

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, November 30, 1989.

The House met at 10 a.m.

PRAYERS

ROUTINE PROCEEDINGS

MINISTERIAL STATEMENTS

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, it gives me great pleasure to announce today the 34th Annual National Safe Driving Week from December 1 to December 7.

More than 4,000 people die each year on Canadian roads and thousands are injured. Motor vehicle collisions are one of the most serious social problems in today's society. That is why I take this opportunity to announce, along with the Canada Safety Council, that December 1 through the 7th will be Safe Driving Week in Manitoba and across Canada in order to make Manitobans more aware of the issues and more conscious of their behaviour on the road. Eighty-five percent of traffic accidents result from human error, excessive speed, failure to yield and driver carelessness. Most collisions could be avoided if drivers practised courteous, responsible driving behaviour.

The theme of this year's Safe Driving Week campaign is "Courtesy Is." There are many things that we as individuals can do to make the roads safer for everyone: using seatbelts and daytime running lights, not driving when impaired by alcohol or medication, respecting the rights of others, communicating with other road users by signalling your intention well in advance, keeping a safe distance between your vehicle and others on the road, and spending as little time as possible in another driver's blind spot.

Cellular phones are an increasing on-the-road phenomenon. They are useful not only in reporting accidents and the status of traffic during rush hour, but are also a valuable tool for motorists and business. The Canadian Safety Council has prepared safe driving guidelines for cellular phone users. In 1986 more than 70 percent of young people between the ages of 16 and 24 years, who have driver licences, made up about 18 percent of the total licensed population in Canada. However, 30 percent of all drivers involved and 38 percent of the people killed or injured in motor vehicle accidents were aged 16 to 24.

The fatality risk per capita for young drivers is about two and a half times greater than that of all age groups combined. These statistics indicate that more preventative measures are required for this age group. As in the past, all municipalities with a population of 40,000 or more in which there are no fatalities during Safe Driving Week will receive a certificate of recognition signed by the Governor General. Let us not forget Safe Driving Week, December 1 to 7, and to drive just as safely and consciously for the other 51 weeks of the year. Thank you.

* (1005)

Mr. Ed Mandrake (Assiniboia): We on this side of the House applaud the Minister for his initiative on Safe Driving Week. I appreciate the Minister tabling this on our behalf, but November 30, I was hoping that we would have seen some form of educational process through the media or something of that nature which would identify some of the critical areas which the Minister has identified.

One of the things that in my travels I certainly have noticed is that there is an increasing amount of problems when it comes to the safe distance between your vehicle and another vehicle. People are - (interjection)-

Mr. Speaker: Order, please.

Mr. Mandrake: People are constantly cutting you off, and I think this has to be foremost in the Minister's eyes to address because this is where the accidents occur. He identifies it, 85 percent of traffic accidents result from human error, and I completely agree. I would hope that the Minister would take on a media campaign to notify all Manitobans that this is Safe Driving Week and to be a little bit more cautious, particularly during this time.

Mr. Jerry Storie (Flin Flon): My colleague from Assiniboia is much too kind. This is an announcement. There are no initiatives in this particular announcement. It is a recognition that this is Safe Driving Week, December 1 to December 7, and I want to as well acknowledge the fact that this Legislature and the Minister of Highways and Transportation (Albert Driedger) have been instrumental in improving the safety on our roads by increasing the penalties for drunk drivers, for making it more difficult and more onerous for those who drive while impaired, and that is certainly an important initiative undertaken by the Legislature.

The fact of the matter is, and there may be some degree of hypocrisy in this, that many Members on that side did not support the seat belt and helmet legislation that was first introduced by the previous Government. In fact they were vociferous opponents of it. So we have the Minister now touting the fact that we have to use our seat belts in the province, but of course they opposed it, and wrongly so. Perhaps they have come to their senses.

Safe driving of course also begins with our young people, and the Minister has noted that the traffic fatalities, that accidents predominate in that particular age group of 16 to 24 years. The previous Government also introduced a better driving education program, expanded the Driver Education Program. I would have liked to have seen today the Minister announcing some new initiatives to ensure that all Manitobans, from the age of fifteen and a half or 16 on, have access to driver

education programs. That is where courtesy begins, that is where an understanding of the dangers of unsafe driving practices begins.

I would ask the Minister to go beyond a simple public relations exercise of announcing Safe Driving Week and announce some initiatives to improve the safe driving habits of Manitobans. Thank you, Mr. Speaker.

* (1010)

TABLING OF REPORTS

Hon. James Downey (Minister of Northern and Native Affairs): I am pleased to table Supplementary Information for Legislative Review for the Northern Affairs Department. I hope the Members find it most helpful.

INTRODUCTION OF GUESTS

Mr. Speaker: Prior to Oral Questions may I direct Honourable Members' attention to the gallery where we have from the Elwick Community School, fifty Grade 5 students. They are under the direction of Barb McLeod. This school is located in the constituency of the Honourable Member for Kildonan (Mr. Cheema).

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

ORAL QUESTION PERIOD

Rafferty-Alameda Dam Project Legal Intervention

Mrs. Sharon Carstairs (Leader of the Opposition): Yesterday, Mr. Speaker, the federal Court of Appeal began to hear an appeal by the Canadian Wildlife Federation in order to overrule the federal Environment Minister and order a full and independent inquiry of the Rafferty-Alameda dam. Evidence put forward by the Wildlife Federation suggests that the federal Minister may have again violated his own guidelines.

Regrettably, this Government once again has failed to stand up for Manitoba by not intervening in the court challenge. Everyone at yesterday's hearings were asking "Where was Manitoba?" including the judge.

Can the Minister of Justice (Mr. McCrae) tell the House today why this Government has refused to do what it is mandated to do, and that is to speak up on behalf of the people of this province?

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, I would like to indicate, first of all, that the Minister of Natural Resources (Mr. Enns) has to play a very vital part in looking after the concerns of Manitobans, especially with the Rafferty-Alameda dam.

As for the details that the Leader of the Opposition (Mrs. Carstairs) is asking, I will take those questions as notice for the Minister of Natural Resources.

Rafferty-Alameda Dam Project Legal Intervention

Mrs. Sharon Carstairs (Leader of the Opposition): The question is to the Minister of Justice (Mr. McCrae), who is supposed to represent this province before the courts of this province and of the nation.

A full inquiry is the only way for this province to know what environmental implications there will be with respect to Manitoba. Why is this Minister not taking advantage of a court challenge in order to represent Manitoba's position?

* (1015)

Hon. James Downey (Minister of Northern and Native Affairs): Let me make it very clear as far as the Government is concerned. The people of Manitoba know very clearly where we stand and what we stand for in this province. We will continue to put forward the concerns of the people of Manitoba in a very responsible way so that Manitoba can, in fact, go ahead and benefit from the opportunities of the nation. When it comes to deterrence and difficulties, we will be there even more strongly as it comes to protecting our environment.

Rafferty-Alameda Dam Project Legal Intervention

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, the third question is to the Minister of Justice (Mr. McCrae). Is it not in this Government's mandate to stand before the courts of this land and plead Manitoba's position? Why has this Minister refused, via his non-appearance in court today, to represent Manitoba's position?

Hon. Albert Driedger (Minister of Highways and Transportation): I have difficulty trying to establish the questions that the Leader of the Opposition is asking of the Minister of Justice.

This issue has been before this House many, many times. The question has been raised as an environmental study in making sure that Manitobans have their views represented properly. This has been done on many occasions. The Minister of Natural Resources (Mr. Enns) has played a very vital part in this, as well as the Members that are in the area there. We know we are doing what the people of Manitoba expect from us and will continue to do so.

Mrs. Carstairs: Mr. Speaker, the Minister better think again if he thinks he is adequately representing Manitobans on this issue.

Repap Manitoba Inc. Swan River Project Guarantee

Mrs. Sharon Carstairs (Leader of the Opposition): With perhaps an answer this time, my question is to the Finance Minister (Mr. Manness). Last evening, Mr. Speaker, I met with residents of the Swan River valley

Thursday, November 30, 1989

in the Town of Swan River, and they raised with me major concerns about their economic development. They know they lost out on a waferboard plant because of a decision of this Government, and now they are becoming increasingly concerned about the chipping plant which was supposed to be part of the Repap deal. That project was supposed to begin on December 31. There is no action at the present time in the Town of Swan River. Can the Minister of Finance tell us when the work will commence on this chipping plant?

Hon. Clayton Manness (Minister of Finance): I am absolutely delighted that after the Leader's faux pas last week with respect to decentralization, she has had the courage to go back into rural Manitoba.

Some Honourable Members: Oh, oh!

Mr. Manness: I am very encouraged that the Member has seen fit to visit Swan River.- (interjection)-

Mr. Speaker: Order, please; order, please. The Honourable Minister of Finance.

* (1020)

Mr. Manness: Firstly, I think we should make it well known that part of the problem we had when we were negotiating with the divestiture of Manfor and part of the difficulty we have today with respect to some of the concerns that are being expressed, as to Repap taking longer than otherwise we would wish, could be laid at the feet of the Liberal Party because of course they have been against Repap from Day One. They have been against the deal from Day One, and they are against the whole development, the economic development, of the forest in the northwest part of this province.

Mr. Speaker, let me indicate with respect to the chipping board facility, as of today it is fully expected that Repap will honour the agreement as laid before us.

Mrs. Carstairs: Is the Minister telling this House, in the clearest possible terms, that the contract which says December 31 will be honoured and construction will begin on December 31?

Mr. Manness: As of today Repap is within the full part of the agreement. They are not outside of the agreement whatsoever. I am dialoguing with Repap. Of course, they have acknowledged their responsibility under this section dealing with the chipping plant in Swan River, and I have indicated to them that I will expect them to honour their agreement.

Mrs. Carstairs: What written or oral guarantees does this Minister have that December 31 is the starting date of the construction of this plant?

Mr. Manness: I have a written contract signed by the principal, George Petty, of Repap.

Rafferty-Alameda Dam Project Construction Suspension

Mr. Harry Harapiak (The Pas): Mr. Speaker, it has already been mentioned that yesterday in the federal courts in Winnipeg, the Canadian Wildlife Federation and others are challenging the validity of the federal licence at Rafferty-Alameda. They claim that the provisional licence, with its 20 provisions, does not meet the federal responsibilities under the Federal Environmental Assessment Review office. Will the Acting First Minister call on the Saskatchewan Government to stop construction while this federal court is hearing this very important case?

Hon. James Downey (Minister of Northern and Native Affairs): I thank the Member for that question. I will take it as notice for the Premier (Mr. Filmon) and for the Minister of Environment (Mr. Cummings) as it deals with that matter.- (interjection)-

Mr. Speaker: Order. Order, please.

Licence Suspension

Mr. Harry Harapiak (The Pas): Mr. Speaker, at the public meetings held at Souris, the Minister of Environment (Mr. Cummings) at that time admitted there were shortcomings in the information that was available dealing with the environmental requirements for that project, and they called for a full environmental hearing at that time.

Now that the Canadian Wildlife Federation and others are in the courts opposing this, I am wondering if the Acting First Minister would call on the federal Environment Minister to pull that licence until such time as the court proceedings are completed.

Hon. James Downey (Minister of Northern and Native Affairs): Mr. Speaker, let me make it very clear that there is no one more committed to protecting the environment in Manitoba than our Premier (Mr. Filmon) and our Minister of Environment (Mr. Cummings). They are extremely committed to the environment, in fact are involved in environmental activities today.

I will bring this to the attention of the Premier and to the Minister of Environment for their attention so they can respond directly to the Member.- (interjection)-

Mr. Speaker: Order, please.

* (1025)

Ducks Unlimited Canada Corporate Headquarters

Mr. Harry Harapiak (The Pas): Mr. Speaker, my question is to the Acting Minister of Natural Resources. Yesterday, we learned that Ducks Unlimited is negotiating with both the federal and provincial Governments in order to build a conservation centre and a corporate headquarters in ecologically sensitive Oak Hammock Marsh.

Thursday, November 30, 1989

I ask the Acting Minister of Natural Resources, can the Minister tell the House why this department would enter into negotiations to construct a \$6.5 million corporate headquarters at Oak Hammock Marsh, when a project of this type would have disastrous repercussions for the ecologically sensitive area?

Hon. James Downey (Minister of Northern and Native Affairs): Let me assure the Member and all Members of this House, before any activities are taking place, a full environmental impact assessment will be made of the project.

Mr. Harapiak: The Department of Natural Resources should be in the business of preserving our province's natural beauty not constructing offices in this marshland. Will the Minister suspend the negotiations that are presently going on with Ducks Unlimited?

Mr. Downey: Mr. Speaker, as I understand it Oak Hammock Marsh, to begin with, was basically developed by human beings. That development that is currently there has been developed by the human element of our society. Let me speak -(interjection)-

Mr. Speaker: Order, please.

Mr. Downey: The Oak Hammock, the whole activities that relates to wildlife has been a development, and again I will put -(interjection)-

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

Mr. Downey: If I could get over the quacking of—

Some Honourable Members: Oh, oh!

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

Mr. Downey: Mr. Speaker, let me assure the Member again that before anything is done, a full assessment of the activities will be undertaken.

Crime Prevention Programs Government Agenda

Mr. Paul Edwards (St. James): My question is for the Minister of Justice (Mr. McCrae), and I truly hope he will answer it. Today is the last day of Crime Prevention Month 1989, and unfortunately it is déjà vu. Like Crime Prevention Month 1988, this Minister has started the month full of rhetoric and no action has followed at all, not a whisper of an agenda.

The Minister came into Crime Prevention Month 1989 having declined to attend an international conference of legislators, or even send an alternate, and he appears to now be ending the month on the same note.

Does he not understand that crime prevention is the way of the future? Does he not think it is important for him to show leadership on the issue? When is he going to give some meaning to his rhetoric and make crime prevention a priority of this Government?

Hon. James McCrae (Minister of Justice and Attorney General): I am pleased, Mr. Speaker, that the Honourable Member should raise the question today.

The night before last I attended a ceremony in Brandon, a city which lies outside the Perimeter Highway. I know the Honourable Member and his Leader do not know very much about those things. I was there -(interjection)- well, Honourable Members question that. I look at the Neepawa Press, it says here "Carstairs has case of perimeter vision."

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. Order. I would like to remind the Honourable Minister that answers should be as brief as possible, should deal with the matter raised and should not provoke debate. The Honourable Minister of Justice.

Mr. McCrae: Dealing with the matter raised, Mr. Speaker, the night before last, I had the pleasure of attending and shaking hands with a number of people in the City of Brandon. The Brandon City Police invited me to be there, because they know of the interest of this Government in crime prevention measures and the excellent work done by people in our communities.

The Honourable Member for Osborne (Mr. Alcock) knows all about this. I suggest the Honourable Member for St. James (Mr. Edwards) spend a little time with the Member for Osborne and find out the valuable work being done in crime prevention by volunteers in our society, not only in Winnipeg, but all over this province.

In addition, the Honourable Member's faint-hearted support for impaired driving and suspended driving countermeasures is not very encouraging, but I am telling you that will go a long way to preventing crime too.

* (1030)

Victim Assistance Program Funding Delays

Mr. Paul Edwards (St. James): Mr. Speaker, the only decision this Minister has made in the area of crime prevention in his tenure is not to divert funds from victims, an obvious decision that took him 15 months to make.

I am glad that the Minister raised "outside of the Perimeter Highway in this province" because the fact is volunteer victims groups all over this province have been starved out by this Government.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please. The Honourable Member for St. James, with his question.

Mr. Edwards: Will the Minister convince his Treasury Board colleagues to lift the ban on funds out of the Victims Assistance Funds to victims in this province.

a fund which belongs legally to victims not to this Government—

Mr. Speaker: Order, please. The question has been put. The Honourable Minister of Justice.

Hon. James McCrae (Minister of Justice and Attorney General): I recall just a moment ago, Mr. Speaker, your reminding me that my answers should not provoke debate. The only thing I might suggest to the Honourable Member for St. James (Mr. Edwards) is that he bear in mind the Rule of the House, that questions ought not to be provoking debate but ought to be seeking information.- (interjection)-

The Honourable Members do not want to hear my answer, if they do perhaps they will sit quietly in their seats and listen.

The fact is, I will not take the advice of the Honourable Member for St. James (Mr. Edwards). I care enough about victims in this province, and this Government cares enough about the victims in this province to use finite resources carefully so that we can get the maximum benefit for victims.

Numerous grants have been and will be made out of the Victims Assistance Fund, but grant requests of multiyear dimension are being looked at in the context of a needs analysis study that is presently under way. When that study is completed, I will be in a far better position, Mr. Speaker, to deal with those grant requests, but the chequebook mentality of Members of the official Opposition is unacceptable to Manitobans, unacceptable to victims and unacceptable to me.

Mr. Edwards: Let us talk about the needs analysis, the needs analysis which is being done. The victims groups have said—

POINT OF ORDER

Mr. Speaker: Order. The Honourable Deputy House Leader.

Hon. James Downey (Deputy Government House Leader): Mr. Speaker, the Member is clearly out of order. By his own admission he said, "Let us talk about . . ." In supplementary, Mr. Speaker, it is a question, not "let us talk about."

Mr. Speaker: The Honourable Opposition House Leader, on the same point of order.

Mr. Reg Alcock (Opposition House Leader): Mr. Speaker, on the same point of order, I think perhaps if we got some responses from the Minister of Justice (Mr. McCrae), we would be able to go on with Question Period.

Mr. Speaker: The Honourable Member does not have a point of order.

On the point of order raised by the Honourable Acting Government House Leader, he is quite correct. This is not a time for debate, this is Question Period.

Mr. Speaker: The Honourable Member for St. James, kindly put his question now, please.

Mr. Edwards: Mr. Speaker, when will this Government be lifting the ban on funds which belong to victims, not general revenue funds, funds which belong to victims and are gained through a surtax on fines in this province? When will they lift that ban given that the victims themselves, the victims groups, and the victims assistance committee have said that they want funding to go for one year at a time while the needs assessment is done, not funding to be cut off arbitrarily which this Government has done?

Mr. McCrae: There is no ban. The Honourable Member is wrong again, Mr. Speaker.

Mr. Edwards: Mr. Speaker, well, let the facts speak for themselves. Not a penny has been paid out.

Lawyers Association Secretary of State Funding

Mr. Speaker: The Honourable Member for St. James, with a new question.

Mr. Paul Edwards (St. James): On a new question, the Association de Juristes d'expression française du Manitoba, the French-speaking lawyers association in this province, by correspondence of December 23, 1988, asked the Minister to add his voice in support of getting funds from the Secretary of State. By correspondence of February 3, the French Language Services Department, not this Minister, told the association that there would be no support from this Government for their application, and they were on their own.

Mr. Speaker, the association has yet to receive funds from the Secretary of State despite the fact that similar groups in other provinces get funding. Why will this Minister not bother to even add his voice in support of their application? What is so onerous about that?

Hon. James McCrae (Minister of Justice and Attorney General): Mr. Speaker, the Honourable Member asks a question about which I will inquire further and provide further information to the Honourable Member.

Mr. Edwards: The fact is, Mr. Speaker, this Minister is ignoring this group and has for almost a year.

Meeting Request

Mr. Paul Edwards (St. James): My supplementary question, this Minister was asked February 21 for a meeting with this association. He was asked again on April 24 and not only did he not agree to a meeting, he did not even respond. Why is this Minister ignoring this group? Why will he not meet with them, and why will he not even give them the courtesy of a response?

Hon. James McCrae (Minister of Justice and Attorney General): The Honourable Member is incorrect when

he suggests that I would ignore anyone. The fact is the association of Francophone lawyers has been—I am aware of the correspondence the Honourable Member is talking about. There are a number of issues that my department has been discussing with the association. A number of them are detailed matters relating to French language services provided in our justice system.

The Honourable Member will be aware of a policy statement made by the Premier (Mr. Filmon) respecting French language services in our province earlier this month. He will also know that the Francophone community received that statement well. In fact, I think we should take the time to congratulate the Honourable Member for Lac du Bonnet (Mr. Praznik) who appeared before the association last June and made a presentation which was very much appreciated by the association.

I think -(interjection)- it was but -(interjection)- I am sorry, Mr. Speaker.

Department of Justice French Language Services

Mr. Speaker: The Honourable Member for St. James, with his final supplementary question.

Mr. Paul Edwards (St. James): Yes, after a letter and 10 phone calls, the Member for Lac du Bonnet (Mr. Praznik) went to their convention, but the association has not received one iota of correspondence from this Minister.

Finally for the Minister, there have been five questions and not an acceptable answer yet, Mr. Speaker. Is the reason for not responding, is the reason for not responding to a French letter, two of them, for over nine months, the Minister's office has no ability to respond to French letters, or is it just that the time was not made by this Minister?

Hon. James McCrae (Minister of Justice and Attorney General): Indeed we have the ability to respond to letters that come to our office in the French language. It was believed to be appropriate, Mr. Speaker, to delay certain aspects of meetings pending the Premier's (Mr. Filmon) announcement of the new French language services policy, and that would be for obvious reasons. The Honourable Member may not know them, but most people would.

The other problem we have is that presently my department is undergoing staffing action in the direction of finding a new deputy. When matters are properly discussed at the official level, those discussions should be had. I must say that the fact that a letter to that effect, I could suggest to the Honourable Member, should have gone out, and we are taking steps to correct that situation.

Minimum Wage Increase

Mr. Jay Cowan (Churchill): Mr. Speaker, my question is to the Minister of Labour (Mrs. Hammond). We have

just heard that Saskatchewan has announced that January 1 they will increase their minimum wage to above that of Manitoba. I note that this is the first time in four years that the Conservative Government in Saskatchewan has increased their minimum wage. The working poor and working poor families in Manitoba have waited over two years for this Conservative Government to increase the minimum wage.

I would ask the Minister of Labour (Mrs. Hammond) if there is any intention on the part of the Conservative Government to increase the minimum wage for working poor and working poor families in Manitoba in the near future?

Hon. Gerrie Hammond (Minister of Labour): Mr. Speaker, Manitoba sits in the middle as far as the minimum wage is concerned with the other provinces. As a Government, we were left with a massive deficit. We have reduced taxes by \$61 million. We have increased funding to shelters. We are increasing assistance for single parents to access provincial social assistance. Mr. Speaker, we have been left with enormous things to do in this province, and certainly while we feel for people who are working in this province, there is only so much we can do at one time.

Minimum Wage Increase

Mr. Jay Cowan (Churchill): Mr. Speaker, I am sorry that the Conservative Government has chosen to fight the deficit or their perception of deficit on the backs of working poor Manitobans and working poor Manitoba families. That is unacceptable. The fact is that she takes some pride in being in the middle of the pack. When they assumed Government they were leading the pack with respect to providing minimum wages that are suitable for working poor families. We were among the top province with respect to our minimum wage.

I would ask the Minister if she would be prepared to indicate exactly when it is they are going to stop trying to fight the deficit on the backs of the working poor and increase the minimum wage to those who deserve it and are being driven into poverty by her actions and her Government's actions?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I just cannot sit idly by when I hear the Member opposite suggesting that we are heaping some type of abuse on the working poor.

Let me indicate, in our last budget 27,000 so-called of our working poor were removed totally from the tax rolls of the province.

* (1040)

Minimum Wage Increase

Mr. Jay Cowan (Churchill): Mr. Speaker, the fact is that since this Government has assumed office, the quality of life and the wages of the working poor have been eroded by over 10 percent, while at the same

Thursday, November 30, 1989

time inflation went up by 10 percent. At the same time the industrial aggregate weekly wage went up by 10 percent, and it is time that the working poor received some benefits from the economy as well.

I would ask the Minister of Labour (Mrs. Hammond) if she will now commit or give some indication to those thousands of working poor families as to when they can expect this Government to stop fighting the deficit on the backs of those individuals, driving them into poverty and increasing the minimum wage so that they can have the same quality of life that they had two years ago and perhaps even better in the future?

Hon. Gerrie Hammond (Minister of Labour): Mr. Speaker, the former NDP Government did not think twice about heaping tax upon tax upon tax on Manitobans, and now they have the nerve to stand up and talk about the working poor. We have lowered taxes for the people of Manitoba. We are doing everything possible to make it easier. They have had to heap taxes on our people, highest tax in this country. For him to stand up and say that they were doing something for the working poor, all they were adding to was their taxes. It is a disgrace.

Some Honourable Members: Oh, oh!

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

**Ken Podolsky
Justice Minister Intervention**

Mr. Bob Rose (St. Vital): My question is to the Minister of Justice (Mr. McCrae). This Minister knows from my previous questions in this House that for almost three months, I have attempted to have the Minister in charge of MPIC (Mr. Cummings) investigate activities—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order. The Honourable Member for St. Vital.

Mr. Rose: —that foisted a travesty of justice onto Manitoban, Mr. Ken Podolsky. News reports point out that an unauthorized RCMP officer with a vested interest in this case obtained information from a highly classified Transport Canada report. Will the Minister of Justice contact the RCMP to find out how this disclosure, unprecedented in Canada, came about in Manitoba?

Hon. James McCrae (Minister of Justice and Attorney General): I think the Honourable Member's questioning on this matter has pretty well run its course, Mr. Speaker. We have heard these questions over and over, and I have felt from the beginning that they are inappropriate because the matter he refers to is before the courts.

Mr. Rose: Mr. Speaker, to the same Minister, we have had 13 years of cover-up by Autopac on this. We have given the Minister responsible three months to respond and now the Government refuses to answer questions. We will keep asking questions whether they be in the media or in this House to get the answers because Manitobans deserves it.

To this same Minister and I hope he has the courage to answer, will this Minister investigate why a University of Manitoba professor, Dr. William Mulligan, turned over Transport Canada property to a private lawyer in this province?

Mr. McCrae: Mr. Speaker, I am certainly prepared to look again at the Honourable Member's question, the one he has just asked, but I dare say that raising matters of this kind at this time, when the matter he is referring to is before the courts, is inappropriate. I do not propose to answer in detail his questions today.

Mr. Reg Alcock (Opposition House Leader): Mr. Speaker, on a point of order.

Mr. Speaker: On a point of order.

Mr. Alcock: Several times the Minister responsible for MPIC (Mr. Cummings) and the Minister of Justice (Mr. McCrae) have referenced this matter being before the court. The matter the Member is questioning on is not before the court. It is a matter concerning the actions of the RCMP. It should be investigated. I would ask the Minister of Justice to respond to the question.

Mr. Speaker: On the point of order raised by the Honourable Member for Osborne, it is a dispute over the facts.

**Manitoba Public Insurance Corp.
Accident Report Policy Review**

Mr. Bob Rose (St. Vital): Mr. Speaker, what we are talking here is a broad policy in Manitoba, the phone calls we have got, complaints we had about MPIC. I believe it is incumbent upon the Government to intervene when MPIC policies go awry, and there is widespread public outcry like we have at the present time.

To the same Minister, will this Government immediately, in view of the facts that we have brought to this House and in the media in the last few days, review the investigative practices of MPIC to ensure that Manitobans are no longer vulnerable to such abhorrent practices in Manitoba?

Hon. James McCrae (Minister of Justice and Attorney General): The fact that a matter is referred to in the media I know gives the Honourable Member a great deal of satisfaction, but the Honourable Member should also know that—

Mr. Speaker: Order, please.

Mr. McCrae: The Honourable Member for Fort Rouge (Mr. Carr) talks about editorials. The subhead on the one I referred to a minute ago was "Premier's promise leads to a bad case of perimeter vision."

Mr. Speaker: I have reminded the Honourable Minister of Justice. Order, please. The Honourable Minister should deal with the matter raised.

Mr. McCrae: I do apologize to you, Mr. Speaker, but when I am asked a question in the House, the Honourable Member for Fort Rouge (Mr. Carr) and others who are very sensitive about their position on decentralization tend to chirp from their seats. I lose my train of thought, and I have to answer the comments coming from their seats. It deflects my attention away from the matter that the Honourable Member for St. Vital (Mr. Rose) thinks is an important matter, and that is what I was rising to answer to. That is an explanation for my injudicious outburst about this editorial in the Neepawa Press referring to perimeter vision.

To get back to the question raised by the Honourable Member for St. Vital, as I said to him, the fact that a matter he has raised has found its ways into the media may be important to him, but what I am saying is that this Government does what is the right thing to do. The matter that is presently before the courts is presently before the courts, and the Honourable Member may not think it—

Mr. Speaker: Order, please. The Honourable Minister has made his point.

Mr. Speaker: The Honourable Member for St. Vital, on a point of order.

Mr. Bob Rose (St. Vital): I take—

Mr. Speaker: What is the Honourable Member's point?

Mr. Rose: Mr. Speaker, the Minister of Justice (McCrae) impugned that I brought this most important matter which not only involves one citizen in Manitoba, but many, that I have used it for political purposes for exposure in newspapers. He knows full well that is completely wrong.

Mr. Speaker: Order. The Honourable Member does not have a point of order. The Honourable Minister did not impute motive.

Manitoba Hydro Funds Recoverable

Mr. Jerry Storie (Flin Flon): Mr. Speaker, we were amused by the Attorney General's comments about his train of thought being derailed. When someone's thinking runs in circles, it is very difficult to believe it can be derailed.

My question is to the Minister responsible for Manitoba Hydro (Mr. Neufeld). Manitoba Hydro has applied to the Public Utilities Board for a 5.5 percent rate increase for residential consumers. In that application a reference is made to amounts recoverable from the province. Could the Minister indicate what monies are recoverable from the province outside of The Energy Rate Stabilization Act? Could he indicate how much those amounts might be, and how those recoveries are going to be transferred to Manitoba Hydro?

Hon. Harold Neufeld (Minister responsible for The Manitoba Hydro Act): Mr. Speaker, there are no recoveries outside of The Energy Rate Stabilization Act.

Rate Increase Proposal

Mr. Jerry Storie (Flin Flon): Mr. Speaker, could the Minister indicate to this House what the 5.5 percent rate increase is going to do to the reserve position of Manitoba Hydro in light of the fact that we have had \$40 million in losses at Manitoba Hydro while this Minister was responsible? Can he indicate how close this increase is going to bring Manitoba Hydro to their target reserve position of some \$200 million to \$250 million? Can he indicate how close this rate will bring us to that target?

Hon. Harold Neufeld (Minister responsible for The Manitoba Hydro Act): Mr. Speaker, the rate increase asked for and presently in front of the Public Utilities Board will do very precious little to bring the reserve of Manitoba to \$200 million. The rate increase will allow Manitoba Hydro to operate the current year at approximately a break-even position. Manitoba Hydro does not budget for a reserve. A reserve is in fact the profit for the year. We intend, I hope, to have a slight profit in 1990 if we get a sufficient amount of moisture. An awful lot depends on the amount of moisture we do get.

* (1050)

Energy Rate Stabilization Program Costs

Mr. Jerry Storie (Flin Flon): Mr. Speaker, my final question to the Minister is: can the Minister indicate to this House what the Energy Rate Stabilization cost the Province of Manitoba in the year 1988-89 and what the anticipated cost would be for the coming year in terms of transfers to Manitoba Hydro?

Hon. Harold Neufeld (Minister responsible for The Manitoba Hydro Act): Mr. Speaker, those are specifics that I do not have at my fingertips, and it is probably a better question for Estimates. If the Member wishes, I will bring the information back to him.

Housing Starts Decline Impact Ladco Land Deal

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, my question is to the Minister of Housing (Mr. Ducharme). Since this Government has taken office, housing starts in the five major centres have plummeted. In the first 10 months of 1987, there were 5,813 -(interjection)-

Mr. Speaker: Order.

Mr. Lamoureux: As I was saying, Mr. Speaker, housing starts in this province have plummeted since this Government has taken office. In 1987 in the first 10 months, there were 5,800 housing starts. In '88, there were 3,900. So far this year, in the first 10 months,

there have been 2,740 housing starts. What impact will this drop in housing starts have on the projected revenues on the deal this Government entered into earlier this year with Ladco?

Hon. Gerald Ducharme (Minister of Housing): Mr. Speaker, I thank the Honourable Member for that question. First of all, the housing starts for this year are projected at about 4,000 which brings it back to its level, usual working level for the housing industry. If he does look across Canada and across the United States, the United States for the first time since 1982 is down.- (interjection)- Mr. Speaker—

Mr. Speaker: Order, please. Order. I am sure the Honourable Member for Inkster (Mr. Lamoureux) would like to hear the answer.

Mr. Ducharme: Mr. Speaker, in regard to the final question of the Member from across the way, the projected joint venture that MHRC is going into with Ladco Corporation was established on about 120 lots a year. If he looks through his past record, he will see that on that particular area of the city, even at the lowest level, 120 units was at least built at the lowest level in those years.

Goods and Services Tax Impact Ladco Land Deal

Mr. Kevin Lamoureux (Inkster): Again to the same Minister, potential new home buyers will drop out of the new housing market as a direct result of the GST that this federal Conservative Government is going to -(interjection)- be imposing.

Mr. Speaker: Order, order. The Honourable Member for Brandon East, on a point of order.

Mr. Leonard Evans (Brandon East): Mr. Speaker, I know from time to time we are all carried away, we make interjections and so on. That is part of the give and take. But consistently the Minister of Health (Mr. Orchard) continues to interrupt the question and answer period in this House, and it prevents many of us on this side and perhaps on that side from hearing the questions and the answers. I appeal to you, Sir, to bring to order the Minister of Health.- (interjection)-

Mr. Speaker: Order, please. Order. The Honourable Acting Government House Leader, on the same point of order.

Hon. James Downey (Deputy Government House Leader): Mr. Speaker, on the same point of order, the Member is quite correct. There are times when there is a little bit of additional noise. However, there are hearing phones which assist somewhat to help in hearing. He may in fact have a motive other than that. I think he wanted to get the budget on television; it was really the motive behind his standing on this point of order.

Mr. Speaker: The Honourable Acting Government House Leader does not have a point of order.

On the point of order raised by the Honourable Member for Brandon East (Mr. Leonard Evans), he is quite correct. The Chair is having great difficulty in hearing the questions and the answers. I would remind all Honourable Members and Ministers to put their questions through the Chair and the answer through the Chair.

Mr. Lamoureux: Again, to the Minister of Housing (Mr. Ducharme), with housing starts down, with the new proposed goods and services tax, what impact will this have on the deal with Ladco given that the majority of the profit that this Government is projecting is going to be taking place in the first five years?

Hon. Gerald Ducharme (Minister of Housing): The Member from across the way is incorrect on the proposed profit that is projected for the first five years. However, if he wants to get into cycle of homes, if he wants to go back to 1977 to 1981, during the Lyon years, the total housing starts were 25,925. If he wants to go on from '82 to 1988, the total housing starts for those years under the NDP was 23,450 homes. Mr. Speaker, what I am trying to emphasize is you do have your lows and highs in the housing industry. The housing industry knows that. They know they have an oversupply out there, but they are sure the cycles will redevelop as they have in the past 10 or 15 years.

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

ORDERS OF THE DAY

Hon. James McCrae (Government House Leader): Mr. Speaker, would you be so kind as to call the Bills in the following order: Bills Nos. 34, 86, 53, 63, 80, 62, 67, 79, 56, 6, 7, 12, 38 and 71, and the remainder as listed on today's Order Paper?

DEBATE ON SECOND READINGS

BILL NO. 34—THE LOAN ACT, 1989

Mr. Speaker: On the proposed motion of the Honourable Minister of Finance, Bill No. 34, The Loan Act 1989; Loi d'emprunt de 1989, standing in the name of the Honourable Member for Churchill, the Honourable Member for Churchill.

Mr. Jay Cowan (Churchill): The Loan Act which is before us today is one of the more important fiscal Bills, and in a lot of ways allows Members of this House the opportunity for a general debate on the policies of the Government with respect to some of the fiscal matters which they believe to be of utmost importance to them.

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

What is contained in this Act I believe to be an indication of the priorities of the Government in a lot

of ways. An indication of their overall agenda, where they are providing for new programs, where they are strengthening old programs, and where they are in fact eliminating existing programs and weakening some of the existing programs. I believe it is an appropriate time to reflect upon the economic agenda of the Government, what it has tried to accomplish over a period of time and what it has or has not accomplished within that framework and what it hopes to further throughout its term.

My comments will be directed more to the generalities than the specifics, but I believe I will keep within the general framework of debate on Bills of this sort.

I want to start off before the Liberal House Leader (Mr. Alcock) gets distracted just by indicating I was interested in his comments yesterday, as I have been interested generally with the comments of the Liberal Party with respect to fiscal matters and with respect to economic matters and the actions of the Government as well as the actions and the policies of their own caucus. I have had some difficulty in the past in putting it all together because it seemed to me that at times there was a vacillation. At times it seemed to be that the approach was that of the traditional economists.

Mr. Deputy Speaker, we all know the story about the traditional economist saying on the one hand this is what I believe, and on the other hand this is what I believe, and quite often those two hands, like east and west, "ne'er shall meet."

I was reading through a recent copy of the MGEA magazine called Contact, and I noticed a quote by the Liberal House Leader in that particular magazine which helped put some of their other comments into the appropriate context and helped me better understand some of the things that they have been saying over the past little while with respect to different approaches, not only within their caucus but within individuals to different issues at different times.

* (1100)

The Opposition House Leader is quoted as saying at a debate on privatization, and I hope it is an accurate quote, and if it is not I am certain he will take the opportunity to correct it. When he was asked where his Party stood—I will read the introductory comments and then I will undertake his actual quotes—he said that when Reg Alcock, there to represent the Liberal Party, began to address the delegates there was no doubt where his Party stood. The quote is: "I am sitting in the middle and I am going to take a classically Liberal position." -(interjection)- Well, he wants me to read the rest of it and I will read the rest of the quote later on in the speech because I think it is important to put on the record what else is contained in that quote.

Mr. Deputy Speaker, I want to stop there for the moment just to highlight the fact that, in essence, he has described the approach of the Liberal Party. That is a Party that is sitting in the middle and it is a classically Liberal position and it is one which I think suits - (interjection)- well, I think it is one that suits their lack of ideological position, their inability to focus on an ideological position, their inability to cast some firm

principles that will guide them on a straight and narrow course, rather than in the ever-increasing circles that we see them so often get stuck in.

We saw the Attorney General get stuck in one during one of his answers today and he found himself derailed. I think that is as much a factor of trying to put the caboose first and move backwards as it is of going around in circles. The fact is that when you do go around in circles you end up derailing yourself over a period of time because you have no clear focus. I believe that the Liberal Party, in taking that classically Liberal position in going around in circles, is going to end up in the end derailing itself and not having accomplished that which it had hoped to accomplish.- (interjection)-

The Member for Wolseley (Mr. Taylor) says that in doing so they will have encircled us instead. I think they will have encircled us and they will have encircled the Conservative Party because at times I believe their policies are more right wing than the Conservative Party and I find that hard to believe. I would not have believed it had even he, a Member of the Liberal Party, told me that two years ago. But having watched his Leader, who is a very powerful and strong Leader—although I understand that position is being eroded somewhat and there are some factions in the Liberal Caucus who are establishing themselves as future Leaders and I wish them well, I wish them well because I believe that anyone other than the present Leader of the Liberal Party in their caucus—well, let me take that back.

Mr. Deputy Speaker, I believe that there are a lot of people in their caucus who would be a better Leader than the present Leader because they are not quite as right wing in their approach as the present Leader. They are not quite as egotistical in their approach as is their own Leader who is famous now throughout this province for saying, and I quote, Sharon Carstairs does what is good for Sharon Carstairs and hopefully that is good for the Liberal Party as well.

I think I have quoted that verbatim, word for word, without referencing any notes and without having reviewed that quote recently because it is so ingrained in my mind, because it is so typical of the approach of the present Liberal Leader that I use every opportunity to tell whomever will listen, that statement, to refer to that statement and say to them -(interjection)- Well, now the Member for Wolseley says it is taken out of context.

An Honourable Member: You are out of context.

Mr. Cowan: I am quoting a quote which made all forms of media in this province, electronic media, it made the print media. It has never once been objected to by the Leader of the Liberal Party or any of her caucus, it has not been objected to, and the record has not even been attempted to be corrected because it is an accurate quote. I go beyond that, I believe not only is it an accurate quote but it is an accurate reflection of the leadership approach and style of the Liberal Leader at the present time.- (interjection)-

Mr. Deputy Speaker, one of the backbenchers of the Liberal Party says, read a columnist because he has

indicated that our train is going nowhere. I believe that columnist to be wrong. I believe the only way—and I will tell you why—you would go nowhere in this business is when you try to go around and around and around in circles. I believe it is much more important to move away from that classically Liberal position of being right in the middle, to stake out some ground so that people know exactly what you stand for, not just that you do not stand for this ideology or that ideology, but that they have some idea of exactly that which you stand for in your political being, political being on an individual basis, and a political being on an organizational basis through a caucus.

When the Government House Leader says—and he has not disputed this quote, he has only asked me to read the full quote and I am going to do that now—he is taking a classically Liberal position and he is sitting in the middle, I believe him because we have to believe all Honourable Members in this House, and I believe his analysis of the classically Liberal position is the accurate one, that it is one that finds themselves sitting in the middle all the time.

I am going to read on in that particular quote as I was requested to do by the Liberal House Leader because I think it also shows that when you do go around and around in circles you quite often find yourself sitting with the right wing in this Government, in this province and being allies to the right-wing elements in their radical right-wing agenda. Here is what the Liberal House Leader said in that quote—and I will start at the beginning of the quote so that you will realize that I am not taking it out of context. He said, "I am sitting in the middle and I am going to take a classically Liberal position." That is the Liberal House Leader. "I am not opposed to privatization and I should make that perfectly clear."

Now I would think that the Minister of Finance (Mr. Manness) should take some solace in that particular comment when the Liberal House Leader says that the classically Liberal position is to not be opposed by privatization because this Government, this Conservative Government, has a privatization agenda that we have not yet seen to its fullest. They have not unfolded that privatization agenda to the extent that they would like to. There are many more things that they would like to privatize and they have indicated they would like to privatize, and they have not unfolded that agenda, they have not made it clear to the public of this province because they are in a minority Government situation. I want to come back to that in a moment.

I believe when they find themselves in a minority Government situation that radical right-wing agenda which flows just underneath the surface, underneath a thin veneer of civility and compromise is reinforced. If they were to find themselves in a majority situation I believe that reinforced veneer would soon crumble, and split apart, and tear asunder, and we would see that true agenda come out.

An Honourable Member: Not so.

Mr. Cowan: The Minister of Highways and Transportation (Mr. Albert Driedger) says, not so, but

the Minister of Highways and Transportation is one who early in his term recommended that we have toll roads in this province. How much more privatization can you go than to have toll roads in a province where there are no toll roads, nor should there be any toll roads.

Now he was taken to the woodshed on that one. In fairness to him, he admits that he was taken to the woodshed on that one and he was told to straighten up his act, and to not suggest those radical right-wing approaches until, I am certain, they had an opportunity to implement them in a majority Government situation.

The fact is, every once in a while we see that right-wing approach erupt through that thin veneer in a spot here, in an isolated incident there, in a way here. We see the Premier rush over to clamp down on the Minister, to take that Minister to the woodshed and to say—I am conjecturing now, but I am pretty certain this is how the conversation goes—well, Mr. Minister of Highways and Transportation, I heard today that you had indicated—oh, I am sorry, that was my deep voice, I was impersonating Brian Mulroney. I should get back to the Premier of the province.

The Premier says, well, Mr. Minister of Highways and Transportation, I heard today that you suggested that we should have toll roads. Now you know I am not really opposed to toll roads, but I believe that it would be inappropriate in a minority Government situation to talk about those sorts of things which might find a great deal of disfavour out there in the general public. So could you please sort of silence those very good ideas that you have until we find ourselves in a majority Government situation and we can implement them. Well, Lord help us.- (interjection)- The Minister of Highways and Transportation says I am reaching pretty deep there. I think what he is suggesting is that I am probably taking the situation and blowing it out of context and blowing it out of proportion.

* (1110)

Let me tell you, Mr. Deputy Speaker, I was a Member in this House during the Lyon administration, as was the Minister of Highways and Transportation. I saw what a majority Conservative Government did to this province from 1977 to 1981. I saw what a majority Government of a Conservative administration did to northern Manitoba during 1977 to 1981. I have not forgotten, nor have Northerners, nor do I think have the residents of this province forgotten what the Lyon administration, of which the Minister of Highways and Transportation was a Member, did during their term of office from 1977 to 1981.

I believe that is the reason they were kicked unceremoniously out of office after four years, one-term Government, one of the first one-term Governments in the history of the province. I believe it is the reason that they blew a 50 percent lead in 1986, and I believe it is the reason that they blew a 50 percent lead in 1988. I believe it is the reason they are a minority Government now, and that is because the people of this province are fearful as to what would happen to them, what would happen to their families, what would happen to their communities under a majority Conservative Government.

That is why I think it is so very important that we as Members of this Legislature play a very full role in talking, speaking about, responding to, objecting to, providing constructive criticism and providing constructive support when it comes to keeping this minority Government in check. If they were allowed to do what they wanted to do, if they thought they could get away with it, as they thought they could get away with it in 1977 and 1981, and they were wrong at that time, but if they thought they could get away with it, we would see them embark upon an agenda that would result in toll roads, would result in further privatization, would result in cutbacks in northern communities, would result in cutbacks in areas far more than we have seen cutbacks to date under this Government.

I make that point, because I think it is an important point, but I also make it in response to what the Minister of Highways and Transportation (Mr. Albert Driedger) said. I do not think I am blowing things out of proportion, I do not think I am taking the issue too far, I do not think I am exaggerating. I am reflecting what I saw and learned in this Chamber and in my constituency and throughout other constituencies in this province from 1977 and 1981 and what I fear would happen if a similar Government got in a majority position again. It would mean further ruin for those working poor, it would mean further ruin for communities across our province, it would mean further ruin for the North, and it is important that we not allow them that opportunity.

What is equally important while we are here in a minority Government situation is that we use our abilities, our strengths and our experiences, our strategies and our tactics as legislators, to ensure that minority Government is kept in check and to ensure whenever that right-wing agenda erupts that not only the Premier is there to try to squash it down, but that we are here to identify clearly what is happening and to call together the grass roots to stop the Government.

The previous Minister of Environment is a classic example of what happens when a right-wing agenda starts to become too prominent in that Government. He is now the previous Minister of Environment because he did such a poor job at being the Minister of Environment when he had that portfolio that the Premier found it necessary to remove him. - (interjection)- Well, "nonsense" says the Minister of Finance (Mr. Manness). I guess the Minister of Finance is saying that he is proud of the record of the previous Minister of Environment when he had that position. He has said from his seat that he is. I think that is important.

If he is so proud of the record, then why was he moved? If he is so proud of the record, then why was he unceremoniously stripped of that position? Because he was a total and complete failure and he was an embarrassment to the Government as Minister of the Environment. I wish him well in his position and I hope that he does better in his current position, but unfortunately we do not have much to base that hope on if we look only at his experience in this House.

Mr. Deputy Speaker, I want to continue on with the comments by the Liberal House Leader (Mr. Alcock), because I think that if we had a majority Liberal Government by some accident in this province, we

would have some of those same right-wing agendas being brought forward, because what the Liberal House Leader says is, I am not opposed to privatization. I should make that perfectly clear. Quoting him again, he said, we campaigned on a platform of privatization of some Crown corporations, and I must say that, subject to some tests, I am not opposed and my Party is not opposed to the sale of Manitoba Data Services.

Well, I would like to know what those tests are, Mr. Deputy Speaker, because we have only seen support from the Liberal Party in this House and outside of this House for the sale of Manitoba Data Services, and we have only seen support for privatization of other operations from them. We would like to know where it is they draw the line. I think it is going to be difficult for them to indicate clearly where it is they draw the line. I go back to my earlier analysis which has been reinforced by the Liberal House Leader (Mr. Alcock) when he says they sit in the middle. That line that they would want to draw goes around and around and around in circles. It is some days a line that is over on the right-wing side of the spectrum, and it is on lesser days, but occasionally, a line that is over on the left-wing side of the spectrum.

I think if we had a different Liberal Leader it might be a bit more to the left, because I believe she has a very right-wing agenda. I believe she has a very right-wing approach in economic matters. I believe when it comes to user fees and the fact that she would impose charges for meals and slippers and toothpaste in hospitals, that is a very right-wing agenda. Not only is she right-wing in her approach with respect to economic matters, privatization and others, but there are also areas, although I think they are fewer in number, where she is very right-wing in her approach with respect to social programs.

We have seen some of the backbenchers and some of the frontbenchers in the Liberal Party also support means tests for programs such as day care, for programs like child care, for programs like home care, and I can tell you quite frankly that is a type of mismatch—

Mr. Deputy Speaker: The Honourable Member for Wolseley, on a point of order.

Mr. Harold Taylor (Wolseley): The Member for Churchill (Mr. Cowan) knows very well that he is putting a load of hooey on the record about means tests, and I would ask him if he would really try and be a little more accurate as opposed to this nonsense and misinformation he is putting on the record.

Mr. Deputy Speaker: The Honourable Member does not have a point of order.

Mr. Cowan: That was sort of a unique use of parliamentary language which I am sure does not show up in any books, but probably should, Mr. Deputy

Speaker, a comic book if nothing else. I would suggest to the Member for Wolseley (Mr. Taylor) that he have a talk with the Member for Inkster (Mr. Lamoureux), that he have a talk with the Member for St. James (Mr. Edwards), that he have a talk with the Member for Seven Oaks (Mr. Minenko), that he have a talk with the Member for Kildonan (Mr. Cheema) with respect to what they said about means tests for home care recipients, what they said about means tests for day care recipients, what they did not say when they heard their own Leader suggest that people going in the hospital should pay for slippers and toothpaste—non-essentials, she said.

Maybe if you come from River Heights those things are considered non-essentials and you can afford to pay for them. I can understand why someone who represents that constituency could mistakenly take on that approach, but I cannot understand why someone from a working-class area like Inkster or a working-class area like Burrows or a working class area like Seven Oaks or a working-class area like Kildonan or any of the other working-class areas in this province could agree with that statement.

I cannot understand why her backbenchers did not stand up in unison and say no, we will not allow that sort of user fee to be implemented in our hospitals, in our nursing homes, because we care for the people who sent us to this House. The fact they did not say that is the reason they are not going to be sent back to this House after the next election, and it is the reason why there will be New Democrats in those constituencies after the next election. Unlike them, we have a straight line, and nowhere on that straight line are user fees for the poor, are user fees for middle-income and low-income families, are user fees for working Manitoba families.

No, I can understand why it would come from River Heights, but I cannot understand, nor can I accept the fact that those individuals in the Liberal Caucus who should have stood up to their Leader on that issue did not stand up, stood silently by, sat on their hands and let their constituents' interests go down the drain. No, that is not—

Some Honourable Members: Oh, oh!

* (1120)

Mr. Cowan: Well, the Member for Wolseley (Mr. Taylor) suggests from his seat that we are knowingly misleading the public. At first when I heard that during the last campaign, the Liberal Leader said that she would charge hospital patients for non-essentials such as toothpaste, slippers, their meals. I did not believe it either. I said to the researcher who said that to me, "I cannot believe that anyone even as right-wing as the Liberal Leader would say those things during the middle of an election campaign. I just cannot believe that it would be said."

So they said, "No, Jay, it was said. Here is a transcript." I said that I like to believe what I read but I cannot believe that transcript was accurate. I just cannot believe. Well, they had the tape. With my own ears I heard her say it. Just as with my own ears I

heard her say, "Sharon Carstairs does what is best for Sharon Carstairs and hopefully that is good for the Liberal Party as well."

The fact is that she said it. So how am I misleading the House by repeating in this House a statement that was made by one of the Honourable Members in this House verbatim, exactly the way it was said. No, I am not misleading in that instance. I cannot be because it is a matter of the record. He says I am knowingly misleading. Well, what else did I say?

I also said that none of the Members representing working class constituencies that should have stood up in this House and should have denied that comment and should have taken issue with their Leader, never have I heard or seen any time where they have said "I believe that our Liberal Leader was wrong when she suggested that patients in Manitoba's hospitals should pay user fees, should have to pay for what—" - (interjection)- Well, Mr. Deputy Speaker, now the Member for Wolseley (Mr. Taylor) says I choose not to listen.

Mr. Deputy Speaker, if one of those Members now has the courage to stand up and say in this House that they disagree with their Leader, that they disagree that Manitobans should have to pay for their meals and their slippers and their toothpaste—what she considers non-essential items when they are in the hospital—then let them now take to their feet and put on the record very clearly that they disagree with their Leader when she suggests that sort of approach.

An Honourable Member: Our Leader clarified it and you are wrong . . . you choose not to look at . . . some things on the record. . . . no darn principles . . .

Mr. Cowan: Now he says that their Leader clarified it. Well, how did their Leader clarify a very blanket, a very concrete, a very specific, a very explicit statement about user fees and non-essential items. Well, I will tell you how she clarified it.

She said we do not believe those to be user fees. Well, what sort of weak-kneed Liberal approach is that to make a statement that very clearly identifies something as user fees—that can be nothing but user fees—and then stand up later and say it is okay because we really did not believe them to be user fees. What that shows me is they do not understand what user fees are and user fees are not, and that scares me even more than the original statement if that is the case.

So I am just looking through the contact issue which I referenced earlier to see if there are any more quotes by the Liberal Leader because he asked me to read—or the Liberal House Leader who may well be the Liberal Leader in the future—although there are others that are equally capable. I believe he is capable and I believe there are others that are equally capable and more capable than the present Leader to take that position. So I do not want to rule anyone out of the running yet. I would be interested to see the race when it does happen.- (interjection)- Well, he says we have our own

Thursday, November 30, 1989

race and actually the Member for Fort Rouge (Mr. Carr) says we have our own race and the Member for Fort Garry (Mr. Laurie Evans) says we should worry about that race.

I am not worried about that race, Mr. Deputy Speaker, and let me tell you why it is that I am not worried about that race. I am not worried about that race because I know of all the candidates we have for leadership in the New Democratic Party none of them take the classically Liberal approach which the Liberal House Leader said is sitting right in the middle.

We do not have any of our Leaders that—yes, as the Member for Lac du Bonnet (Mr. Praznik) pantomimes from his seat—on the one hand this and on the other hand that and this; and this and that; and that and this; and this and that. No wonder they get confused over a period of time.— (interjection)- Well, yes, I appreciate the help I am receiving from the Member for Lac du Bonnet because he is now, in a typical symbol, licking his finger and waving it in the air to indicate that in a lot of ways the Liberals determine their policy is to test the winds of the day, the winds of public opinion.— (interjection)-

I am told by the Member for Fort Rouge (Mr. Carr) that the Member for Lac du Bonnet (Mr. Praznik) tested the winds some time in the past and deserted the Liberal Party and as a result of that he now sits in this House, which tells me that it was an ill wind blowing for the Liberal Party then, and it will be an ill wind blowing for the Liberal Party in the future.

However, this is something I did not know and you know, Mr. Deputy Speaker, I find myself in an intriguing position here being an interpreter for the House during this speech.

I do want to get back to the subject at hand which is Bill No. 34, The Loan Act.— (interjection)- Well, the Member for Fort Rouge (Mr. Carr)—and I am sorry. I tried to get back to the Bill. It was not the Member for Fort Rouge, it was the Member for Fort Garry who has distracted me once again by saying that you could hardly tell that I was speaking to Bill 4 or Bill 34 from the basis of my speech.

I was talking very much so about privatization, and privatization is a matter that is contemplated in Bill No. 34 and is a matter that should be discussed under Bill No. 34. I would suggest that I have been in no way out of order or off subject except for a bit of a digression about our leadership campaign but I did try to reference that into the —(interjection)- Well, I have to apologize because the Member for Fort Garry said I was digressing when I was talking about the membership of the past —(interjection)-

No, there is a difference between a derailment and a digression to answer the Attorney General (ivr. McCrae). See, a digression is when you slow down the train and take it off on a spur for a moment. You know what you are doing. You leave it there and then you come back onto the mainline—I look to my friend the Member for The Pas (Mr. Harapiak) who has done this in his occupation, to make certain that I am describing it correctly. You get off onto a spur line and you wait

and then you come back onto the mainline. You are never derailed, you are never off the tracks. You are knowingly doing what you are doing without confusion, without hesitancy because you have a plan in mind. When you are derailed, that is an accident.

What happened here was no accident, let me assure you. I was not derailed. It was not accidental that I addressed that subject but I thought it was an important matter to put on the record, because I had been receiving some help from the Member for Lac du Bonnet in my speech. I wanted to acknowledge that also I received some help from the Liberal Party so that the Member for Fort Rouge will not have felt slighted, had I acknowledged what was being pantomimed on the one hand to me by the Member for Lac du Bonnet and did not acknowledge —(interjection)- Well, he says I was in the middle. No, I was translating.

However, I have digressed somewhat and I do not intend to take a full 40 minutes. How much time do I have left, Mr. Deputy Speaker?

Mr. Deputy Speaker: Approximately seven minutes remaining.

* (1130)

Mr. Cowan: Then I will conclude my remarks because I do not want to take the full 40 minutes on this. I know there are other people who want to speak. I did want to say in closing that the economic policies of the Liberals are somewhat confused and somewhat in a classical sense sitting in the middle. We now have a Conservative Party that has moved very close to them under the circumstances that now confront them, a minority Government situation, but I fear what would happen with respect to a majority Government, Liberal or Conservative as it may be, by accident or by intention in the future.

If that were the case, I think we would have an entirely different loan Act before us, and I think we would have a much more right-wing loan Act before us. That is why, Mr. Deputy Speaker, I believe it is important for all Members to speak on this Bill, to point that fact out and to use their time to not only participate in some of the free-flowing debate in this House, but also to point out what a wait the people of Manitoba, if a majority Government were to be elected in the near future, and they only need look to '77 and 1981, a Conservative Lyon administration, to see what would happen to the people of this province in those circumstances.

Mr. Harry Harapiak (The Pas): I move, seconded by the Member for Churchill (Mr. Cowan), that debate be adjourned.

MOTION presented and carried.

BILL NO. 86—THE STATUTE LAW AMENDMENT (TAXATION) ACT, 1989

Mr. Deputy Speaker: On the proposed motion of the Honourable Minister of Finance (Mr. Manness), Bill No.

86, The Statute Law Amendment (Taxation) Act, 1989, (Loi de 1989 modifiant diverses dispositions législatives en matière de fiscalité), standing in the name of the Honourable Member for Brandon East, the Honourable Member for Brandon East.

Mr. Leonard Evans (Brandon East): I appreciate the opportunity to make a few remarks on this particular piece of legislation, and I appreciate the fact that others want to speak in this House today as well, and we have only about an hour inasmuch as this is to be considered a Friday in terms of the schedule of the House. But I have a few remarks I want to put on the record in the short time that we have available.

First of all, I would say that it is unfortunate that we do not have a detailed explanation of this Bill which is completed—(interjection)—Well, unfortunately the Minister of Finance (Mr. Manness) says, yes, it is available. Unfortunately it has not been made available to me. If the Minister has made it, fine, thank you very much, but normally I would have thought it is made available to every Member of the House.

An Honourable Member: No.

Mr. Leonard Evans: Well, Mr. Deputy Speaker, I would not think that is such a great chore to make several copies available in this day and age of photocopy, and I do not think it is that big of a job.

However, Mr. Deputy Speaker, I have read the remarks of the Minister of Finance (Mr. Manness) and have a couple of comments to make about his introduction of this particular Bill. I could not help but be rather amused by his reference to spending \$8 million more on the trunk highways of the province. He says, let me indicate—I am reading from Hansard of Friday, February 24, when the Minister of Finance introduced this Bill, and he said, we are making \$8 million additional because of a particular measure, particular tax measure, including the change in the motive fuel tax which was to be described later, and therefore we were raising \$8 million, as I understand it, from this move, and therefore please see this \$8 million is added to Highways.

Mr. Deputy Speaker, this is ludicrous, because knowing how Government works, knowing the financial systems that we operate under, the Treasury is there to receive monies from all kinds of taxes, fees, licences, et cetera, and is paid into a Consolidated Fund, and monies are taken out of the Consolidated Fund for various projects, including this. I just say, Mr. Deputy Speaker, it does not wash to say, well, we have added this and that is why we have added \$8 million. We have added this tax, or we have changed this tax, we have this additional revenue, that is why we have added \$8 million to the Highways budget. It just does not wash, Mr. Deputy Speaker, it does not wash.

That is certainly not an acceptable way to finance the province; it is not an acceptable way to say we are adding half a point here or a cent or two there for gasoline, and therefore we have this additional revenue, and that is why—

An Honourable Member: What about the payroll tax?

Mr. Leonard Evans: I will get to the payroll tax in a minute, Mr. Deputy Speaker. That is why we are doing it, so I do not think that is—I personally do not agree with that approach to financing and it is not a proper approach to Finance, it is simply not adequate. I know that it is very tempting to Governments of the Day to say we are putting in this tax to pay for such and such, and while additional revenues made Governments of the Day help pay for new programs, nevertheless you cannot tie it directly. In fact I think you would have the Auditor on your back quite consistently if you were doing that.

With regard to the payroll tax, the Minister makes much out of the fact that they have increased the tax exemption, doubling it from \$300,000 to \$600,000 of annual remuneration. This taking effect January 1, will reduce Manitoba employers from about 3,600 to 2,500 firms. Well, Mr. Deputy Speaker, if this Government said, as it did, that it is going to eliminate the payroll tax, they have been in office nearly two years, we have had two budgets and we still have the payroll tax. Two years ago, or almost two years ago, I predicted when we had the first budget of this Government that this Government would not get rid of the payroll tax because it was too valuable. Given the state of pressures for expenditures in this province, given the state of finances, we needed every dollar we could get.

Of course, that was the initial reason for bringing in the tax in the first place. The fact is, here we are all these years later, nearly two years later, and we still have the payroll tax with us and, as I said, Mr. Deputy Speaker, what we have here is a very minor adjustment, a very minor adjustment to this particular tax. As a matter of fact, it is projected that 1989-90, the tax, the levy for health and education will raise \$180.5 million. At that rate, it is the second most important, as I can read it here, type of tax levy and collection, putting aside income taxes. I think it is about the second most important item, next to the retail sales tax. That is a lot of money.

While this Minister likes to brag about increasing the exemption level, essentially speaking you have not, the Government has not, substantially reduced its revenue from this form of tax. I would suggest, Mr. Deputy Speaker, that if they had a majority they would have probably done nothing at all. If they had a majority they would have allowed the small businesses to continue to pay the tax, they would have just left it, because they would have moved even more aggressively towards increasing revenue and cutting spending. We would see major cuts if they had a majority and we would see major adjustments on revenues.—(interjection)—Well, the fact is we still have the payroll tax, \$180 million are going to be paid by business this year.

Where is the promise of the Premier (Mr. Filmon), where is the promises of the Conservative Party that we would eliminate the tax? Two years later, what has happened? They have cut peanuts off, that is peanuts, absolute peanuts, a small percentage reduction, that is all we have had in regard to the payroll tax.

Then on the other hand, Mr. Deputy Speaker, we find that they have done other things. They are so concerned

about making ends meet, they are so concerned about having enough money, and when we criticize one particular program or another as being underfunded, whether it be child care or health care, or whatever, we are told, well, what do you expect, where are we going to get all the money? I would like to remind this Legislature that this Government has given up mining taxes that it should be collecting. They have made adjustments in the mining tax, as I understand it, that has given up substantial revenues that should have been collected.

The mining industry, particularly nickel mining, is in a very healthy shape. International Nickel at Thompson is floating in cash. It has never been as profitable, I believe, in many a year, maybe ever. While I am not against profits, what I am in favour of is that the people of Manitoba get their fair share of the mineral resources of this province and they get that fair share through taxes. I say it particularly when we need the money desperately for all the social programs, the health programs, the education programs that we want to see implemented. So I say, Mr. Deputy Speaker, the Minister and the Government lacks credibility when it says it does not have enough money when they have given up a lucrative source of income. It just will not wash.

* (1140)

Likewise with the locomotive fuel tax, we were going to get—the previous NDP Minister of Finance was set to increase the rate on locomotive fuel just to bring it up to the Saskatchewan level, just to bring it up to Saskatchewan, but as I understand it CPR officials came and had a quick meeting with the Premier of this province, Premier Filmon, and they decided we are going to drop this reduction in the locomotive fuel tax. As a result, the evidence is that they dropped the locomotive fuel tax increase that the previous Minister of Finance was going to bring in; he had announced it and this Government has dropped it. As a result we have given up, I do not know, \$6 million, \$7 million, \$8 million with the revenue, a substantial amount of revenue.

An Honourable Member: Nonsense.

Mr. Leonard Evans: Well, that is not nonsense, that is not nonsense. We have given up millions of dollars of revenue that could have been obtained and all we were doing was to bring us up to the same level as the Province of Saskatchewan, nothing very radical about that, nothing radical about that.

An Honourable Member: It is 300 percent higher than it is in Ontario and everywhere else.

Mr. Leonard Evans: Well, Mr. Deputy Speaker, this province needs the money and the Minister of Finance (Mr. Manness) loses credibility. This Minister of Finance loses credibility when he criticizes the Opposition whenever they propose better funding for social programs, education programs, health programs. He just does not lack credibility, because he has given up lucrative revenues from mining and from the railways of this country and from the mining companies that operate here.

On the other hand, Mr. Deputy Speaker, we can see waste nevertheless on the part of this Government. I will use an example back in the City of Brandon. I have said this before, but I am going to repeat it, talking about waste, because we should not want to have waste. For the life of me I do not know why the Cabinet office was not located in the Provincial Building. The space was there, not a nickel would have to have been paid to rent private space. It was the appropriate place, it is symbolic, it is the major provincial Government building in the City of Brandon. The fact is, this Government has wasted tens upon tens upon tens of thousands of dollars in putting that little office in a shopping mall, in a little plaza. It is just not appropriate. They could have—

An Honourable Member: Mr. Deputy Speaker, I wonder if the Member would respond to a question.

Mr. Leonard Evans: I will be glad after I am finished.

Mr. Deputy Speaker: The Honourable Minister of Northern Affairs, on a point of order. What is your point of order?

Hon. James Downey (Minister of Northern Affairs): My point of order is, does the Member from Brandon East think it was appropriate to use Government money to fund his constituency office as an NDP Member for years?

Mr. Deputy Speaker: A dispute of the facts is not a point of order. The Honourable Member for Brandon East.

Mr. Leonard Evans: The Minister is so wrong, he is so off base and he knows it. The fact is, that served the Westman area in a very efficient way. We have long lists of organizations that met not only myself but many other Cabinet Ministers in our Government on a steady basis over the many years and it fulfilled a very important function. In the meantime this Minister is a part of—this Minister of Northern Affairs along with his colleagues are wasting money, they are wasting money, they should be located in the Provincial Building.

In the meantime, they put a phone booth in the City of Ottawa that is supposed to be representing this Government in terms—they put a phone booth, or it is maybe in the process, in Ottawa and it is supposed to be bringing great things, great things in terms of lobbying with the federal Government. The fact is, this Government gets nowhere with the federal Government, we know that for a fact. The Premier's batting rate is absolutely zero, zilch. It is regrettable because the people of Manitoba are suffering, whether it is the Portage Base, whether it is the Kapyong Barracks, no matter what it is, we do not seem—this Minister, this Government, and this Premier, have absolutely no clout whatsoever.

In the meantime, I cannot but help remark when this Government makes big statements about 500 jobs

Thursday, November 30, 1989

going out of Winnipeg and so on, I have to remind - (interjection)- Well, I welcome the 500 jobs. I want to tell the Minister of Northern Affairs (Mr. Downey) through you, Sir, that they have a long way to go in Brandon because they have already eliminated 60 jobs.- (interjection)- They closed down the International Nursing Home. They closed down the Unemployed Help Centre. They cut 15 jobs at the Rideau Park nursing home, and now they are going to cut who knows how many jobs in the General Insurance Division. How many are they going to cut in the General Insurance Division?

I say they have a long way to go, Mr. Deputy Speaker. Their actions belie their words, and the residents of Brandon deserve to be very cynical about this Government when they talk about putting jobs in the City of Brandon when all they have done is cut jobs; all they have done is eliminate jobs.

Then we look at what they are doing with the spending programs. They like to announce all the great things they are doing in health or what they are doing in education, then I look at the financial statements for the period ending June 30, 1989. The Department of Health is underspending by nearly \$18 million, \$17.9 million. I wonder why that is? Is that because they are not funding home care the way they should be funding it? Is that because they are cutting back on other needed health services in this province?

The Minister of Health (Mr. Orchard) has the audacity to announce that the Brandon General Hospital only got \$1 million for miscellaneous improvements this year. The largest hospital outside of the City of Winnipeg, a major regional hospital, it had a five year—it was supposed to undergo a major renovation upgrading, it looks like a very nice building, it has excellent staff but it needs some major upgrading. It needs major upgrading in mechanical, electrical -(interjection)-

The Minister of Northern Affairs (Mr. Downey) is talking gibberish from his—I said it has an excellent staff and I know from talking to many nurses, and from a lot of correspondence as well, that they are not happy with this Government and the way they are funding that hospital, particularly the nurses are very unhappy. The doctors are unhappy, they have made an announcement, they had a press conference saying that the Government was not adequately funding the hospital. Here we come with an announcement that they are only going to give a million dollars. They should be spending between \$15 million to \$20 million a year for the next three to four to five years.

An Honourable Member: What is your record?

Mr. Leonard Evans: What is our record? Our record is that within three years we spent \$20 million to build three beautiful nursing homes in the city, the Fairview, the Dinsdale, and the Rideau Park, nearly \$20 million. So much so that the quality of nursing home care in that city in terms of facilities is as good as you will find anywhere in North America and probably a lot better because every one of those nursing homes that we built, that the NDP built, at the cost of nearly \$20 million has a private room with bathroom facilities, with excellent recreational facilities, and so on.

In addition, we put in the CAT Scan at the Brandon General Hospital and we added a new laundry facility, a central laundry facility. We spent millions and millions and millions of dollars in a short period of time to upgrade that place, and there should have been this year a major modernization take place but instead we get peanuts. It is an insult to the people of Brandon, to the Westman area; it is an insult to the administration and to the staff of the Brandon General Hospital.

* (1150)

At any rate, there are a number of miscellaneous adjustments that are being made in here. We are not clear of their full impact because we have not had the opportunity to see the statement that the Minister of Finance says he has given us, or given to certain individuals in this House but not myself; nevertheless, we will take an opportunity to look through them and maybe debate them in the committee stage where we can go into more detail.

I cannot help but be reminded though that all we have gotten from this Government, when they talk about serving rural Manitoba and Manitoba outside of Winnipeg that we have gotten a lot of rhetoric, but the actions of this Government make one very suspicious about their concern. I will use an example that was raised the other day by my colleague from Flin Flon of the 1-800 number, 1-800-282-8069, you used to be able to -(interjection)- Mr. Deputy Speaker, I would ask you to intervene to please ask the Minister of Northern Affairs (Mr. Downey) to restrain himself so that I might have an opportunity to speak. I will give him ample opportunity when it is his turn.

I was talking about the direct line which was a great idea. It was established by the NDP, a Citizens Inquiry Service, so anywhere in Manitoba you could phone Winnipeg, you could phone the Legislature, you could phone the Civil Service, the major departments, the agencies, the senior people or the junior people. Now we are getting reports that people are not able to do this. I had a constituent tell me—

An Honourable Member: They are so.

Mr. Leonard Evans: Well, I had a constituent tell me the other day, that she phoned in and said, sorry, you have to dial directly -(interjection)- she said we cannot, there are certain people, if you phone MLAs you can get through, if you phone a Minister's office you can get through, but if you phone and ask for Mr. X or Miss Y, Miss Jones or Mr. Smith or whoever in such and such a department, they are told, sorry, you have to use your own, you have to do this at your own expense, you cannot use the 1-800.

In fact, it would be a good exercise for Members of the Opposition or maybe the Members of the other side as well to do a little survey, to get their staff to start phoning to see how easily they can get through, because I think they will find that service is being shaved back.

If you want to bring Government to people one essential way is to make senior people available to

citizens throughout the province. I cannot think of a better way than to have free access through the Citizens Inquiry Service.

Mr. Deputy Speaker, this is an opportunity as well to talk about the economy. I have not got much time I might add, because we are talking about taxation. We on this side and Members of my caucus are very concerned about the economic situation in the province. Every time we ask a question, the Minister of Finance (Mr. Manness) or the Premier (Mr. Filmon) or the Minister of Industry (Mr. Ernst) get up and recite all kinds of figures and so on. We on this side can cite figures back to show that there are very serious signs of weakness. We should be paying attention to them, and this is my point, let us not ignore a weakness if we perceive one in the economy.

Frankly, you get information, you get stories, day-in and day-out about failures, business failures, business closures. There is a recent case in Souris where a major dealership is closing down, lock, stock and barrel. It had been operating for decades but it has closed down because of the economic situation.

Another example, last week there was a report in the paper about a Morden manufacturing company - (interjection)-

Mr. Deputy Speaker: Order, please. Order.

Mr. Leonard Evans: —about a Morden furniture company, I believe it was in Morden, has also had to close down, laying off a large number of people, 50-60 people. I am not sure of the exact numbers, Mr. Deputy Speaker. There is an example of the weaknesses in the economy. We could go down the list and make references to other specific businesses who had to go out. I can use a small example, they live in my constituency, they were operating a small business near the constituency, near Brandon, as a matter of fact in the Shilo area. They have had to go out of business, two young people trying their darnedest to—I will not go into the detail of it. It is not necessary, but they have gone out of business. If you look at many areas of this province, particularly rural areas, you will see a lot of empty stores, a lot of empty buildings, a lot of closed down businesses throughout the province. I think this speaks very, it gets the message across far better than any statistics that we can quote in this House.

(Mr. Speaker in the Chair)

Mr. Speaker, we will not talk this long, because we would like to give others an opportunity to talk on other Bills before 12:30. I wanted to make mention that we are very concerned about the Meech Lake Accord. We are very concerned that Mr. Filmon, the Premier of this province, is so desperate to cut a deal that he is so anxious to make a deal that the people of Manitoba should be very concerned.

As a matter of fact I recall the glowing speech that the First Minister made on a Friday I believe it was. Meech Lake, December 16, Meech Lake Accord was the greatest thing ever invented.- (interjection)- Yes, a necessary first step. He gave a glowing account of the

value of the Meech Lake Accord, and he thought it was in Manitoba's interest as well to go along with this. He changed his mind over the weekend and as far as I am concerned it was simply for political expediency, I do not think it is a matter of principle. I know what the people of Manitoba are saying out there now. They simply do not trust this Premier and this Government with regard to Meech Lake. Give them a majority and see what they do. Give them a majority and see what they do. I think the Premier is just desperate to do some business with Mr. Mulroney, the Prime Minister of this country.

As I said, the relations between himself and the Prime Minister are not very good to say the least, but I am convinced that our Premier would be ready to cave in to the pressure of Ottawa if he was in that position, if he had a majority.

As long as I am a Member of this House, I will oppose Meech Lake 100 percent. It is a bad deal, it is a bad deal. I say, Mr. Speaker, here I stand today, here I stand today, totally opposed to the Meech Lake Accord. As a matter of fact, I know people were teasing us a little while back about our support of Mr. Barrett. One of the main reasons I am supporting Dave Barrett is because he takes a solid, firm stand against the Meech Lake Accord. As a matter of fact, in retrospect and looking at it historically, I think the whole process was wrong. It is certainly not a very democratic process where 11 men together over a weekend more or less hammer out a deal, no consultation.

There were supposed to be public hearings. I believe every province in the federal Government was supposed to have public hearings. I believe this was done maybe in one or two provinces, maybe all of them, but in a very, very superficial way. In fact the federal hearings were a farce because the committee did not even go out of the City of Ottawa, in dog days of August as well.

Talk about not inviting participation by the people of Canada. It is just incredible. It is a major move in constitutional change. It is a move that is in my judgment not in the best interests of Canada and for many excellent reasons that have been stated many a time.

I congratulate the people of Manitoba for speaking out loudly and clearly to the Task Force at Meech Lake. I do support the All-Party Task Force report that was arrived at after many weeks, many months of hearings and a lot of hard work and a lot of discussion.

As I said, Mr. Speaker, I just do not trust this Government and the Premier of this province. Give him a majority and he will be wanting to know where he is to sign. I think that the people of Manitoba know that out there instinctively and that is a very good reason why they would not wish to see a Tory majority Government in this province.

Mr. Speaker, getting back to this particular Bill, we will have more to say about it in the committee stage. I cannot help but note in closing, that this Government is underspending some of the major departments by a considerable amount of money. Education is being underspent by over \$8 million; Family Services is being

underspent by \$18.8 million; Health is being underspent by \$17 million, just to name some of the bigger ones.

* (1200)

I wonder whether the people of this province are being fooled. On the one hand, they are saying we are spending all this money on health care, education, and social services, yet when it comes down to it we find that really the expenditures are not there. The Government is really fooling the people into thinking that they are prepared to spend all this money on health care, for example.

Mr. Speaker, there is a lot more to be said, but I think I will conclude my remarks now and pick it up again when we get into the committee stage. Thank you very much.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I am closing debate on second reading. Let me indicate to the Member who has just spoken, if he is unable to obtain a copy of the detailed speaking notes in considerations with respect to the taxation Act, certainly I will endeavour to provide that to him as quickly as possible.

Mr. Speaker, I appreciate all of the contributions of Members in this House. I look forward to more debate if required during committee stage at which time no doubt we will have an opportunity if we so wish. At that time certainly we will be prepared to have officials here to give greater insight into some of the taxation changes that are being contemplated. Thank you.

QUESTION put, MOTION carried.

BILL NO. 53—THE ENERGY RATE STABILIZATION AMENDMENT ACT

Mr. Speaker: On the proposed motion of the Honourable Minister of Finance (Mr. Manness), Bill No. 53, The Energy Rate Stabilization Amendment Act; Loi modifiant la Loi sur la stabilisation des emprunts d'Hydro-Manitoba à l'étranger, standing in the name of the Honourable Member for Flin Flon (Mr. Storie). Stand? Is there leave that this matter remain standing? Agreed.

BILL NO. 63—THE CONSUMER PROTECTION AMENDMENT ACT (3)

Mr. Speaker: On the proposed motion of the Honourable Minister of Consumer and Corporate Affairs (Mr. Connery), Bill No. 63, The Consumer Protection Amendment Act (3); Loi no 3 modifiant la Loi sur la protection du consommateur, standing in the name of the Honourable Member for Seven Oaks (Mr. Minenko). Stand? Is there leave that this matter remain standing in the name of the Honourable Member for Seven Oaks? Agreed.

POINT OF ORDER

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, on a point of order.

Mr. Speaker: On a point of order.

Mr. Lamoureux: The Member for Seven Oaks (Mr. Minenko) had debated this particular Bill for the Member for Radisson (Mr. Patterson). I do not think leave would be required to remain it standing in the Member for Seven Oaks' name.

Mr. Speaker: There has already been leave for the matter to remain standing in the name of the Honourable Member for Seven Oaks. If the Honourable Member for Seven Oaks does not wish to have this matter remain standing in his name, it will be up to the Honourable Member for Seven Oaks to do so.

Mr. Allan Patterson (Radisson): It gives me pleasure to put a few comments on the record for this Bill, The Consumer Protection Act, and I might say at the outset that we consider this a positive Bill and will be giving it our support. It should be supported because it does deal with important deficiencies in the current legislation. More importantly it expands the realm of consumer protection in this area of prepaid services.

Our Party believes that consumer protection legislation should be designed to protect the citizens of Manitoba from undue abuse or any substantial abuse at all by the private sector. However, it should be recognized that in a free society individuals must largely accept responsibility for their own decisions and behaviour. However, in spite of this there are certain unscrupulous business practices which must be curtailed.

Now in this respect, Mr. Speaker, I might say that it is a difficult line at times to tread or it is not so much a line as you might say a narrow zone between the freedom of entrepreneurial action, which exists under our laws and in our society and yet also our need to protect individuals from unduly unscrupulous behaviour. In this type of thing the New Democratic Party tends to overreact and to a great extent they use the sledgehammer to crack a nut. They tend to simply carry things unnecessarily far in some of their proposals and legislation of this nature. You might say as an economist, former colleague and friend of mine, an economist said, and I would agree, I would rather have a million Manitobans making their own poor decisions than the New Democratic Party bureaucracy making the decisions for them.

There has been considerable controversy in the past few years with health and fitness clubs selling long-term memberships, sometimes lifetime memberships, and then following this we find that some time later they have run into financial difficulties and closed their doors. This legislation clearly addresses this particular problem, Mr. Speaker.

The first part of the Bill, however, deals with technical amendments. The thrusts of these technical

amendments I might say are largely positive. The Act has been amended to provide or extend protection for goods or services in excess of \$25,000, where previously there had been a \$25,000 cap on the extent of the protection. So this is a positive change.

There have been some minor changes to Part 1 of the Act dealing with the disclosure of the cost of borrowing. These amendments are more questionable and will have to be examined in more detail in committee later on, but specifically the required information that a credit grantor must give to a borrower who is party to a variable rate agreement is less. Where a variable interest rate is charged, the credit grantor must no longer provide information such as the number of payments remaining to be made, the projected final payment, the total obligation remaining and the projected total cost of borrowing expressed as one amount in dollars and cents. We just wonder, is it a major inconvenience for the credit grantor to provide such information on an ongoing basis. We said we can address this in more detail in committee.

Finally, perhaps the most significant of the technical standards that are amended deal with the increase in the cooling-off period from four to 10 days for consumers who enter into agreements as a result of a direct sale. This is consistent with legislation in Saskatchewan. This is a very positive change we feel, Mr. Speaker. It is very often consumers and particularly consumers such as the elderly or those who might have some difficulty in comprehending detailed contracts and so on that are pressed into making purchases against their better judgment. They do not realize the consequences of their decision until it is too late, and they are locked into an agreement which is very, very unfavourable to them. This 10-day cooling-off period will give consumers time to evaluate decisions that are sometimes hastily made.

The change in this part dealing with warranties and retail sales is a positive one which ensures that service contracts or extended warranty contracts are the responsibility of the person who arranged the contract rather than the salesperson as an individual.

* (1210)

The section dealing with the changes in penalties is one that I personally am in agreement with, Mr. Speaker. The penalties have been substantially increased for violations of the law of the particular provisions of this Act. As I have stated before in this House, I am one who believes that a good stiff penalty, a hit in the pocketbook is one that makes individuals sit up and take notice. We want a certain type of behaviour and penalties for not hewing to that type of behaviour. The consequences of not exhibiting that particular behaviour must be severe enough that behaviour follows, and it will not be broken.

Generally, you would think it is a good idea to increase the penalties and thus strengthen the teeth of the Act. However, in spite of this, the problem has been with inconsistent enforcement. Some parts of the Act have not been or are not being enforced. For example, there is inconsistency in dealing with enforcing the licensing

that is required for direct sellers. I addressed this in some detail previously, Mr. Speaker, in the Estimates for the Department of Co-operative, Consumer and Corporate Affairs, specifically, the case of direct selling and the exemptions to that particular requirement.

Under Section 60(1) of the Act, Subsections (f)(iii) states that, any service of a domestic nature excluded from the provisions of this particular part. Mr. Speaker, I do not believe that many cleaning services are subject to this Act and have disregarded the licensing requirement. The phrase, "any service of a domestic nature" clause, seems to clearly exempt organizations of this nature. The interpretation of the Consumers Bureau, as I have mentioned in the Estimates, is questionable where the bureau has interpreted this clause to mean live-in domestics only, which flies in the face of what is good plain English in saying, "any service of a domestic nature."

However, if these companies do not license themselves, they are now subject to more severe fines, and the enforcement is unfair because it is inconsistent. How many of these cleaning services, we might ask, are in fact licensed? How many are not? How many related industries are licensed? How many convictions have there been of companies which do not or have not complied with these particular licensing requirements.

This is something that could be addressed in more detail when the Bill reaches committee stage. As I have suggested before, rather than forcing some interpretation on what is a very clear clause, the Government I think would be well advised to bring forth an amendment stating exactly what they wish to have the particular subclause say.

Another positive change to the Act is the new requirement that collectors who are employed by collection agencies be registered. Very often these collectors use questionable tactics or poor judgment in doing their jobs, and some type of regulation is a positive move. So just overall, these technical amendments will have to be analyzed in committee. The general thrust of them does appear to be positive, where the main thrust of this Bill, as previously mentioned, deals with a new part, Part 15, which deals with prepaid services or services which require advance payment.

The Bill takes aim specifically at health, fitness and exercise clubs, modelling and talent development agencies, dating services, martial arts instruction schools, and dance schools. I would like just again to ask, Mr. Speaker, seeing that these problems have existed for some period of years, why these had not been addressed by the previous administration?

There have been numerous examples over the past several years of these types of facilities selling multiple-year memberships and then closing their doors and leaving their members with very little if any recourse. The FitStop, for example, went out of business a couple of years ago and yet the company had numerous lifetime memberships.

Recently the Member for Seven Oaks (Mr. Minenko) has raised in the Legislature the situation with the

European Health Spa. This spa is closing down its club in the north end and this is greatly inconvenient to many of its members who have multiyear memberships, and who would probably not have purchased them if not for the convenient location in the north end. It is very inconvenient for them to have to go to some other club that is still open several miles away in another part of the city.

In this respect I might just say in the line of fitness, it is something that is very, very desirable, and fitness and health have been something that has been in the forefront in the past many years. With all due respect to various fitness clubs and even amateur organizations, and so on, and without any desire to undercut their business, I might just say that there is one excellent exercise that would keep many of us in shape.

I am always mindful of the biblical admonition, let him that is without sin cast the first stone, and I must admit to some small degree of sin, but there are many of us here on both sides of the House, who would do well to take part in that very good exercise that relates to fitness of pushing oneself away from the table. So if we try that we might not have so much need for some of the fitness clubs.

However, the Bill does address this particular problem. The Bill is flexible because there are several exclusions for well-established clubs such as golf clubs and curling clubs which have not been a problem over the years.

The Member for Elmwood (Mr. Maloway) has brought forth many draft Bills which were being worked on when the previous administration fell, including Bill No. 22 which is similar to this Bill. However, I think the Minister in introducing this Bill did mention, in spite of the claims of the Member for Elmwood, that they are just copying their legislation, that this is Legislation that had been worked on by the civil servants in the department and therefore the previous administration cannot claim any great degree of detailed authorship for the particular Bill.

Bill No. 22 of the Member for Elmwood (Mr. Maloway)—many parts of this Bill are similar to that of course, but in general this Bill is more refined and more flexible. The question of the manufacturer's suggested retail price, insofar as the automobile industry is concerned, which is included in the Bill of the Member for Elmwood, has been well discussed in the Estimates and we will leave any further discussion of that to the committee stage.

In general, Mr. Speaker, in closing, the general thrust of the Bill is positive. We find no quarrel with a large percentage of items that are in there, and we look forward to more detailed discussion of it in committee. Thank you, Mr. Speaker.

Mr. Speaker: Is the House ready for the question? The Honourable Member for Churchill.

* (1220)

Mr. Jay Cowan (Churchill): Mr. Speaker, I move, seconded by the Member for The Pas (Mr. Harapiak), that debate be adjourned.

MOTION presented and carried.

Mr. Speaker: The Honourable Member for Inkster (Mr. Lamoureux), on a point of order.

Mr. Kevin Lamoureux (Inkster): Yes, Mr. Speaker, on a point of order. I believe that I was ruled against and that it is remaining standing in the Member for Seven Oaks' (Mr. Minenko) name.

Mr. Speaker: That is right. I would like to thank the Honourable Member for Inkster.

There has already been leave granted that this matter would remain standing in the name of the Honourable Member for Seven Oaks (Mr. Minenko).

BILL NO. 80—THE CIVIL SERVICE SUPERANNUATION AMENDMENT ACT

Mr. Speaker: On the proposed motion of the Honourable Minister responsible for the Civil Service Commission (Mrs. Hammond), Bill No. 80, The Civil Service Superannuation Amendment Act; Loi modifiant la Loi sur la pension de la fonction publique, standing in the name of the Honourable Member for Inkster (Mr. Lamoureux).

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I did adjourn this debate on behalf of the Member for Radisson (Mr. Patterson).

Mr. Speaker: Is there leave that this matter remain standing in the name of the Honourable Member for Inkster (Mr. Lamoureux)? No, okay.

The Honourable Member for Inkster, his remarks are deemed that he has spoken on Bill No. 80, therefore, the Honourable Member for Radisson.

Mr. Allan Patterson (Radisson): Thank you, Mr. Speaker. It gives me pleasure to say a few words about this Bill No. 80, The Civil Service Superannuation Amendment Act. I am afraid this is going to look a bit like a love-in; however, I must say that this Party will support good legislation when good legislation is brought forth. We will not oppose just for the mere sake of opposing, there must be some good grounds for it.

So this Bill consists of a series of amendments to The Civil Service Superannuation Act which are largely housekeeping in nature, but they should enable the Superannuation Board to administer the fund more effectively. So this is a positive Bill which this Party will support.

Note the three major areas of change in this Bill. First, the assets that exceed the accrued pension obligations are to be transferred to the Inflation Adjustment Account. Then there is recognition in the legislation, the Employee Liaison Committee and the Employer Pension and Insurance Committee; and

thirdly, the requirement that employers pay one-half the administration costs of the fund.

It is noted in the Minister's address that the fund has assets of about \$800 million and approximately \$32 million in excess of the accrued pension obligations, and these are all actuarially calculated, Mr. Speaker. So transferring of this surplus to an inflationary adjustment fund is a positive change.

We might think, Mr. Speaker, I have often said there is a whole generation grown up who thinks that 4 percent inflation is good. I might just point out that it is terrible, it is awful. In the decade of the '40s, 1941 to 1951, the average inflation rate—and this is during the two wars, World War II and the earlier part of the Korean War—was 5 percent; the decade of the '50s, 1.3 percent; the decade of the '60s, 2.9 percent; and the decade of the '70s, 9 percent. There are too many—well, largely our middle-age population that looks back to the decade of the '70s with its 9 percent average inflation and therefore thinks that our current roughly 4 or 5 percent is relatively good. It might be relatively good, Mr. Speaker, but the object of our society both provincially and federally should be to get that inflation rate down to where it was in the '50s and '60s.

At any rate, it is a very positive step, on an actuarially sound basis to use the surplus that is in the fund to make the periodic adjustments as they are able to, to those who are already on pension.

The key point in the Bill is the fact that these various amendments have been made in consultation with the actuaries. As I say, they are actuarially sound and they have had the input and approval of both the employee and the employer representatives.

The fact that the Bill requires that the employer pay half of the administrative expenses, this is consistent with other public and private pension plans in Canada. The Bill deals with several minor amendments which are technical in nature and which largely help to clarify various sections. Several of these minor amendments also make the Act more flexible and should result in improved pension benefits.

Overall, therefore, Mr. Speaker, the Bill is very positive and should be passed expeditiously. Thank you, Mr. Speaker.

Mr. Jerry Storie (Flin Flon): Mr. Speaker, I move, seconded by the Member for The Pas (Mr. Harapiak), that debate be adjourned.

MOTION presented and carried.

BILL NO. 62—THE CITY OF WINNIPEG AMENDMENT ACT (3)

Mr. Speaker: On the proposed motion of the Honourable Minister of Urban Affairs (Mr. Ducharme), Bill No. 62, The City of Winnipeg Amendment Act (3); Loi no 3 modifiant la Loi sur la Ville de Winnipeg, standing in the name of the Honourable Member for Fort Rouge, the Honourable Member for Fort Rouge.

Mr. James Carr (Fort Rouge): Mr. Speaker, this is the latest in a long list of City of Winnipeg Amendment

Acts, we see in brackets, No. (3), as the Government oozes out drip by drip, drop by drop, its sense of where it wants to take municipal reform in Winnipeg. We are disappointed that the Minister has chosen this route because he forces us to examine every piece of legislation in isolation from the one that comes next, and this piece of legislation is no different.

As a matter of fact, it is even a little worse because the purpose of this legislation is to abolish the additional zone, but we have no hint about what the Government intends to do after abolition. We know that there is going to be the creation of a committee to study the matter, and it will have representation from the province, from the city, and from the rural municipalities and we welcome that, but we do not know what kind of legislation will be tabled over the next six or eight months which will give a little more meat to the bones of Bill 62.

While I am on my feet, I think all of us in this Chamber are basking a little bit in the glow of the decision of Winnipeg City Council yesterday, which in a vote of 22 to 7 has allowed for the removal of the Works Yard, which we all hope will pave the way towards the construction of the Virology Lab on the downtown site, a site that was favoured by some Members of this Government and certainly by Members of the Opposition.

The time is right now, Mr. Speaker, for the Minister of Health (Mr. Orchard) to get on the phone and today would be a good time, tomorrow if he is busy, to talk to the federal Minister of Health to make sure that the promises made by Jake Epp are delivered by the federal Minister of Health, because now that the city has done its job it is the province's turn to put pressure on its federal counterparts to make sure that the right decision is made. I trust that the Minister of Health will be aggressive and conscientious in his duty to make sure that every effort is taken to convince the federal authorities that the downtown site is the better one.

We, on this side of the House, Mr. Speaker, take particular pleasure in the decision because we believe that it was, at least in part, due to the efforts of this side that have made politicians in this province realize that we were on the verge of an historic mistake. That historic mistake now will not be made, and it will not be made if the federal Government delivers on its promise.

Mr. Speaker, the principle in this Bill is the principle of autonomy for rural municipalities. Before the abolition, or the soon to be abolished additional zone, the City of Winnipeg Council had authority over planning decisions which were made in rural municipalities which surround the City of Winnipeg. That is a situation that was uncomfortable that created incredible tensions between the City of Winnipeg and the rural municipalities which make up the additional zone.

As a matter of fact, when the additional zone was established in 1961 there were some seven R.M.s within it, and gradually over time there was an erosion, one by one, of rural municipalities which asked the province to be taken out of the additional zone, because they did not want to come cap in hand, as it were, to

Thursday, November 30, 1989

councillors of the City of Winnipeg for planning decisions which were made in their own rural municipalities.

It is a question of autonomy. This is of particular importance to Members of this side of the House because we believe there is too much attention paid on issues that affect the City of Winnipeg and not enough attention paid to issues which affect the rest of the province.

The Minister of Justice (Mr. McCrae) has been wont over the last couple of days to quote from newspaper editorials. He realizes that it is a double-edged sword, Mr. Speaker, and I intend to unsheath that sword when I next have a chance to address this subject to the Legislature, which I expect will be soon, because the Government has said that Bill 62 is a priority Bill, so I expect that sometime next week I will be able to make comments more fully for the Honourable Member.

Mr. Speaker: Order, please. The Honourable Government House Leader (Mr. McCrae), on a point of order.

Mr. James McCrae (Government House Leader): I understand the Honourable Member for Fort Rouge (Mr. Carr) has something he would have liked to have read into the record if he had had time. For the amount of time that it would take for him to read the editorial article that I know he wants to read into the record, I would be willing to grant leave for that length of time, so the Honourable Member could read that into the record, so that we could have his position more thoroughly on the record with respect to decentralization.

Mr. Speaker: Is there leave to allow the Honourable Member for Fort Rouge (Mr. Carr) leave? No, no leave.

Mr. Speaker: The hour being 12:30 p.m., when this matter is again before the House, the Honourable Member for Fort Rouge (Mr. Carr) will have 35 minutes remaining. The House is now adjourned and stands adjourned until December 4, 1989, at 1:30 p.m. (Monday).