, Mr. Deputy Speaker, because the areas that have benefitted from kick starts from the Core Area Initiative have demonstrated with clarity that they are prepared to carry the ball with a bit of encouragement instead of the discrimination which neighbourhoods one, two or five miles away face today.

(Mr. Speaker in the Chair)

I would also point out that equity strongly argues in favour of this approach, and that some of the beneficiaries as we all know of Core Area Initiative money have been neighbourhoods that can hardly be called down at the heels. I would simply like today given the shortness of time to leave the Minister with my suggestion that a small, a small amount of seed money could produce tremendous goodwill and local pride in expansion and survival for historic commercial districts in this city.

I understand that I have limited time remaining. I would, however, like to report to the House that the resolution I have introduced today has the unanimous approval of the 110 members of the Downtown Transcona Merchants Association which see a decaying situation in their business district, when with a bit of a kick start they would be willing to set up a Business

Improvement Zone which would have benefits that would radiate throughout the core area of Transcona, an area that has great need for upgrading and for an incentive to increase pride in the community.

Mr. Speaker, I want my community to survive. I want other commercial districts one, two or five miles from the core area of this City of Winnipeg to survive, to meet their potential. When the City of Winnipeg was amalgamated, every reason was given to the municipalities entering amalgamation that their rights would not be trodden over, and that they would not be subjected to discrimination.

I invite the Honourable Minister of Urban Affairs (Mr. Ducharme) to travel with me to downtown Transcona. I know the Minister has seen Transcona. I would like to invite him to conduct a tour in which he and I will together analyze the severity of the problem. I am willing to go with him on a tour of downtown St. Vital, so that he could demonstrate to me the severity of the problem that is being faced.

The Minister knows full well that I am right. He knows that downtown St. Vital, which he represents, needs a kick-start to provide them with an incentive to greatly enhance the downtown district of St. Vital and engender local pride in community. Community was intended to be a major feature of amalgamation of the City of Winnipeg. The inaction by this Government, inaction by previous Governments—and I will not say that Liberals are totally blameless in the situation that has developed—threatens the destruction of the sense of community of Transcona, for example, a community in which my family takes pride in being the oldest settlers. I have great reticence, great anxiety about the deterioration of the community that my family has made its home.

My views are shared by my constituents on a unanimous basis. I ask the Minister to provide some encouragement to people who have been discriminated against. I call on this Minister to look within himself and to appeal to the best instincts within himself. I know he is capable of such introspection. I know he has provided some encouragement to my community. I ask him to make a small gesture that will not greatly impact the provincial coffers and that I know will make it possible for me as a conscientious MLA to deliver a higher quality of life in my community and to engender a higher level of local pride in my community.

There is nothing that we have debated in this Legislature that raises my dander quite as severely as the discrimination that my community has faced. I ask the Minister to address this situation, at very low cost to the provincial coffers. I ask him for an expression of good faith. The merchants will carry the ball. They just need an expression of good faith from this Minister. Thank you, Mr. Speaker.

**Mr. Gary Doer (Leader of the Second Opposition):** Mr. Speaker, I think the Member for Transcona, in his sincerity, used the word “kick-start” five times in his speech, perhaps needs a kick-start himself because the last time I looked it was the Liberal Party of Manitoba, yet when I read this resolution you would

think it is the Liberal Party of Winnipeg. Are they a provincial Party or are they a city Party? Do they look at resolutions on the basis of the province, or do they look at it just in the narrow part of their own little communities?

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**Mr. Speaker:** Order, please. The Honourable Member for Transcona, on a point of order.

**Mr. Kozak:** If the Honourable Member for Concordia (Mr. Doer) would care to submit to a question, I would like to ask him whether the urban areas—

**Mr. Speaker:** Order, please; order, please. I am sure after the Honourable Member has finished his remarks, if there is time remaining, or if Members will grant leave, at such time the Honourable Member will have an opportunity.

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**Mr. Doer:** Thank you, Mr. Speaker. I would be pleased to submit at the end of my limited time to questions, by leave of this House. I would love to answer questions, but certainly again his point of order raises the same issue, the urban centre of Winnipeg. Many people in Thompson, The Pas, Flin Flon, Portage, Brandon, Swan River, Dauphin, believe they are also urban entities in this province.

\* (1720)

Mr. Speaker, I think they should change their name, the Liberal Party of Winnipeg. Maybe the Liberal Party of the south end of Winnipeg, because that is usually where the policies are developed.

**An Honourable Member:** Well, I am sorry you do not care about Transcona, Gary.

**Mr. Doer:** I will get to Transcona in a second, Mr. Speaker. I know that the lines that were drawn in the first Core were drawn by a federal Liberal Minister, a person who brought some valuable things to Manitoba.—(interjection)—I know that the former MLA, one Wilson Parasiuk, always argued, in fact instructed us to have the old community of Transcona as part of the Core Area Agreement, and we did have it as part of the negotiations because the old part of Transcona certainly is worthy of community revitalization. There is no question that we support that.

But this resolution, Mr. Speaker, is apples and oranges and bananas.

**An Honourable Member:** And you are the banana.

**Mr. Doer:** The missing link has spoken again. Mr. Speaker, we talk about the Core Area Agreement, that is a valid issue; we talk about Business Improvements Zones, and that is a valid issue; we talk about revitalization.

Mr. Speaker, Business Improvement Zones go right across this province. The Member may not be aware

of this or not, but there is also the ability to have Business Improvement Zones in the communities outside of the City of Winnipeg under The Municipal Act. I was involved in drafting the Business Improvement Zones in the City of Winnipeg, and there is no question that the fundamental concept of a Business Improvement Zone, quite frankly, is businesses themselves getting together, developing a Business Improvement Zone and using the ability of the assessment process, the business assessment process, by a democratic vote of either the people on the rolls or the number of businesses in an area, to pool together their money and develop an improvement that will have a commercial value for their particular property and the community.

Mr. Speaker, the Member from his seat mentions that it is not working well. You know, last week there was a tremendous proposal put forward in the community of Brandon, and there is a proposal on the table from the community of Selkirk, a different form of one, because it does not have any businesses where they are proposing it. I would classify that more as a revitalization. There are community Business Improvement Zones in a number of different areas in the city, and those should go forward. We should not have a resolution in this House that says, take this to the mayor of the City of Winnipeg, ever, when we deal with the issue of the Business Improvements Zones.

So we believe that the Business Improvement Zones are a particular way in which businesses in a particular area can develop their own self-help, their own self-improvement, and their own general plan through a democratic vote. The Core Area Agreement—we believe in a third Core. We believe even in a second Core in the first Core, a place like Transcona should have been considered. We were glad to see—in fact, we had a big fight with the federal Minister even to extend the boundaries into Elmwood. We had to put it into Elmwood. The Member is absolutely correct.

Some areas that are now in the geographic area of the Core do not need as much money as some areas that are outside of the geographic areas of the Core. I will give you an example. The Osborne Village. It is a nice place to go. I bought my wife a birthday present there the other day. Maybe some of those places in the Osborne Village would be less needed and concerned, and I look at the Member for Fort Rouge (Mr. Carr) and the Member for Osborne (Mr. Alcock) just getting another press release ready, but then Transcona, they all need money. We all want to grant them all money, but I would agree with the Member for Transcona (Mr. Kozak) that in terms of need perhaps the area in Transcona, the old business area of Transcona, was more worthy than the first proposal, which was heavily supported by the federal Minister at the time, who brought a lot of value to the south end of Winnipeg, in Lloyd Axworthy.

Thirdly, Mr. Speaker, there is another way of going. We believe in revitalization programs all across this province and in needed projects. The Weston area of the City of Winnipeg is another case in point that may be outside of the City of Winnipeg Core Area Agreement, and there is Brandon, and there is Selkirk,

and there is some need obviously for Portage la Prairie, and there is some need of revitalization in many other communities in this province.

Mr. Speaker, I would have liked us to come up with a revitalization project in a resolution, not a sort of a City of Winnipeg resolution, because I think under revitalization I would support Transcona, and our Party would support Transcona, and our Party would support Weston, and our Party would support Selkirk. Therefore, we are not passing one resolution that we send to this mayor and another resolution we send to the reeve and another resolution that we send somewhere else. That is why I say, and the Member for Transcona (Mr. Kozak) is saying, they are two different things. He is right. I said before, we have got an apples and oranges and bananas resolution here. We would always negotiate northeast Winnipeg as part of our priorities in a Core Area Agreement if we were one of the partners at the table. We would not break the Core Area Agreement necessarily if we have got 99 percent of the things we wanted and did not get 1 percent we did want.

Obviously, in negotiations with three levels of Government, you do not always get some of the issues you want to get. I thought it was a nice precedent to establish Elmwood in the last agreement, because I thought that was consistent with what the Member for Transcona (Mr. Kozak) was saying, and certainly consistent with our desire to have revitalization in northeast Winnipeg, not just in the centre of Winnipeg, and revitalization of some of these areas that may be more appropriate, as I say, than the Village, although the Village is in pretty tough times now that the Tories have been elected. Now that the NDP is gone businesses are going out every day in the Osborne Village and it is really quite tragic.

We do not find any comfort from that at all in terms of the economic weaknesses of the present Government. - (interjection)- Mr. Speaker, the Member for Arthur (Mr. Downey), the holder of the torch from the Rural Municipality of Wallace is pacing the floor like a bear with a burr in his paw. I am really disappointed. I would have expected that the Member for Arthur, the person who moved the Meech Lake Accord resolution in this Chamber, would have been rising from his seat. Usually you cannot stop this man. He looks like he has a spring in his seat when somebody treats rural Manitoba differently than the City of Winnipeg.

It shows that only the New Democratic Party is willing to stand up for urban centres, for rural centres and for northern centres. The Members in Government are sitting in their plush velvet seats in this Legislature, they are getting soft and weak and they are forgetting the people who sent them here, many of them in rural Manitoba, and it is really only the New Democratic Party that is standing up for rural roots and rural Manitoba as well as northern Manitoba.

We will support revitalization and seeding of money for the people and businesses of Transcona, but we will want revitalization as we had before. There is a former Member of Municipal Affairs called Main Street Pete, very famous in this province—

**An Honourable Member:** Main Street Manitoba.

**Mr. Doer:** —Main Street Manitoba, which is a revitalization project. It should be a province-wide program and so therefore we would like to see somebody amend this resolution. Get rid of the perimeter vision, get rid of the blinders, look—you know, the Golden Boy looks to the North. I know the Liberals went on a bus tour of the North last year, but you know it would not be a bad idea.—(interjection)—I am not talking about the north end. The Member for Inkster (Mr. Lamoureux), there is more to the North than the north end of Winnipeg.—(interjection)—Every hockey game starts off at 0-0, so I would be a little careful —(interjection)— just keep your elbows up, Mr. Speaker, because I think humility is a good thing in politics and we are going to keep our humility. Let the other Members brag about the seats they are going to win. We will just keep humble because that is exactly where we are, very humble.

\* (1730)

In conclusion, we would like to see somebody amend this resolution and deal with the issues of the revitalization for all of Manitoba. Secondly, we have no problem with the Core and a third Core, also having Transcona, the old community of Transcona in it, but we believe in revitalization for the total province under Business Improvement Zones. That is consistent with The Municipal Act and it is certainly not a one dimensional issue in the City of Winnipeg.

I will just conclude my comments with those brief remarks, Mr. Speaker. I hope somebody from rural Manitoba is going to stand up and I will give leave to answer any question the Member for Transcona (Mr. Kozak) has, if I have the indulgence of the other people.

**Mr. Kozak:** Thank you, Mr. Speaker. Very recently in the House—

**Mr. Speaker:** Would there be leave of the House to allow the Honourable Member for Transcona to ask a question? There is leave.

**Mr. Kozak:** The third Party recently introduced a resolution that was aimed specifically at the Selkirk Landing Project. I wonder if the NDP feels that addressing one glaring problem is without merit, based on the fact that his own Party has done that.

**Mr. Doer:** There is nothing in the resolve that deals with the community of Transcona. There is nothing in the resolution that deals with the impasse between the federal and provincial Governments and the community of Selkirk. There is nothing in this resolution that deals with the specific case that the Member made in his speech.

Mr. Speaker, there is a complete difference between a specific resolution dealing with a specific proposal in a specific community that has specific amounts of money on the table with specific agreements, as opposed to this generic resolution of the Member that mixes apples, oranges and bananas and then only after

having a general resolution says it goes to the mayor of the City of Winnipeg.

There is no question in our mind if you are going to deal with Business Improvement Zones you deal province-wide. If you are going to deal with Transcona, do it on a specific resolution. If you are going to deal with Selkirk, deal with it on a specific resolution. If you are going to deal with revitalization for Business Improvement Zones across the province or the city and the Core Area Agreement, we think it should be across the province.

There is the need for focused debate in this Chamber on focused resolutions on focused issues and there is a need for generic resolutions. Generic resolutions should not cut out almost all the land mass in this province and almost 50 percent of the population. This is a general resolution that does not deal with the general problems in the Province of Manitoba. That is the difference.

**Hon. Gerald Ducharme (Minister of Urban Affairs):**

I always enjoy the Member for Concordia (Mr. Doer) and the Member for Transcona (Mr. Kozak) and their remarks. I do not always agree with the Member for Concordia. I always know where he is coming from and the same with the Member for Transcona. I know he did ask for someone from rural Manitoba to get up. I think the Member for Thompson (Mr. Ashton) said that he is going to get up on this one and I am looking forward to his remarks. I myself sometimes wish I did come from the rural areas, but that is the way it is, mother was, but Gerry is not.

I would like to maybe mention some of the remarks made by the Member, in not only his resolution, but in regard to his particular speech that he made today. I have to maybe mention that the Core Area can and has supported activities outside the Core Area boundaries. I think he has referred that as possible and it is not possible and the original Core Agreement was drafted that way. However, it does not say that other legislation cannot come forward addressing that situation. The Business Improvement Zones he mentions cannot be established in regional commercial areas without Core Area assistance, he is absolutely correct. I believe that the community revitalization programs are available only in the core area of Winnipeg and as discussed by the Member for Concordia (Mr. Doer) that the resolution does stipulate dealing with the City of Winnipeg only.

I do not agree that it should only stipulate the City of Winnipeg, however, because it is addressed that way, I would like to respond to the proposed resolution moved by the Honourable Member for Transcona (Mr. Kozak).

Before dealing with the specific items that he has addressed, on which action has been requested, I would like to clarify some misunderstandings that are contained in the preamble to the resolution. I agree with the statement suggesting that many Winnipeg regional business districts would benefit from redevelopment through the business community revitalization programs. They have and they will continue

to do that; they have continued to do that in downtown Edmonton where they call their area PRIDE; they have the same type of establishment as BIZ.

That is precisely why the City of Winnipeg Act was amended to permit the establishment of BIZ in any commercial area of Winnipeg including the regional business district. The business community itself and surrounding decide which is to form this particular BIZ group. The BIZ legislation enables the merchant groups like in Transcona to fund various activities and programs with monies raised through a special levy based on the merchant's business assessment. It is available to them. I know there are areas close to Corydon Avenue that now are suggesting it, there are areas now come forward just recently in St. Vital that are looking forward to it, as well as the people in Transcona. My understanding is that the city staff are currently working with these groups, especially the Transcona business community, to explore the feasibility of establishing a BIZ in that particular area that he is mentioning.

I would also like to mention that the Transcona area received a total of \$1 million recently in provincial funding as part of a \$2 million project under what we call the MWCRP, which is the Manitoba Winnipeg Community Revitalization Program. The city provides under that program 50 percent of the costs. This same program allows funding for commercial revitalization. The Residents' Committee has the option to recommend the allocation of funds to enhance the commercial areas in Transcona. So there is an area that they can use to establish that particular program.

Mr. Speaker, I would like to correct the statement made by the Honourable Member for Transcona (Mr. Kozak) that exceptions have been made to the boundaries of the Core Initiative Program. There have been no exceptions with respect to funding outside the Core Initiative boundaries except the one on Corydon Avenue just recently. That was at a request of this Minister because that one had come forward just recently, it had been brought forward and I supported that. I felt as he has in his area, the Corydon people came forward with a program along with the city and they needed some additional funding so that was established through the Core Area program.

Mr. Speaker, there are also some requested actions that were contained in the Member's statements. Item 1 request that this Assembly urge the Core Area policy committee to encourage establishment of BIZ, which has already been done. I can support that resolution as it relates to the areas within the Core boundaries. The Core does not extend, as I mentioned, outside these boundaries.

I am not saying that in the next quarter or whenever you come up with other programs that these monies will not be available to Transcona. We are told to discuss the renewal of the Core up to the end of December of the \$100 million left there. There has been spent approximately only \$48 million, so you can appreciate not that all the monies have not been asked for in different programs, but not all the monies have been expended. Later on in the Core, maybe some monies will be available that are not allocated to different areas.

However, I must state though that the Core program has played a key role in the successful development of BIZ in Winnipeg. In 1986, Core initiated and funded the \$53,000 task force that I am sure through that task force will benefit the other areas when they come forward. I know they learnt a lot through that concept plan that was put forward in Winnipeg. I know the other areas that have come forward will benefit through that and I know Transcona as well as St. Vital as well as other areas will come forward and benefit as a result of that particular concept that came through from the Core Area.

Mr. Speaker, Urban Affairs, my department, and this Minister is very supportive of the BIZ concept. Amendments were made to the City of Winnipeg Act, back with the previous administration in 1987. I would invite the Member from Transcona (Mr. Kozak) to maybe even sit down with my Urban Affairs Department. They would be willing to brief him. We have one gentleman who is looking after most of the BIZ. He will not only brief him, he would explain to them where they have been with the Transcona—glad to work with him so that, if some monies do fall through somewhere along the line, whether it is the second Core or the third Core, that he would be ready to jump the same as the Corydon people did, and we are willing to look at that.

In 1987 the Task Force received a further \$40,000 from the Core to implement their plan. This is in the creation of what we know now as the Exchange District BIZ. Under the core neighbourhood Main Street's and Small Business Assistance Program, support is provided to encourage the development of self-financing mechanism such as BIZ.

Mr. Speaker, I think we all look through and we understand that almost all the local business associations are looking at this, the same as Transcona. They are looking at it as a solution to the long-term development of these areas. I know there are many areas along the Osborne and Osborne Village Merchants Association, they have already petitioned the city for BIZ status. I know they had some problems with one commercial car lot area that has decided they do not want to participate, so they have gone around that particular area so that they could put in this particular program in that area. A good program, and I support that type of program. I wish the people on Osborne good luck with that program and getting it together, and I am sure that you will see that will be a very, very vital program.

As indicated earlier, BIZ is available as a revitalization mechanism to these very, very important commercial districts in part of Winnipeg, and I guess I will maybe get off that. I have always been a believer in the downtown area and revitalization in that area. However, I have been brought up in an area in St. Vital where—and as a merchant who wants to look at it maybe a little selfishly, I have been a merchant on an area on St. Mary's Road and do suffer as a result of the large commercial shopping centres that have been put forward, cannot afford that type of rent that you have to establish in those areas in the type of business that my family has been involved in the last 31 years.

We again, very, very high as a Minister, are very, very concerned about the areas that you talk about. I happen

to be in a particular area like that. Those particular areas, it allows the entrepreneur, or the small entrepreneur, or the family mom and pop store to establish in those particular areas which makes it very, very important.

I know that they do not cater to the mom and pop in the big regionals. If you go to the big regionals they will tell you that we would like leases available to national companies only, because you know as well as I do that if they want to move out of North of Portage or they want to move out of Polo Park, or if they want to move out of St. Vital, they will say to them, oh yes, you can move out of there, but do not ask us maybe to renew your lease in that other particular regional mall. Some of us do not have that type of cash to do that.

In reference to the third requested item, in view of clarification I have tried to provide to the Member, perhaps the Member for Transcona (Mr. Kozak) may wish to reconsider the resolution.

In summary, Mr. Speaker, I would like to conclude that I can support the resolution as it relates to the areas within the Core, and as the monies become available as we know the Core today before we get into a renewal of, we keep calling it third Core, whatever it is called, I am a firm believer in the BIZ program. I was very, very happy to see the Member come forward from Concordia when he was Minister to bring forward the BIZ. I have no problems in supporting that type of program that you are considering bringing forward. However, I do have my problems at this particular time picking out one particular area.

I would suggest to the Member that he maybe take some of my advice, ask the Urban Affairs to sit down with him. We are willing to brief with him, and if he wants to bring in his merchants in the area who already have been briefed, and sit down with them, and relate the same as they did on Corydon Avenue. I know that it was discussed by the Member for Concordia (Mr. Doer) the rural areas that he has brought forward, and that is the way he is suggesting that these particular solutions be resolved, but not to make it under one particular area and suggest that Transcona be in a resolution.

I am sure that when you discuss the Core Area Agreement too, then I am sure that the Member for Transcona at the time, who was probably a very major person in the Cabinet of the previous administration, who probably had one of the strongest voices that you probably could have had at the bargaining table dealing with Core, and I am sure I can just hear the discussions he had with the previous Honourable Minister of Urban Affairs, saying I would like to have Core Area to extend it to Transcona.

**Mr. Speaker:** The Honourable Member for Transcona, on a point of order.

**Mr. Kozak:** Yes, the Honourable Minister and I are certainly not on entirely different wavelengths and I wonder if he would submit to a question for clarification.

**Mr. Ducharme:** If time allows, Mr. Speaker, and I have leave.

Mr. Speaker, the Member appears to believe, and I keep harping back, and I must emphasize, that this Minister in Urban Affairs has been very supportive. This type of activity, I must mention again, is the very long-term viability of the 10 targeted—remember there are 10 targeted business districts—is a priority under the program, 10 Program authorization, and thus has a clear endorsement of the policy committee.

So I believe that at the present time the BIZ concept is available. I know he says that they need kick-start money. I must say to the Member that I think there are a lot of groups out there would like kick-start money because that is the whole idea of the Core. The whole idea of the Core was not to establish areas completely; it was exactly that, it was to use that seed money to get these areas going.

We have another one. We have Main Street. We have Main Street that would require millions and millions of dollars that require some type of kick-start arrangement for them to extend at least a little while longer with a \$60,000 grant from the Core just recently to try to get them to look at that area again and come up with solutions to the problems and not necessarily monetary. There have to be other solutions. There are the social problems that we have in the area, and they have done a pretty reasonable job now.

I had a hard time with the large model that they presented to us. I do not know whether the Member saw that model of Main Street. I guess you have to start with a dream, but it is quite an expensive dream that they do have there. I have to congratulate them for their work, but however this is where it all starts, and this is where the Member for Transcona (Mr. Kozak) and his people can start from and get into touch with—

**Mr. Speaker:** Order, please. The Honourable Minister's time has expired.

**Mr. Kozak:** By leave, Mr. Speaker, if I might—

**Mr. Speaker:** Is there leave of the House to allow the Honourable Member for Transcona an opportunity to ask a question? Agreed. The Honourable Member for Transcona.

**Mr. Kozak:** Mr. Speaker, as I have pointed out, the Minister and I do not seem worlds apart in the wavelength on which we operate on this matter. I wonder if I might ask him if he intends to raise the question of the boundaries of the Core Area Initiative in the next round of negotiations in a way that perhaps might benefit some of our historic downtowns outside of the present boundaries.

**Mr. Ducharme:** To the Member across the way, the boundaries will be discussed. First of all, I was the one at the last meeting of the policy that suggested that whatever you call it, third Core or whatever, tripartite agreements, I was the Minister that asked for it to be on the agenda. We discussed it with the other two policyholders, and my staff is now going through the process of re-examining the Core. I have asked them to come up with the assessment of the second Core

and also, in that, realizing that we are really only at half expenditure of those monies. I know a lot of monies are ready to be expended, however some of them will probably not be. Unless we spend the monies within that agreement time, those monies are lost, so we will be very cautious of that. I will take that message to them in regard to the boundaries.

\* (1750)

**Mr. James Carr (Fort Rouge):** I would like to begin by congratulating my colleague, the Member for Transcona (Mr. Kozak), who has used Private Members' hour the way Private Members' hour is intended to be used, and that is to promote the interests of your constituents in order to raise awareness among all Members of the House about issues which are important to your constituents. My hat goes off to my colleague, the Member for Transcona, who has spoken with sincerity, commitment and conviction of the interests that are on the minds of the people whom he has been elected to represent.

Mr. Speaker, this is the only opportunity that Private Members have to bring forward either legislation or resolutions which reflect the particular interests of those people who elected them. In his eloquent and erudite speech the Member for Transcona has brought forward to other Members of the House the interests of those people.

Mr. Speaker, we all know that Transcona is a very special place. We do not know as deeply and as profoundly about how special that place is as the Member of the Legislature for Transcona knows, because not only is he charged with the responsibility of representing these people, but as he himself has said, his is one of the oldest families who had settled Transcona. I would have to consult my colleague to know just how many years that goes back—80 years in the community of Transcona. It is with great pride, I am sure, that he stands in this Chamber to promote the interests of the good people of Transcona where his family has resided for more than 80 years, so that for those of us who do not have opportunity enough to visit Transcona to realize that the community has tremendous historical and commercial value.

Now, beyond that, Mr. Speaker, the Transcona Business Association, to a man and a woman, has seen fit to support this resolution, and the Honourable Member for Transcona (Mr. Kozak) says that 110 members of the Transcona Business Association have said that this resolution speaks for them and is in their interests. My honourable colleague, the Member for Transcona, has seen fit to bring that resolution to the floor of the Chamber, and I congratulate him for it.

The BIZ concept has worked very well in other parts of Winnipeg. The Business Improvement Zone is a unique opportunity for businesspeople within a particular district to combine, on their own behalf, in order to improve the commercial environment in their own communities. We have seen that happen in the Exchange District, downtown Winnipeg. We see it now developing in the Osborne Village area and on Corydon Avenue. The reason that these businesspeople combine

is that they know that together they are more powerful than they would be separately, and they look for ways of advancing their collective interest so that not only can they flourish as businesspeople within their communities, but that the community itself can benefit from the actions that the collective takes.

So we already know that the concept of the Business Improvement Zone has worked elsewhere—not only in Winnipeg but in other jurisdictions—but also it has a way of bringing people together, bringing entrepreneurs together, the community and neighbourhoods together, for the sake of all the people. What the Member for Transcona brings forward in the Legislature today is that he wants the same benefits for his own community that have been so visible elsewhere in our community and outside of our community. We can only congratulate him for recognizing something that works and for wanting it to work in his community for the benefit of the people he represents.

He talks in his very excellent speech, Mr. Speaker, about fairness and justice. He says, why is it good for one section of the City of Winnipeg, but not good for another? He is not debating the merits or worth of the program itself; he acknowledges the merit of it. That is why he wants the same advantages for the people whom he represents. The Member for Concordia (Mr. Doer) knows very well that the Member for Transcona (Mr. Kozak) is promoting the interests of people in like circumstance to the one that he is promoting for the people whom he represents. It is a responsible and intelligent thing to do, and we think that it is only because the BIZ has been successful that the Member for Transcona wants it to apply to his community.

If it were an unsuccessful concept or a project that had not worked elsewhere, would the Member for Transcona be advocating it for his constituents? It is only because it is a tool, a tool by the way that hangs its hat on private-sector and public-sector co-operation. It is a system, a concept that requires the Government and the business community to work together for the advancement of the community of the neighbourhood that they both want to see advanced.

**An Honourable Member:** Okay, I am convinced.

**Mr. Carr:** Well, Mr. Speaker, the Member for Concordia (Mr. Doer) says he is convinced. I had not anticipated that my words would be quite so persuasive, but we will take what we can get in this Chamber. I thank the Member for Concordia for his support.

The Minister of Urban Affairs (Mr. Ducharme) talks about the renewal of the Core Area Initiative. That is a subject that is very important to us on this side of the House, not only because it carries with it the potential of looking again at the boundaries of the Core, talking about the priorities which are important to us on north Main Street, in Transcona and in other cities. We frankly are very disappointed at the speed with which analysis of Core II is proceeding. We already have evidence, or at least a hint of evidence, that the federal Government has no interest whatsoever in putting forward new funds for the renewal of the Core Area Agreement.

Without any commitment at all from the federal Government, what this Government intends to do when Core II expires on the 31st of March 1991 is of incredible importance, because without a renewed commitment from this Government all of the programs that have been established by the Core Area including the concept of the BIZ could be allowed to die. We cannot in this community now afford Governments to retrench from their commitment to urban revitalization. We need Governments to say we are going to redouble our efforts and focus our energies on giving life to those areas in Winnipeg that we believe need revitalization.

The Minister of Urban Affairs (Mr. Ducharme) has not yet told us what process he intends to follow in evaluating the Core Area Initiative Project. We know that the clock is ticking and the deadline is approaching ever more quickly, but we do not have any policy from this Government on what to do at the end of Core.

The Minister has not told us if there is going to be public evaluation of the Core programs. He has not announced a schedule or a time table that will allow those who have benefited from the Core to organize and to tell Government and use their experience to enlighten all of us as to the programs that worked and those that did not. When we hear the Minister in the House today in response to this forward looking resolution from my colleague, the Member for Transcona (Mr. Kozak), we are at least somewhat encouraged that he intends to evaluate the Core, to bring some recommendations to his Cabinet colleagues

as to what might replace the Core. We believe that he will share the wisdom that is being put forward today by the Member for Transcona and realize that the historic and very special business community of Transcona is worthy of the same kind of fairness, the same kind of justice, the same kind of treatment that was given other areas of the city when the Core Area Initiative was initially planned.

We believe that the Minister of Urban Affairs (Mr. Ducharme) and the Member for Concordia (Mr. Doer) will realize that it is this vibrant community of business people and entrepreneurs in Transcona who are reaching out to Government and saying by that reaching out that they want to help themselves and that the encouragement that they would be given through a gesture of Government is all they need to combine together to make Transcona yet a more beautiful, more vibrant community than it already is.

In conclusion, Mr. Speaker, let me again thank my colleague, the Member for Transcona (Mr. Kozak) for this impressive and forward looking resolution.

**Mr. Speaker:** I am interrupting the proceedings according to the Rules. When this motion is again before the House, the Honourable Member will have five minutes remaining.

The hour being 6 p.m., I am leaving the Chair and will return at 8 p.m.