

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 13 August, 1986.

Time — 2:00 p.m.

OPENING PRAYER by Madam Speaker.

MADAM SPEAKER, Hon. M. Phillips: Presenting Petitions . . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

Madam Speaker, I move, seconded by the Honourable Member for Inkster that the Report of the Committee be received.

MOTION presented and carried.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Culture, Heritage and Recreation.

HON. J. WASYLICIA-LEIS: Thank you, Madam Speaker.

I'm pleased to table the Supplementary Information for Legislative Review for the 1986-87 Estimates, Manitoba Culture, Heritage and Recreation.

MADAM SPEAKER: The Honourable Minister of Highways.

HON. J. PLOHMAN: Madam Speaker, I wish to table the Supplementary Information for the Department of Government Services.

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Madam Speaker, I beg leave to table the Supplementary Information for Legislative Review for the 1986-87 Estimates of the Attorney-General's Department.

MADAM SPEAKER: Notices of Motions . . .

INTRODUCTION OF BILLS

MR. G. MERCIER introduced, by leave, Bill No. 54, An Act to amend The Real Property Act (3); Loi no3 modifiant la Loi sur les biens réels.

ORAL QUESTIONS

MTS - calling of standing committee

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Madam Speaker. My question is for the Minister responsible for the Manitoba Telephone System.

I wonder if he can indicate whether the Committee on Public Utilities and Natural Resources will be sitting again tomorrow morning to consider the Annual Report of the Manitoba Telephone System.

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, I've had some discussion with the House Leader and we're still discussing that question as to whether or not we should have it tomorrow or sometime later.

MR. G. FILMON: I wonder if the Minister would indicate whether or not Mike Aysan will be available for the next sitting of the committee so that he can be asked questions by members of the Assembly.

HON. A. MACKLING: That matter will be determined, of course, as well, and I wish to confirm that the committee would not be convening tomorrow but sometime later.

MTS - Judicial Inquiry re MTX and subsidiaries

MR. G. FILMON: Madam Speaker, my question further to the Minister responsible for the Telephone System is, given that the credibility of many senior officials of Manitoba Telephone System and MTX is in question because they have misinformed this Minister, and in fact successive Ministers responsible for the Telephone System, as well as members on this side of the House on a number of occasions, will he now be calling a judicial inquiry to open up for examination all of the records, all of the information with respect to the operations of MTX and its subsidiary and related corporations?

HON. A. MACKLING: Madam Speaker, as I indicated yesterday, as soon as this Minister received information from the affidavit that indicated that there was a potential public wrongdoing of persons involved in MTX, I contacted the Attorney-General's Department and the RCMP are currently conducting an investigation in respect to these matters.

I think it is appropriate for the RCMP who, through their commercial investigation unit, the Fraud Squad, have full professional ability to investigate and to make appropriate recommendations in respect to any charges that may be necessary should there be substance to those allegations, Madam Speaker.

In addition to that, I've indicated that in respect to the legitimate concerns in respect to the management

decisions, generally, in respect to MTX, aside from the question of the concerns about the Saudi Arabian involvement of MTX through the joint venture, which is the subject of the allegations and which is the subject of the investigation by the RCMP, that we are appointing an internationally recognized management firm to give us a full and complete analysis of the MTX operations and make full recommendations in respect to the manner in which that enterprise should be managed. We will take that advice, Madam Speaker, and act upon it.

MR. G. FILMON: Madam Speaker, given that the allegations are not just of criminal activity, as important as that is; given that they're not just allegations of improper management decisions; given that we have evidence over the past two weeks of this Minister having been misinformed by senior officials of the Telephone System; and I remind him, having been misinformed about the return of equipment from Saudi Arabia; having been misinformed on the flogging incident; having been misinformed on the employment of Theresa Aysan; having been misinformed about which company it was that paid the kickback; given all of those concerns that are obviously out there in the public mind, that will not be covered either by the criminal inquiry or the management system review, will he not appoint a proper judicial inquiry that will allow for people to be examined under oath for all of the operational problems of the company to be placed open before the public so once more we can restore confidence in the Telephone System as a Crown Corporation of the people of Manitoba?

HON. A. MACKLING: Madam Speaker, all members of this House share a concern as to the seriousness of the allegations that are contained in the affidavit that was tabled in the committee the other day . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order. Order please.

HON. A. MACKLING: . . . But I am troubled, Madam Speaker, that honourable members would suggest that somehow an investigation by the RCMP would involve cover-up.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order. Order please.

HON. A. MACKLING: Madam Speaker, when any citizen of Manitoba becomes aware of information that indicates public wrongdoing, it's not a question of holding a hearing to find out whether there's substance to those charges. If it appears there is any substantial allegations likely to lead to a criminal prosecution, then the duty is to involve the police immediately and not hold a hearing to determine whether or not there should be an investigation.

Madam Speaker, the Honourable Leader of the Opposition has the sequence all wrong. When there are specific allegations, then that's a matter for police investigation immediately, and that's the course of action that was followed in this instance.

MADAM SPEAKER: Order please. Order.

MR. G. FILMON: Madam Speaker, I have never suggested a cover-up. I'm suggesting that the gap between the two studies is so wide that very many of the things that should be examined can't be examined.

MADAM SPEAKER: Does the honourable member have a question?

MR. G. FILMON: Madam Speaker, given that many loyal employees of the Telephone System have legitimately feared for their jobs and have not come forward to talk to this Minister or his predecessors; given that their employment can be placed at risk by having to talk privately with a management consulting firm about concerns they have about misinformation and other misappropriations and the way the management systems have caused the whole thing to go rotten; given that they can't be given this immunity without a judicial inquiry, why will he not call a judicial inquiry and let these people come forward?

A MEMBER: Maybe you should resign.

MADAM SPEAKER: Order please.

The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, the Honourable Leader of the Opposition in the one question, or the statement involving a question, indicates the system is all rotten and, at the same time, expresses concern for the innocents who might be involved. Madam Speaker, we are not jumping to conclusions that everyone involved has been involved in public wrongdoing. There have been specific allegations made in a written document, sworn before a Notary Public. Those are very serious allegations, if substantiated, will obviously involve criminal charges.

Madam Speaker, it is appropriate that those specific charges be acted on immediately, and that's what I did within one hour of receiving the document that was tabled in the committee.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.

The Honourable Leader of the Opposition is seeking the floor. I will recognize him when there is order in the House.

MR. G. FILMON: Thank you, Madam Speaker.

Given that this Minister has been hung out to dry on at least three occasions during the past week alone because he's been provided with false and incorrect information, wouldn't he take it upon himself to set the record clear to allow all of the members of the senior staff who have been giving him this misleading and incorrect information to be examined under oath in a judicial inquiry, to open up the air and to allow the corporation to once again be able to hold its head up high and to know that many of the employees, the vast majority of the employees, have absolutely nothing to do with this? All they want is to have the corporation restored to its good graces in the eyes of the people of Manitoba.

HON. A. MACKLING: Madam Speaker, I share the concerns of the honourable members. I've indicated that all members of this House want to see a full and complete RCMP inquiry to determine with precision who, if any, persons have been involved in public wrongdoing. I am not prepared to condemn carte blanche all management in the Telephone System, Madam Speaker.

It's appropriate that there be an investigation and that, flowing from that investigation, there be whatever disciplinary actions are necessary. That's the course of action to be followed, Madam Speaker, not to condemn everyone.

MADAM SPEAKER: Order please.

MTS - telephone equipment - Southeastern Manitoba

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Thank you, Madam Speaker, I direct a question to the Minister responsible for the Telephone System.

Madam Speaker, some eight or nine years ago, the System installed in the Dugald area, servicing the southeast portion of the province, new telephone equipment, I believe, valued to be around \$8 million or \$9 million worth. I think, Madam Speaker, I or indeed perhaps the former Member for Brandon West was perhaps the Minister responsible at that time for the Telephone System.

Can the Minister confirm or tell me whether that equipment is now being replaced by the new state-of-the-art digital equipment in the Oakbank area, servicing that southeast corner? Is that equipment now being replaced?

HON. A. MACKLING: Madam Speaker, I should, after learning from bitter experience recently, take the question as notice and I will. However, it is my recollection - I will research it and provide a precise answer as to date and time and value of equipment, but it is my — (Interjection) — the honourable member says, why am I gun-shy. Not at all, not at all.

Madam Speaker, it's been my anxiety to provide early and responsive answers that perhaps has, admittedly, led me into some difficulty in the House. I will take the question as notice. I believe that there has been a commitment to a new digital system in that area.

MR. H. ENNS: Madam Speaker, I appreciate the Minister's response. While he's taking that question as notice, would he also take as further notice, the question as to whether or not that equipment that was valued at \$8 million or \$9 million some seven or eight years ago is now being transferred to the books of MTX for a nominal sum, and has subsequently been sold to the community of Keewatin, Ontario for a few hundred thousand dollars. I wonder if the Minister could undertake to provide that information to the House.

HON. A. MACKLING: I'll take that as notice, Madam Speaker.

MTS - management consultant committee re investigation

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, my question is for the Minister responsible for the Manitoba Telephone System.

Madam Speaker, the Minister is putting off the need for a full judicial inquiry by attempting, at some point in time, to hire an international management consulting firm to investigate the operations of MTX.

My question to the Minister responsible for the Telephone System is: Will that management consultant firm have the ability to call MTS employees and members in MTX, both corporations, to bring before them, without fear of loss of job, to provide information on the way that books may not have been kept properly, the way transfers of equipment from Manitoba Telephone System to MTX at nominal values and then later resold, maybe become part of the public record; and will those employees enjoy full immunity from disciplinary action, firing and demotion?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Thank you, Madam Speaker.

I thank the honourable member for that question because it certainly has been my view that it should be made clear to employees - I thought that employees would always appreciate the fact that they could share with responsible people concerns they had.

I regret the fact that the information contained in that affidavit had not been brought to the attention of this Minister or previous Ministers earlier. I can assure the honourable member that I've talked to the chairperson of the Telephone System Board about those concerns, about making sure that employees understand they have complete assurance; that they can cooperate fully with the R.C.M. Police and with the management review, with complete assurance that that wouldn't affect their employment status, providing, of course, that they have not been culpable and involved in wrongdoing themselves.

MR. D. ORCHARD: Madam Speaker, a supplementary to the same Minister.

Will the information taken from those officials in MTS and MTX, and particularly from the senior officials who, in the past, have misled this Minister, be given under oath to the management consultant committee?

HON. A. MACKLING: Madam Speaker, that matter has not been decided yet. It may be that that kind of authority may be necessary to be given to a management review function. I don't know whether that's usual. I think it's unusual to that kind of function, but certainly we want to assure that the management review — (Interjection) — The Honourable Member for Emerson wants to interrupt and not hear an answer to a question put by his honourable colleague. Madam Speaker, he hollers "cover-up" when I indicate an R.C.M. Police investigation.

MADAM SPEAKER: Order, order please. I do presume that the honourable member who asked the question wants to hear the answer. If any other members have questions, they can certainly ask in turn.

The Honourable Minister.

HON. A. MACKLING: The answer, Madam Speaker, is yes, no question, but that message will go to employees.

MADAM SPEAKER: The Honourable Member for Pembina with a final supplementary.

MR. D. ORCHARD: Did I just hear the Minister say that employees will now testify to the management consultant committee under oath? You just answered yes to the question and that was the point of the question.

MTS - Judicial Inquiry re MTX and subsidiaries

MR. D. ORCHARD: My question then would be: Why would you not call a judicial inquiry if you're requiring testimony under oath, which is the purpose of a judicial inquiry?

MADAM SPEAKER: Order please. A question has been asked; the Minister is going to endeavour to answer it.

The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, the honourable member asks several questions, interprets answers in the way he thinks it's most appropriate for him.

I indicated that in respect to the question of testimony under oath, that's a matter that would certainly be considered, that no decision is made in respect to that.

In respect to the question of whether employees will understand and appreciate that they have full immunity, the answer is yes.

That's the answer I gave to the honourable member.

MTS - management consultant committee re investigation

MR. D. ORCHARD: Madam Speaker, a question to the Minister responsible for the Telephone System.

This investigation, using a management consultant team, will it be open to members of the media as a full judicial inquiry would be open to members of the media and members of the Opposition, to peruse, to watch and to be present at all of these presentations by MTS employees?

HON. A. MACKLING: Madam Speaker, one of the reasons that the RCMP are called upon to investigate is so the information that they deduce is not telegraphed; people don't know what information is being disclosed — (Interjection) —

MADAM SPEAKER: Order please.

HON. A. MACKLING: Madam Speaker, what is under way right now is an RCMP investigation. Those kind

of investigations are not held in public for the reason, to be effective, they are held in-camera.

MR. D. ORCHARD: Madam Speaker, obviously the Minister responsible for the . . .

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

MR. D. ORCHARD: . . . did not understand the question. I did not ask about the police inquiry, Madam Speaker, I asked about the inquiry, the investigation undertaken by the management consultant firm into the administrative practices of MTS.

Madam Speaker, my question to the Minister, since he did not hear it, or chose not to understand it in the first instance: Will the management consultant's analysis of MTX and MTS, at which MTX-MTS employees will be present, will that inquiry, will that investigation be open to members of the media, to members of Her Majesty's Loyal Opposition while those employees are testifying to this management consultant committee?

MADAM SPEAKER: That question is repetitious. It is almost identical to the former question.

Order please. If the honourable member is not satisfied with an answer from a Minister, he is not able to dictate an answer to a Minister.

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

MR. D. ORCHARD: Madam Speaker, the Minister responsible for the Manitoba Telephone System deliberately misunderstood my question in order to hide facts from the people of Manitoba.

He knows full well, Madam Speaker, I did not ask about the RCMP investigation, that I asked about the management consultants. He refuses to ask that question in order to further cover up his incompetence.

MADAM SPEAKER: Order, order please. The member cannot rise on a point of order to complain about the answer a Minister gives. I presumed that the member was rising on a point of order to take issue with my admonishments about repeating questions and about insisting on an answer from a Minister. The honourable member does not have a point of order.

Infill Housing Program

MADAM SPEAKER: The Honourable Member for Ellice.

MR. H. SMITH: Thank you, Madam Speaker. I have a question for the Minister of Housing.

With the Infill Housing Program being very successful, line-ups waiting to look at homes and so forth, I'd like to know exactly how successful this program is. Are there many homes left to be sold? What is the situation?

MADAM SPEAKER: Order please, order please. The honourable member has a right to ask a question in this House and has the right to have an answer.

The Honourable Minister of Housing.

HON. M. HEMPHILL: Thank you, Madam Speaker.

Yes, I'm very pleased to get the question and to give facts, not opinion, that suggests and tells us that the Infill Housing Program that has been going since 1982 is one of the most successful housing programs, to help revitalize the inner city, that we've ever had.

We made available for the sale to the public 75 Infill houses. The response was tremendous; about 32 homes were sold in one day. We are receiving telephone calls and orders every day. If you have a constituent who is interested in living in the inner city, which many people are, then they should call quickly.

MADAM SPEAKER: The Honourable Member for Ellice with a supplementary.

MR. H. SMITH: A supplementary question.

If the program is this successful, is the Minister contemplating expanding it in the coming year?

HON. M. HEMPHILL: It's clear that with the tremendous response that we're having in making affordable homes available to people in the inner city who otherwise could not afford to buy a home, and the fact that we are buying up empty lots which are just garbage heaps and putting good, beautiful homes on them and helping revitalize the city, clearly we will want to continue this program, Madam Speaker.

Spruce Industries - late funding

MADAM SPEAKER: The Honourable Minister of Finance.

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

On July 23, I took as notice a question from the Member for Gladstone regarding some delays of payments made to Sprucedale Industries and the Manitoba Agricultural Museum, both in Austin.

I can report with regard to Sprucedale Industries, the method of payment is, that on the fifth day of the month following the month which service is provided, they have to invoice the Department of Community Services and processes of the payments are then made through Community Services and Finance.

The records show for April, May and June that payments were issued for the end of April on June 5; May on July 15; and June on July 23, so the payments ranged from 23 days to 45 days, which is a lot shorter than the two to three months that the Member for Gladstone had indicated.

The time for processing varies by the workload in both of the departments but, in any case, the one month where there was considerable delay was as a result of the normal year-end delays that take place in the processing of payments.

Manitoba Agricultural Museum - late funding

HON. E. KOSTYRA: With regard to the Manitoba Agricultural Museum, the payments were made on June 9 and July 23. There are two payments made every year. In the one case it was just under a month later; in the other case it was eight days later than the previous year and that was as a result of the transfer of authority from the Department of Agriculture to the Department of Culture, Heritage and Recreation.

MTS - services re rural Manitoba

MADAM SPEAKER: The Honourable Member for Springfield.

MR. G. ROCH: Thank you, Madam Speaker. My question is to the Minister responsible for MTS.

In light of the fact that there's been tremendous losses in Saudi Arabia and in light of previous statements that the Minister has made in regard to service to rural Manitobans, particularly those in the surrounding areas such as my riding of Springfield, and he's often referred to the fact that the former member made strong representation, a member who I might add, was in the same Cabinet who authorized the . . .

MADAM SPEAKER: Does the honourable member have a question.

MR. G. ROCH: Yes. Will the Minister now, immediately, extend the Winnipeg Exchange service to those MTS customers who have been subsidizing these losses in Saudi Arabia so far?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: The Honourable Member for Springfield should know that his predecessor in this House, the previous Honourable Member for Springfield, addressed very eloquent arguments to me and I've indicated that in respect to the concerns of the people of Springfield for improved telephone service. But I think the honourable member should talk to the Member for the Interlake because apparently there's some disagreement.

I know that there were plans, if they had not been completed, in respect to very substantial improvements in the exchange facility in Springfield and I gather that he doesn't appreciate that effort.

Madam Speaker, the honourable member will recall my indication that the whole matter of expanded services of the telephone system in Manitoba is under active review by the Manitoba Telephone System Board at the urging of this government.

MR. G. ROCH: Seeing we have so much money to throw away in Saudi Arabia, could he at least, in the best interests of the citizens of Manitoba and especially rural Manitobans, reduce the horrendous costs of FX service, as well as charge the same rates of interests, which would be lower, as those charged for our Saudi Arabian colleagues?

HON. A. MACKLING: Madam Speaker, if there was a new question involved, I didn't hear it. There's a concern about rates. I've indicated that the whole question of service throughout Manitoba by the Manitoba Telephone System, including a review of the multi-line service, a review of the extended calling area or regional calling area, all of those matters are under active review by the Manitoba Telephone System through direction by its board and this Minister.

MR. G. ROCH: Madam Speaker, I don't think the Minister is understanding the questions again.

What I was asking was, in view of the fact that we have so much money to pour into other areas of the world besides Manitoba, will the Minister undertake to reduce immediately the cost of those subscribers to FX - that have FX service - and also reduce the rate of interest to those who are possibly a month late in their payments, the same as we give a reduced rate of interest to other people such as those in Saudi Arabia?

MADAM SPEAKER: Order please. That question is, in essence, the same as the previous supplementary, and if the answer is not to a member's satisfaction, then that's as I have said before the way it is.

Does the member have a final supplementary?

MR. G. ROCH: Yes. Madam Speaker, in light of the answers that the Minister is giving or the non-answers, I may as well hang up on him.

Crown corporations - code of conduct

MADAM SPEAKER: The Honourable Member for River Heights.

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

Madam Speaker, can the Minister tell us, are all Crown corporations in the Province of Manitoba subject to a code of conduct similar to that imposed upon all federal Crown corporations by the Government of Canada?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: During the, I think it was the '83-84 period, the ERIC Committee of Cabinet did develop a fairly extensive code of conduct and it does apply to all Crowns.

MRS. S. CARSTAIRS: Thank you, Madam Speaker, a supplementary question to the same Minister.

Can we have a copy of the code distributed to all members of this House?

HON. M. SMITH: I think that can be done, Madam Speaker.

MTS - Judicial Inquiry re MTX and subsidiaries

MRS. S. CARSTAIRS: A new question to the Deputy Premier.

Madam Speaker, in light of the charges and allegations that have been addressed towards both the Minister of Manitoba Telephone System and also to the Chairman of MTS and to the President of MTX, and in light of the fact that we have already had one judicial inquiry this year into clearing the good name of the Minister, why is this government unwilling to act with consistency and to call a judicial inquiry on MTS/MTX?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, it's our opinion that the management audit will be very thorough and the RCMP investigation will not only cover the ground but cover it in a very speedy and effective manner.

MTS - services, rural Manitoba

MADAM SPEAKER: The Honourable Member for Ste. Rose.

MR. G. CUMMINGS: Thank you, Madam Speaker, my question is to the Minister responsible for MTS.

I'm interested to note that the plans are in place to improve the phone services in Springfield. The people of Eddystone, Bacon Ridge and Ebb and Flow will not be heartened to hear that because their phone service has been somewhat inadequate for the last year-and-a-half. Problems have been ongoing. The staff is working beyond their normal hours well into the night.

My question is, Madam Speaker, will the Minister take this concern to the corporation and ask them to provide a service which these people should be entitled to?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, as one who enjoys telephone service albeit a party line . . .

MADAM SPEAKER: Order please, order please. The honourable member asked a question. I would hope that his colleagues would allow him to hear the answer. The Honourable Minister.

HON. A. MACKLING: Madam Speaker, I was trying to indicate to the honourable member that I do appreciate the concerns of residents in Manitoba who are on multi-line service because I enjoy that kind of service myself. There are some frustrations that occur from time to time and one of the concerns that we have is that we seek to eliminate multi-line service in Manitoba. That is one of the mandates of the studies that we have referred to the Telephone System to bring forward.

Included in that is a concern for residents in areas of Manitoba to have larger free-calling areas so that there can be more effective and more reasonable rates in respect to communication in the various regions of the province.

MR. G. CUMMINGS: Thank you, Madam Speaker, a new question to the Minister, if I may.

I believe he has confused my question today with the previous concern that I had expressed to him.

My concern is not with party lines. My concern is that there is no communication at all and have been intermittent for the last year-and-a-half. In fact the only way that communication could be had out of the community the last day-and-a-half is by the pay phone.

It would seem to me that it's improper to ask people who are trying to run a business to have to go to another community to get a phone to make a long-distance charge . . .

MADAM SPEAKER: Does the member have a question?

MR. G. CUMMINGS: The question to the Minister, Madam Speaker, is: Will he undertake to give direction to MTS to examine their service in this area and to ascertain if they are receiving service that is up to the standards that we should expect from MTS in this province?

HON. A. MACKLING: Madam Speaker, I appreciate the concerns of honourable members. From time to time I do get requests from honourable members. I know that colleagues on this side of the House have brought to me concerns in respect to the degree of service that is available in their areas. I welcome those concerns; I will refer them to the corporation.

MR. G. CUMMINGS: A supplementary, Madam Speaker, to the same Minister.

In the communities of Alonsa and McCreary, where without any long-distance service for a considerable length of time recently, and the answer that they received from personnel was that the equipment is not of any value, so what do you expect.

My question to the Minister is: Will he attempt to look into the long-distance equipment that's being used in that area and have the officials ascertain if it is in fact quality equipment?

MTX - disciplinary actions of employees in Saudi Arabia

MADAM SPEAKER: Would honourable members please keep order.

Would the Honourable Member for Lakeside like to ask a question as well?

MR. H. ENNS: Would the Honourable Minister tell us about the caning, just once more, that gentle caning that some of the MTS employees received, Madam Speaker.

MADAM SPEAKER: Would the honourable Minister care to answer?

HON. A. MACKLING: Madam Speaker, I think that question has been flogged enough.

MTS - services, rural Manitoba

MADAM SPEAKER: The Honourable Member for Ste. Rose.

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

Apparently the Minister is unaware of what my next question was going to be because the personnel, when they received complaints from my constituents, were abrupt, abusive and impolite. They've got the same attitude that Minister has. Will he give us some answer as to why we don't get better service in the province?

HON. A. MACKLING: Madam Speaker, I think I indicated my concern that if any member had issues or problems in respect to telephone service in their area, I had sympathy for that. I'd indicated that colleagues on this side of the House have brought concerns to me and I'd brought those to the attention of the corporation. I welcome the honourable members bringing that to my attention.

I don't think I was arrogant, I don't think I was abusive in my answer, I don't think that I was abrupt in my answer. I think I was reasonable and the record will show. But I would like the honourable member, when there is a problem, to bring it to my attention immediately and I will act on it as I have done in every case.

Agriculture - Feed Subsidy Program

MADAM SPEAKER: The Honourable Member for Lac du Bonnet.

MR. C. BAKER: It's hard to hear, Madam Speaker, but thank you. My question is to the Honourable Minister of Agriculture.

In view of the recent simultaneous announcements in Mountain, Halifax, Charlottetown and Edmundson that the Federal Minister is offering \$35 million, the five-year Feed Subsidy Program, has the Federal Minister of Agriculture confirmed to the Minister of Agriculture whether this means a federal subsidy will apply to Western Canada as well?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, there's no doubt that I can understand the Federal Government's assistance to livestock producers of Eastern Canada in terms of lowering their costs of feeding their livestock. But as well, Madam Speaker, we have taken the position that agriculture and the grain industry in Western Canada needs support, needs immense support in order for the grain industry to survive; therefore, in view of the announcement that the Federal Government has made several weeks ago when I met with the Federal Minister of Agriculture, I raised the question whether or not there would be deficiency payment in line with what Western Premiers have raised and our Premier has raised at the Premiers' Conference in Edmonton, Madam Speaker.

We continue to say if it's good for eastern farmers, certainly the grain industry in the west should be protected.

MADAM SPEAKER: The time for Oral Questions has expired.

MADAM SPEAKER: The Honourable House Leader.

HON. J. COWAN: Madam Speaker, before calling bills, we have some committee changes.

COMMITTEE CHANGES

MADAM SPEAKER: The Honourable Member for Ellice.

MR. H. SMITH: Yes, committee changes for the Municipal Affairs Committee; the Member for Brandon East substituting for the Member for Gimli.

MESSAGES

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Yes, before calling bills, Madam Speaker, I understand that there is a message from Her Honour the Lieutenant-Governor.

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Yes, Madam Speaker, I have a message from Her Honour the Lieutenant-Governor.

MADAM SPEAKER: The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba, Estimates of further sums required for the services of the province for Capital Expenditures and recommends these Estimates to the Legislative Assembly.

Le lieutenant-gouverneur transmet à l'Assemblée législative du Manitoba, le budget des sommes supplémentaires relatives à l'immobilisation qui sont requises pour l'administration de la Province et recommande ce budget à l'Assemblée législative.

The Honourable Minister of Finance.

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

I move, seconded by the Attorney-General, that the said messages, together with the Estimates accompanying the same, be referred to the Committee of Supply.

MOTION presented and carried.

ORDERS OF THE DAY

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Yes, Madam Speaker, could you call Second Readings for Bills No. 37, 39 and 52 on Page 4; and, following that, could you please call Adjourned Debates on bills in the following order: Bills No. 23, 25, 30, 32, 42, 44, 14 and 4.

It's my understanding, as well, that there will be no Private Members' Hour this afternoon.

SECOND READING

BILL NO. 37 - THE CITY OF WINNIPEG ACT

HON. G. DOER presented Bill No. 37, An Act to amend The City of Winnipeg Act; Loi modifiant la Loi sur la Ville de Winnipeg, for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Minister of Urban Affairs.

HON. G. DOER: Thank you, Madam Speaker.

I'm pleased to introduce the Second Reading of Bill 37, An Act to amend The City of Winnipeg Act. More than half of the amendments, Madam Speaker, prepared for consideration for the Legislature, have been drafted in response to specific and legitimate requests made by the City of Winnipeg.

For the most part, Madam Speaker, Bill 37 contains amendments which are administrative in nature. These amendments to The City of Winnipeg Act eliminate obsolete references and correct minor errors and omissions and inconsistencies.

MADAM SPEAKER: Order please. Could we conduct the business of the House in an orderly fashion? There are several private conversations going on which I'm sure could be conducted elsewhere.

HON. G. DOER: Among the administrative amendments is a change to the act to permit the City of Winnipeg to charge a property owner through the tax roll with any expenses associated with the demolition of insanitary premises for an order to comply with minimum maintenance and occupancy standards. The costs being referred to include bailiffs' fees, court expenses, the cost of placarding of premises and other such administrative expenditures.

Another administrative amendment is intended to make uniform the method of advertising a public hearing upon subdivision applications with a hearing for rezoning applications. Currently, the requirements under the act for advertising public hearings are different for subdivisions and rezoning applications. The proposed amendment would require that, as with rezoning applications, public hearings for subdivision applications be advertised in one newspaper having general circulation and in one newspaper, where available, having local community circulation.

Also among the minor amendments in Bill 37 is one which deals with the business trade licences. Concern has been expressed to the city by the local business community over the fact that the licence fee for transient traders and non-resident merchants is paid at the same rate. The amendment will permit local businesses paying taxes to the City of Winnipeg to pay a smaller licence fee than non-residents for conducting business off the premises of their established locations in Winnipeg.

Bill 37 also contains two substantively important amendments. The first of these would introduce into the act provisions for granting property tax relief for heritage buildings while they are undergoing major renovation work. Essentially, the amendment would permit buildings on the city's building conservation list to be exempted, in whole or in part, from property taxes during the period of substantial renovations.

This tax relief, during substantial renovations, would only be available until the building in question can be occupied but the exemption cannot exceed two years. The two-year limit on exemptions from property tax

assessment would make the provisions for heritage buildings similar to those existing in the act for new construction or additions to existing structures.

This legislation was prepared in response to a request from the City of Winnipeg. The city has been approached by heritage building renovators for property tax assistance during the period of reconstruction or conversion. For instance, the developer proposing the residential conversion of the Ashdown Warehouse in the Exchange District has requested tax assistance not only from the province but from the city. Likewise, non-profit housing groups have made similar requests regarding other residential conversions in the city. Another particular one is the Great West Saddlery Building on Market Avenue, also located in the Exchange District.

Given the provincial commitment to the renovation and rehabilitation of historical buildings and through residential development in the central area of the city, i.e., the Core Area Initiative and the new Heritage Resources Act extending to those heritage buildings, the temporary tax exemptions currently enjoyed by new buildings and additions would be a consistent policy response.

The second substantially significant amendment deals with the City of Winnipeg Police Commission. This amendment requested by the city would delete reference to the City of Winnipeg Police Commission and the Committee of Finance as the body to hear internal disciplinary matters. Instead, the Board of Commissioners would be assigned responsibility for hearing other matters related to internal discipline of the police staff. Of course, Madam Speaker, we also have the body established under the Manitoba Police Commission for more general investigations.

Currently, the Board of Commissioners deals with other city staff grievance hearings. Therefore, it would be quite appropriate and consistent to have one body responsible for all internal disciplinary hearings, including those involving the police department staff.

In conclusion, Madam Speaker, I would recommend Bill 37 to the honourable members for their consideration and adoption.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Charleswood.

MR. J. ERNST: Madam Speaker, perhaps before I speak, could I ask the Minister a question with respect to the bill?

Could the Minister advise why all of the sections that appear to relate to the duties of the police department - members of the department and oath of office, etc. - were deleted and then simply replaced with, I appreciate, maybe updated wording, but very similar types of wordings?

HON. G. DOER: This was the wording that was developed consistent with the city's request, the staff of the Attorney-General's Department and the City Solicitor.

MR. J. ERNST: Madam Speaker, perhaps I can pursue that a little further once we get to the committee stage,

but at this time I don't see any major problems with respect to the bill. Many of these recommendations have been abroad for a while and have been expected or anticipated by the city.

Madam Speaker, what concerns me more is the fact not so much as what's in the bill, although it's a welcome change, I'm sure, in amending a number of areas, but really what's not in the bill, and the concern that there are a great many other amendments that ought to have been addressed over the past any number of years. Madam Speaker, there are 30 or 40 pages of amendments that have not yet been dealt with, have not yet been addressed, many of which are again in a technical or minor nature on which we spoke during the Estimates process.

So, Madam Speaker, I'm pleased that some of these amendments at least are proceeding. I know that the question of the heritage legislation for one will be a welcome edition, and I know that there are a number of projects that are eagerly awaiting this legislation so that they can take advantage of the same kind of tax break during their construction process that new buildings have enjoyed for the past number of years.

Madam Speaker, the question of a two-year moratorium on taxes will, I think, spark a number of additional heritage projects, particularly in downtown Winnipeg, which will be most welcome and which will, I think, dovetail quite nicely with the renewed Core Area Initiative Agreement that will be coming on stream, hopefully, in a short period of time.

The question of the police department and the police commission, I think also a decision had been taken by the city to abolish the police commission, effective the first meeting after the election in the fall of 1986. Of course, the legislation is coincident with that and will force that to happen.

Madam Speaker, I really don't want to prolong debate so much on this bill and I would therefore see it move on to committee.

Thank you.

QUESTION put, MOTION carried.

BILL NO. 39 - THE MANITOBA ENERGY AUTHORITY ACT

HON. E. KOSTYRA presented Bill No. 39, An Act to amend The Manitoba Energy Authority Act; Loi modifiant la Loi sur la Régie de l'énergie du Manitoba, for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Minister of Finance.

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

I have a copy of the speaking notes for the critic, but I guess we'll give it to Mr. Manness.

I'm pleased, on behalf of the Minister of Energy and Mines, to place before this House amendments to The Manitoba Energy Authority Act. These amendments are largely technical in nature, clarifying the MEA's role in a number of areas in which the Authority has been active for some time.

In line with the previous administration's discussion on attracting aluminum companies to Manitoba, the previous Minister of Energy and Mines directed that the MEA become involved in attracting energy intensive industries to Manitoba. The amendments before you formalize this responsibility.

As members are aware, the Department of Finance is examining the possibility of financing a portion of Limestone Generating Station on the strength of Manitoba's contract with Northern States Power. The amendments I am placing before the House today would facilitate such project financing to go ahead if it is deemed advantageous. Since, by existing statute, all hydro-electric firm exports must be approved by the Manitoba Energy Authority, the Authority has co-signed with Manitoba Hydro all such export agreements. These amendments clarify this responsibility.

Finally, these amendments include a provision now included in most Crown corporations-related statutes allowing a member of this House to serve on the Energy Authority's board of directors, and an amendment repealing a section of The MEA Act which became redundant when the Manitoba Energy Authority became funded under The Loan Act.

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNESS: Madam Speaker, I move, seconded by the Member for Minnedosa, that debate be adjourned.

MOTION presented and carried.

BILL NO. 52 — THE MANITOBA MEDICAL ASSOCIATION FEES ACT

HON. L. DESJARDINS presented Bill No. 52, The Manitoba Medical Association Fees Act; *Loi sur les droits de l'Association Médicale du Manitoba*, for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Madam Speaker, in December of 1984 the Government of Manitoba and the Manitoba Medical Association jointly endorsed a Statement of Intent committing both parties to a cooperative working relationship in the search for solutions to problems in health care.

The Statement of Intent included proposed amendments to The Health Services Insurance Act to eliminate extra billing, approval of binding arbitration on fee disputes for a trial period of three years, and, if at least 51 percent of physicians voted for such an arrangement, an approval of mandatory MMA dues if a ballot indicated a positive response on this subject.

This cooperative approach had an immediate and sizable financial impact on the Manitoba Medical Association; for example, the MMA's sponsorship of two physicians on the Health Services Review Committee and the establishment of special MMA

committees on fee income disparities, medical power, utilization and high technology, together with the legal costs involved in the binding arbitration process.

Legislation to prohibit extra billing was passed at the 1985 Session of the Legislature. An agreement between the Manitoba Medical Association and the Manitoba Health Services Commission has been concluded that contains a provision for mediation arbitration on fee disputes for a trial period of three years starting on April 1, 1986.

Late last year, ballots were distributed and positions on the matter of compulsory payment of MMA dues and the results were audited by an independent firm of chartered accountants. With the ballot returned from positions, 53 percent voted in favour of compulsory payment of MMA dues. The Manitoba Medical Association has asked for legislation on compulsory payment of dues to be placed by September 1, 1986. This bill would accommodate that request.

The Manitoba Medical Association points out that legislation for the compulsory payment of Medical Association dues by all practising physicians exists in the provinces of New Brunswick, Nova Scotia and Newfoundland. The same principle applies in Quebec where physicians pay dues to either general practitioners' or specialists' federations. We understand that the concept is under serious consideration by the Saskatchewan and British Columbia Medical Associations.

The association points out that the MMA negotiations directly benefit all fee-for-service physicians, members and non-members alike. The negotiations also influence salary schedules.

As the Manitoba Medical Association serves as the collective voice of Manitoba physicians, we are prepared to respect their request. Compulsory payment of MMA dues would provide ongoing support for MMA programs. It should be noted that the proposed legislation makes it mandatory for every duly qualified medical practitioner who owns a current licence under The Medical Act to pay the Manitoba Medical Association dues on or before September 1 of each year.

If a physician does not wish to be a member of the association, he/she will not be required to pay the portion of the annual membership that is payable for membership in the Canadian Medical Association.

Also, if a physician becomes licensed during the year, there is provision for a proration of the compulsory fee. The legislation contains a penalty whereby if the medical practitioner fails to pay the fee required by the due date, the physician is subject to a fine of \$1,000 in addition to the amount of the fee. The Manitoba Medical Association would be able to recover the debt in any court of competent jurisdiction.

The legislation would not apply to a physician who holds a resident's licence or to those physicians where the fee is waived by resolution of the board of directors of the association, if the board is satisfied that the payment of the fee would result in undue hardship or would not advance the purposes of the legislation.

The legislation also contains a provision whereby compulsory payment of fees would be suspended if the agreement between the Manitoba Health Services Commission and the Manitoba Medical Association is terminated. If a new agreement is subsequently

arranged between the commission and the association, the Lieutenant-Governor-in-Council could lift the suspension.

On the basis of the foregoing explanation, Madam Speaker, I would recommend passing to the House.

MR. DEPUTY SPEAKER, C. Santos: The Honourable Member for Pembina.

MR. D. ORCHARD: Mr. Deputy Speaker, I want to make a few comments on Bill 52. Mr. Deputy Speaker, what we have in Bill 52 is the institution of unionized doctors in Manitoba, because what we're doing now is before they can belong or practise in the Province of Manitoba, they are going to be paying dues to the MMA. There is no exception. If they're a medical doctor in the Province of Manitoba, I believe by the definition in the act, full or part-time, all medical practitioners in the Province of Manitoba with Bill 52 will be required to pay dues to the Manitoba Medical Association without exception.

That, Mr. Deputy Speaker, is unionization of our doctors. That is a check-off if they're going to perform medical practitioner services in the Province of Manitoba.

The act, as the Minister indicated, does provide an exception where undue circumstances would guide the board of directors of the Manitoba Medical Association to provide an exemption to that physician. I don't know what circumstances that might involve but that is the only exception. I would think, given the income levels of doctors, that a financial hardship would probably not be a reason for an exemption. I think basically what we're talking about in this legislation is compulsory union dues check-off.

Mr. Deputy Speaker, that presents some interesting philosophical questions. I would suspect, Mr. Deputy Speaker, that is exactly why only 53 percent of the returned ballots that the Minister referred to supported the compulsory dues aspect of the MMA. The interesting thing, and I cannot put the figure on the record because my memory fails me, but the 53 percent was not of medical practitioners in the Province of Manitoba; it was only of those who returned their ballots. There were a number who did not return their ballots and I believe that the 53 percent figure, if it was considered over all of the medical practitioners in the Province of Manitoba, the percent supporting by that ballot falls to less than 40 percent, probably in the 35 percent range.

That means, Mr. Deputy Speaker, that substantial numbers of doctors are not enthusiastic about compulsory payment of dues. That is not to say, Mr. Deputy Speaker, that they aren't already paying them because it's my understanding that approximately 80 percent are paying them now. Given the return of the ballot, it would seem that a majority of them don't appreciate the compulsory aspect that is required in this legislation and the unionization, if you will, of the professional doctors in Manitoba.

One aspect of the bill does trouble me somewhat in that the payment of dues is necessary to the MMA, but membership in the MMA is not necessary. In other words, you can have a physician who by choice and by principle decides the MMA is not an organization

he wishes to belong to. This legislation compels him to pay his dues, however, to that association to which he chooses principally not to belong.

Mr. Deputy Speaker, there appears to be - and we will get further explanation, no doubt, at committee stage - a section in the bill which would allow the Manitoba Medical Association to disallow membership in that association but still collect the dues from the physician. Mr. Deputy Speaker, that presents an interesting challenge. There is an organization called the Association of Independent Physicians who are quite solidly opposed to this compulsory dues check-off.

In a democratic society and within a democratic organization, one could make the argument that if the Association of Independent Physicians are of sufficient numbers, that they can become members of MMA, elect themselves to the senior executive positions of MMA, and then reverse this legislation, they would have their will.

There appears to be a clause in the bill which allows the MMA to not grant membership to any physician in Manitoba, but yet still compel that person to pay his dues to the association. That would seem, Mr. Deputy Speaker, if that in fact is exercised and is part of the legislation, to be a denial of the democratic process that I have just outlined as a method for a group like the Association of Independent Physicians to achieve their point of view through the MMA. They can never get to be the president of the MMA or in an executive position in the MMA, if they're not allowed to become members of the MMA. Yet their funds - they will be required to pay dues there and they may be denied membership in the MMA. I think that is something the Minister should seriously look at.

There's another area of the bill that I have concern with. It indicates that the association, meaning the Manitoba Medical Association, shall give notice of dues being due, or the dues being payable, but yet a later portion of that particular section says, however, that if they fail to do that or if the physician does not receive that, the dues are still payable anyway.

Why would you have a "shall" requirement in a bill and say at the same time but a failure by the association, either to present that bill to its members or failure of the member to receive it, still requires payment of the dues? That's confusing to me, Mr. Deputy Speaker.

In addition, the penalties in this bill are onerous. There is a fine of \$1,000 to which any physician who refuses to pay his Manitoba Medical Association dues is subject. It's not as I read the bill, a fine of up to \$1,000; it is a fine of \$1,000.00. In addition to that, Mr. Deputy Speaker, he is compelled to pay his dues as well. So a doctor who is philosophically opposed to the principle in this bill, and by principle and by personal conviction refuses to pay his Manitoba Medical Association dues, they go up from a figure of approximately \$595 today to a figure of \$1,595 because this legislation will compel him to pay the dues and compel him to pay the fine as well.

Mr. Deputy Speaker, that hardly seems democratic because under other legislation, and I haven't checked all the professional acts, etc., but here we have legislation which allows an organization, for failure to pay dues, to impose on the members and collect and put in the same treasury the fine for failure to pay the dues. That makes it a very lucrative operation for MMA

to take any physician who refuses to pay dues from a principled standpoint, because the collection then goes from \$595 to \$1,595.00.

Mr. Deputy Speaker, one other area that is of some concern is that the collection of dues may be suspended by Order-in-Council and I presume the circumstance under which this would be triggered is if the, as the Minister explains, the binding arbitration has not yet achieved an agreement and it appears to be at an impasse, then the MMA can request that their dues not be collected because presumably this binding arbitration is supposedly to benefit all doctors and that's why they are saying that all doctors must pay.

But, Mr. Deputy Speaker, if there is an agreement struck after the first Order-in-Council is passed, then a second Order-in-Council comes along passed by the Cabinet again and can be retroactive. So there is no exemption from dues under this exemption. That is simply window dressing for the termination and suspension of dues by Order-in-Council because I would suspect that if a termination of dues was granted by Order-in-Council and then reinstated after an agreement was in place, the second Order-in-Council would reinstate the dues back to the first date at which it was suspended, and I don't believe that those clauses in that section of the bill would necessarily be usable.

Mr. Deputy Speaker, there is one other area that I want to address briefly and this is an area in which comments have been made to me by physicians who are opposed to compulsory dues check-off and are, I believe, and I'm not certain of this, but I believe are not members of the MMA. They foresee the MMA with compulsory dues legislation becoming a bureaucracy that will grow and employ more physicians in executive positions, etc.

Mr. Deputy Speaker, we've often heard this government and this Minister indicate that we appear to have too many physicians in Manitoba and that the problem down the road is that we're going to definitely have too many physicians because we're graduating more than what the province of a million people need. If the government holds that as a concern and a problem, then maybe those physicians opposed to compulsory dues check-off do have a legitimate case. Maybe with compulsory dues check-off, there will be hiring of more and more physicians into the MMA in executive positions requiring more and more dues and higher and higher dues.

Once again, this legislation when passed does not allow in any way, shape or form, I believe, any physician to not pay those dues. As I said, the AIP as an association opposed to it could hardly, I think, in most cases, plead financial hardship to have an exemption as is provided under the bill, so that I don't think that any physicians who are opposed to this from a principled standpoint will have any alternative with the passage of this legislation but to pay their dues, or pay their dues plus a fine. There is no way out.

So, Mr. Deputy Speaker, this legislation does not allow for legitimate expression of personal freedom amongst the physicians in terms of their choice of funding an organization that may be viewed by most to be beneficial, but the minority who views it as not beneficial have absolutely no say with the passage of this legislation. That is undemocratic. That unionizes the doctors whether they wish to belong to the union or

not, and it will be said by those independent physicians, and I'm not referring to Association of Independent Physicians because there are independent physicians not aligned to any particular group. That will be considered by them no doubt to be a blow to their freedoms in this country.

Mr. Deputy Speaker, from that standpoint, we will be allowing this legislation to pass on to Committee and will not be supporting this legislation.

MR. DEPUTY SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Deputy Speaker, I won't prolong this debate too long, but nevertheless, I'd like to comment on some of the statements that were made.

First of all, my honourable friend talked about the 53 percent who returned their ballots and were in favour of it and said that there wasn't very much interest and that was it. It seemed to put everybody else who did not vote in favour of it or they had not returned the ballot as being opposed or not too anxious to have this legislation passed. I think we can always say also that only 47 percent of those who returned their ballots were against it. The others were — (Interjection) — that's not what I'm saying. I'm talking about those who returned their ballots. There were 43 percent that were against. Those who did not return ballots, I don't think we can automatically assume that they were against it.

Because I think with all the advice that was given, the advance notice that was given, certainly those who were very much opposed against it, I think there'd be more of a tendency to have those people vote than those who find they didn't really care, so why bother.

There is one thing that my honourable friend brought up that concerns me. He stated that the MMA could refuse a membership to a practising doctor and still they would have to pay fees and therefore they could keep people who are against it out of it. I didn't read anything in there to state that. But I thank my honourable friend for that, because I certainly would not pay for that. I think it has to be — (Interjection) — that's the one I've got - 3.1, but I don't read it like that. I read it more - and I'll make sure that legal experts will look at it again - as to make sure that people are not forced to join the association, but if I'm wrong, we certainly will consider an amendment in there at all because I would agree.

If we don't mind bringing this at the request of the MMA. It has been - I think they're very seriously looking at the problems that we're facing, the challenge that is facing us. They've had some costs - there's no doubt about that at all - but it was never explained to me and it was never mentioned, and I would be very surprised if the intention was to keep anybody out, because they can't. Anybody can take it - in a democratic society, those who are opposed to that should certainly have the chance to form the membership or get the majority of the votes to ask us to reverse that and we would look at that, because as I say, this was requested by the MMA.

Now also, the statement was made that if there was no agreement, well then this would be suspended, if after three years. This is on a trial basis like all the

agreements. My honourable friend seems to say well as soon as that is resolved. Well, that doesn't mean an agreement. You don't really need an agreement for this. If you have binding arbitration and if they say fine there is an agreement now, and it's the first time there has been an agreement between the MMA and the government and the department.

There has been an agreement between the MMA and the Manitoba Health Services Commission. Now if there is binding arbitration, you don't need any further agreement. I wasn't talking about the result of binding arbitration. I was saying that if after three years, the MMA would come forward and say well you know we don't want an agreement any more; we don't want this; we don't want binding arbitration. Then we have to have another agreement, because that was negotiated as part of the package and that's what it is. So I'm not too concerned about that.

But I thank my honourable friend for that particular thing. I'll double-check to make sure that this is correct, because I don't think that we could support anything where they could choose their members and pick their members. In all fairness, I would doubt very much that was the intention of the MMA.

MR. DEPUTY SPEAKER: The Minister having closed the debate, the question before the House is whether we shall have Second Reading of Bill No. 52. Is that agreed to?

The Honourable Minister.

HON. L. DESJARDINS: I closed the debate, but the motion still has to be put to have the Second Reading.

QUESTION put, MOTION carried.

MR. G. MERCIER: Mr. Deputy Speaker, on division.

MR. DEPUTY SPEAKER: On division.

ADJOURNED DEBATE ON SECOND READING

BILL NO. 23 - THE CHARTER COMPLIANCE STATEMENT AMENDMENT ACT, 1986

MR. DEPUTY SPEAKER: On the adjourned debate of the proposed motion of the Honourable Attorney-General, Bill No. 23, The Charter Compliance Statute Amendment Act, 1986, standing in the name of the Member for St. Norbert.

MR. G. MERCIER: Thank you, Mr. Deputy Speaker. We're prepared to pass this bill onto committee for examination there.

QUESTION put, MOTION carried.

BILL NO. 25 - THE LAW SOCIETY ACT

MR. DEPUTY SPEAKER: On the adjourned debate on Bill No. 25 on the proposed motion of the Honourable Attorney-General, An Act to amend The Law Society Act, standing in the name of the Member for Fort Garry.

MR. C. BIRT: Thank you, Mr. Deputy Speaker.

I have a few comments concerning this bill. Just before I start, I would like to remind the Minister about the request made by the Member for St. Norbert about tabling the agreement between the Law Society and the Attorney-General's Department and I'm not certain whether that has been done. I would just like to remind the Minister that was a request of the member and we would like to see it before the matter is discussed in committee.

I have two general areas of concern. One of them is basically a question. As I understand the bill, the interest generated, some 50 percent goes to Legal Aid Services, and then some 18, or almost 19 percent is to go to the Law Society. This takes up approximately 70 percent of the generated revenue.

The question I have, is the transferring of responsibility for the Public Interest Law Department and Legal Aid Clinic, the funding of that, as I understand, is to go for at least three years out of the funds of this. Is that to come out of the balance of the 30 percent or is it to come out of the pro rata share that would be going to Legal Aid Services and the Law Society?

If it's to come out of the 30 percent portion, or the residue, then is there a guarantee of funds that will be there, or I understand there is a pro rata basis if there is insufficiency or shortfall to cover that, then is everything prorated or is it just the amount that would be funding to these two particular bodies, the Public Interest Law Department and Legal Aid Clinic? Is it their grant that would be then reduced proportionately? I'm not clear as to just how those funds are to flow.

I believe the Minister made reference to 100,000 for the - no, that's the Law Reform Commission.

There are other commitments to fund other portions of certain activities, such as the Law Reform Commission and Legal Research Institute at the Faculty of Law. Then are they also to come out of the residual 30 percent of the interest generated and, if so, then do they all share proportionately if the amount should ever fall below whatever is anticipated by the guarantees or the agreements that have been worked out for the next three years?

My main concern about this particular bill is that the appointment of five of the members of the board by the Attorney-General and the ability of the Attorney-General to appoint the chairman or vice-chairman, the concern I have is that this is a body that is to undertake certain specific functions and, in fact, to promote the concerns of legal education, legal research, and the concerns of the community, for various legal aspects or problems.

It would become a funding agency and, in fact, an arm's length agency from the government to try and provide some funding in those areas that come along from time to time, and some current ones that will carry on for awhile, about the ability to be able to carry on certain projects.

The question then is, it's like Caesar's wife: She should appear to be virtuous and must be virtuous. The question: By allowing political appointees to the board, especially when they form at least 50 percent, the appearance will be, to the public, that perhaps it is not an independent institution but merely an arm of government and therefore may impact or affect its effectiveness as far as the perception in the public's

mind is. I mean, the granting of the funds are one thing but are they politically-motivated or a politically-funded thing? I don't think we want an institution like this to be sort of brought down to some cheap politics, or a perception in the public mind that it is just a political entity.

So I have concern there because I think what was being attempted by all the bodies, including the department as well as the other individuals being consulted, was to create an entity that, in effect, was arm's length, with the idea of trying to function in an independent manner and to serve the legal concerns of the community as they should develop from time to time.

I would ask that the Minister then consider the reduction of the number appointed by the Attorney-General, from five to four. You can still have public appointees to the board outside of the legal fraternity. I'm not concerned about that aspect. It's just to give the impression that the thing is not controlled, in fact, by political power.

I would like to know, and perhaps the Minister could advise us either now or at committee stage, whether or not the other provinces have similar types of composition on their boards, and whether or not the Government of the Day can appoint at least 50 percent, and the chairman and vice-chairman of the boards. It would be interesting to note if we are in fact creating a new precedent here or following the lead of other provinces.

Those are my only comments on the particular bill.

MR. H. ENNS: Why must Caesar's wife do that?

MR. DEPUTY SPEAKER: The Honourable Minister, closing debate.

HON. R. PENNER: Yes, thank you, Mr. Deputy Speaker.

I noticed the Member for Lakeside is also curious about Caesar's wife. Actually it was said of her that she had to appear to be above reproach. It wasn't said, and indeed it would have been too much to have said that she should both be virtuous and appear to be virtuous. Appear, yes, that way you're above reproach. But even, perhaps especially in ancient Rome, it was too much to expect that she indeed be virtuous. You'll read all about it in the "Lays of Ancient Rome" by Cicero.

With respect to the question, however, seriously, there's only one other jurisdiction, to my knowledge, where the Attorney-General, or the government on the recommendation of the Attorney-General, appoints a majority. Here it's not a majority, it's just 50-50. That's in Nova Scotia. In Nova Scotia, the government appoints an absolute majority of the members.

The reason for that is this. With the other members being appointed by legal organizations, the Law Society, or law-related organizations, the Law Society, the Manitoba Bar, and the Faculty of Law, the concern was that indeed the broader community, which ought to be represented, would not be represented. Therefore, the position is that the Attorney-General, in appointing five, has to take care that at least a significant number of those, five, ought not to be necessarily lawyers and not necessarily from a law society-like body, but from

the community, because a lot of the research that is envisaged should be encouraged, a lot of the innovative kind of legal assistance programs that ought to be tried on pilot project bases, suggestions of these should come from and should be reflective of the needs of the community and not just of the needs of the professionally trained members of the community.

So I think we ought to try the proportions which are suggested. This bill can always be amended in a subsequent Session. I think when members have a chance to look at the recommendations that are to be made for appointment to the first board of the foundation I think that they will find that it is indeed pretty representative of the community and will, I can assure members, contain at least two members who are not lawyers, and I think that's right. That's about the only way, in that kind of a composition, where you have five of the members coming from the Law Society, the Manitoba Bar and the Law School, that the other five should be able to reflect the non-professional community.

With respect to the other questions of the tabling of the agreement, yes, I was waiting until I actually had the signed copy of the agreement from the Law Society, which just arrived in my office at the weekend, or the end of last week, and I'm glad that you reminded me and I'm now in a position to table that and will table it at committee, if we get into committee on this tomorrow. I've taken note of that.

With respect to the other question, the idea is this, that if in fact there is more than the amount guaranteed by statute to the Law Society and to Legal Aid, as indeed there certainly will be, I can tell the members now that there will be a significant of money over and above the statutory guarantee to the Law Society and to Legal Aid. Then that amount is distributed by the foundation.

The foundation is however, by terms of an agreement between the Law Society and the government, is given a priority with respect to \$200,000 or \$300,000 of the surplus, over and above the statutorily guaranteed amounts. These priorities are, however, only established for three years. Even then the public interest department presently of Legal Aid, the University Law Clinic, the Law Reform Commission will have to make application to the board. The agreement doesn't say that they get that money regardless of how they perform. They'll have to file with the foundation, reports of their activities with the money to make sure that in fact the money's being expended along the general lines that the foundation expects it to be expended; but they're in a sense given the first cut of the surplus, over and above the statutorily guaranteed amounts.

I'm confident that the amount that's available will be available for the foundation, will in fact significantly exceed the amount that is covered by the agreement so that the board indeed will have discretionary funds for other projects beyond those.

Should it happen that the amount of money that is surplus to the statutorily guaranteed needs of the Law Society and the Legal Aid is less than the \$200,000 or \$300,000 - whatever the total is - then, yes, it will be prorated between those groups. No group stands on a higher priority in that list than any other. Those groups you will recall, Mr. Deputy Speaker, are the Legal Research Institute of the Faculty of Law, as to \$50,000;

the Manitoba Bar Association, as to \$25,000; the Manitoba Association of Rights and Liberties, as to \$25,000; the Law Reform Commission, as to \$100,000; and the Public Interest Law Department of Legal Aid as to \$200,000.00. Those are the amounts and they would be prorated.

I should indicate incidentally that since everything is done on a lag year basis, the amount of money that is presently available to be distributed is money that was accumulated in the last fiscal year and that will be distributed according to the present law, 75-25. It's only the money that started to flow as of April 1, 1986, that will be in fact dealt with by the foundation, so that the foundation will have to be quite careful in any early payouts from the fund to make sure that the money is flowing in at the expected rate, so that it is able, both to meet its statutorily guaranteed obligations and to pay the discretionary amounts.

So with those words of explanation and my undertaking to table the agreement at committee tomorrow and my incursions into the literature of ancient Rome, I recommend this bill for passage to committee.

QUESTION put, MOTION carried.

BILL NO. 30 - THE JUSTICE FOR VICTIMS OF CRIME ACT

MR. DEPUTY SPEAKER: On the proposed motion of the Honourable Attorney-General, Bill No. 30, The Justice for Victims of Crime Act, standing in the name of the Honourable Member for Fort Garry.

MR. C. BIRT: Thank you, Mr. Deputy Speaker.

I'd like to make a few comments on the principles of this bill and I would like to make some reference to the opening remarks made by the Attorney-General when he introduced this bill, and it states, "In one area of our justice system, the treatment of victims, the scale is somewhat out of balance," and it says, "The passage of this legislation will likely be an important step in rebalancing the scales to ensure that victims of crime are dealt with properly." It further goes on, he states, "It is but the most recent measure firmly anchored on the foundation of existing services."

Mr. Deputy Speaker, when one looks at the legislation and when one looks at the existing legislation that is in place, I'm not convinced that the new legislation goes as far or, in fact, goes anywhere - except for a very small tentative step - that the Minister would like us to believe and in fact is actually taking place.

In fact, it's been my experience in two Sessions of this Legislature that often, when a bill is lacking in substance, the principles tend to be incorporated into the act, thereby giving it perhaps a broader or bigger appearance than actually the contents of the act really contain.

The act is in three parts, the first part setting out the principles of the so-called legislation; the second dealing with primarily the area of the creation of the Victims' Assistance Committee and what it should do; and the third portion being really the taxing portion to give revenues to this particular area.

(Madam Speaker in the Chair.)

When one looks at the principles, Madam Speaker, one wonders what society, what the Attorney-General's

Department, what the Police Department have been doing for victims to this point in time. In reading and looking at one of the principles, it says, "... provide justice for victims of crime," who are set out in this particular act. Well, what have we been doing for those particular victims in the past? Have we been doing nothing?

Surely the whole society, the whole system to this point should have been providing services to victims. There are some concerns of victims that aren't being addressed, and I question whether or not this particular piece of legislation will, in fact, address those particular concerns, because the victim is the forgotten individual in any incident or violation of our statutes in Manitoba and any federal statute.

Yet I find it surprising that we would set out in great detail that the victim deserves consideration. Well, if he or she doesn't deserve consideration, what have we been doing? It seems strange that we would set out a whole series of criteria of what we should be doing for the victims. The thrust of the bill, it seems to me, should be that you are to help a victim; you are to encourage the wrongdoer of the particular offence or act, to compensate that victim and every step should be taken to ensure that the person who causes the problem, in fact, satisfies or causes remedies to the victim.

Yet there is contained in here a principle whereby the victim is encouraged to, through mediation, reconciliation, to try and resolve any dispute as it relates to financial or other redress to the victim. On one hand, there's an attempt to try and say the victim should have rights, but then there's a clause saying it should be diminished; they should neutralize or water down and try to reconcile these things. It doesn't seem to make sense, Madam Speaker.

There is only one portion in the first part of the act that, quite frankly, provides any substantive principle and provides the need for the act. In fact, the preamble can be done away with. That's dealing with the considerations of the victim's interest. That's merely one clause of the first four or five pages of the particular act. I believe that the Minister and his department has laboured mightily, but produced something that is far, far inadequate and does nothing to promote the true interests of the victim.

We then go on to find out that the Victims' Assistance Committee will study concerns, will deal with various people, may develop principles, but doesn't put into place anything that will be used as an effective tool to help the victim. In fact, if the Minister was serious in attempting to provide service for victims, there is already in place an institution and a piece of legislation that, in effect, is attempting to deal with victims. It's known as The Criminal Injuries Compensation Act, and that's been in effect for a number of years.

This is a body that knows about the experience of victims. This is a body that attempts to compensate, albeit in a limited fashion, for those people who are victims of particular acts against themselves. It would seem to me to have been prudent and wise to build on the good works of this particular entity, to give them the authority to expand their mandate, to develop and make certain that the victims' interests become paramount in the legal system and in our society.

They also have the experience of a number of years in how to deal and relate to victims and their concerns.

In fact, in many instances, I believe they cannot give assistance because the particular application falls outside of their legislative mandate. So it seemed to me, if the Minister was truly committed to the Victims' Assistance Program and to create a proper force for victims and their assistance in this community, he would have done well to have built upon the authority, the experience and the capabilities contained in a piece of legislation that's already on the statute books.

As far as the question of dealing with compensation for the victims, the last portion merely gives the government authority to tax to raise funds but as the Minister indicated in his opening statement, I believe that if it only relates to provincial matters it will produce some \$350,000.00. They will need some federal legislation to produce, I think, about .75 million.

If the government is serious about compensation of victims, and if the government is serious to ensure that the criminal or the person who causes the act first should pay, then steps should be taken by the courts, whether they be criminal or otherwise, to enforce that the particular individual or persons, in fact, does compensate the victim. Then it seems rather inadequate to provide only a limited form of financial contribution towards the victim because if society must - and I think they should - help compensate the victim, then why should it be restricted to just the small sum of some \$350,000.00? Why does it not flow from the general revenue of the province? That is the case, I believe, in The Criminal Injuries Compensation Act.

Those funds, I believe, come from the general public purse, then there is no limitation as to the amounts that can be given. Under the circumstances here it would appear that once the \$350,000 or whatever the revenue that is produced is expended, then there can be no more financial assistance for the victims. Then what do they do? Do they accumulate for the years following? It is not clear as to the intention.

So, Madam Speaker, I find the act sadly lacking, great for headlines, great for political campaigns, but unfortunately sadly lacking in any substance, any attempt to support the victims. As I've indicated, there's only two, perhaps three pertinent clauses that have any relevance in an attempt to dealing with the concerns of victims. I'm finding it surprising that the Minister would waste his time in producing this piece of esoteric fluff, and he would not improve and build upon a piece of legislation that is already in place and is working well.

MADAM SPEAKER: The Honourable Attorney-General to close debate.

HON. R. PENNER: Madam Speaker, I intend to spend a little time dealing with some of the remarks made by the Member for St. Norbert and, just now, from Fort Garry.

What regrettably is lacking is not substance in the bill, labelled rather cavalierly by the Member for Fort Garry as a piece of esoteric fluff. What is lacking is an appreciation by the members who have spoken of, not just the bill itself, but what in fact is being done for victims in Manitoba.

Why is it that everywhere in Canada, Manitoba is looked on as a leader with respect to victim services?

But, for example, the Member for St. Norbert rises in his place in this House and says, first of all, this bill comes from an administration that has been described by outside parties - notice he doesn't name those outside parties - as having the worst record in the country in terms of assistance to victims of crime. Let me deal with that.

In the first instance, if that is so, then what was the Member for St. Norbert doing for four years when he was the Attorney-General. I propose to table before the committee or in the House, first of all, a guide to victim services in Manitoba, a publication of some 95 pages which with respect, Madam Speaker - and I don't say this personally of any person - puts the lie to the notion that Manitoba has the worst record of any jurisdiction in the country.

Now I want to, in further response to that, quote from the recognized leader on victims' rights and services in Canada, Mr. Irving Waller of the University of Ottawa, who writes, and I quote: "Mr. Waller states that a project here and a project there may be better in Canada, but no other province is as good for across-the-province performance, and Manitoba goes further than any other jurisdiction anywhere in the world."

Yet, you have the Member for St. Norbert saying that these experts, unnamed, these outside sources, undocumented, say that Manitoba has the worst record. Well, I say to him and to members of the Opposition that, if in fact Manitoba has the worst record, then that has to fall, first and foremost, on the shoulders of the former Attorney-General of this province. I searched the records to see what amendments of significance had been introduced by the Member for St. Norbert to the Criminal Injuries Compensation Bill when he was the Attorney-General, and in fact there were none.

Let me go further, and you will understand why I speak with a little bit of heat. During the course of his remarks, the Member for St. Norbert said, and again I quote, after making that gratuitous, unfounded, undocumented and completely wrong statement about victim services in Manitoba, he said and he points out to you - and I'm quoting both of these quotes from Page 1964 of Hansard of this year - that I specifically asked during the 1985 Legislative Session, he raised the question of ". . . the desirability and the necessity of victim-impact statements as a means of addressing part of the victim's problem with respect to the crime that had been committed upon him or her."

It goes on to say, and I'm still quoting: "The Attorney-General, Mr. Deputy Speaker, at that time dismissed the whole notion as perhaps revenge on the part of the victim and had all sorts of arguments that defence lawyers are presently raising against this type of system."

Well, I looked again into Hansard, and here is the exchange. After being asked about victim impact statements and being asked, "Would the Attorney-General give consideration . . ." - this is Hansard, Page 1505 of Thursday, the 2nd of May 1985: "Would the Attorney-General give consideration to, in the instance of violent crimes, assault, sexual assaults upon women, to incorporate into the sentencing procedure a victim impact statement?" Answer by the Attorney-General: "Yes," on the record answered yes, and he gets up in this House in response to this bill - (Interjection) - yes, I will, I will, I will. I was waiting for you to ask me

for that - and says that instead of agreeing, I denigrated the suggestion.

Yes, the Assistant Deputy Minister of Criminal Justice who was with me, John Guy, advises me that in fact the Victim Witness Board on which he sits, together with the Chief Provincial Judge, and the people involved in the program are indeed considering the whole question of victim impact statements at the time of sentence.

What kind of palpable nonsense is this to introduce as a purely political way of denigrating this bill, something that purports to be on the record that is not on the record.

Yes, I have expressed concern about victim impact statements being delivered by the victim in court. That concern, of course, is shared by everyone who has any knowledge of the way in which victim impact statements should be delivered. But I never turned thumbs down on the notion of victim impact statements; and Manitoba leads the country with respect to the pilot project on the use of victim impact statements.

And in answer to both of the pilot projects, that dealing with victim impact statements and that dealing with the video taping of child abuse victims, the Member for St. Norbert airily dismissed it saying well, those are funded substantially by the Federal Government. True. The regular amount of the funding comes from the Federal Government but the truth is, that the projects were recommended by the Research and Evaluation Department of this Department of Attorney-General; that's where the ideas came from.

Now, further to the remarks that were made and I will be very brief; both of the Members Opposite who spoke denigrated the principals that are contained in the bill. Where do these principals come from? They come from the U.N. Declaration on the U.N. Convention on Justice for Victims of Crime and it was recommended on a convention adopted by Canada that these principals be incorporated in legislation as a bill of rights for victims. Now they can be opposed to a bill of rights of victims if they want to, but let them say so in categorical terms instead of this politically motivated attack on a splendid piece of legislation. Let them say so.

The fact of the matter is that similar bills in 13 jurisdictions in the United States do exactly the same thing. Yes, it is a big deal because it's time that there was in statutes form a recognition of the rights of victims. But this bill goes further. Why? Says the Member for Fort Garry, as if it were a mere nothing - all you're going to have is \$350,000.00. Well, that's a great deal of money and eventually we'll be close to \$1 million.

But it's more than just the sum of money, Madam Speaker. It's a dedicated fund. It is not dependent upon the vicissitudes and variations of financing from year to year; it's a dedicated fund that is there. It puts money where the words are. It is there and the bill spells out why it's there. It's there to innovate services in a whole variety of ways; to provide, for example, counselling services for the elderly victims of abuse and of crime who suffer the trauma of a break-in or a mugging far more than a younger person might, and give them advice about how to make their apartments and their homes more secure, can give them financial assistance if they can't make their apartments or their homes more

secure, to do so. Is that something to sneer at? Is that something to belittle? Is that something to say oh, there's no substance to this bill? Go tell that to the elderly of this province and they will tell you that you are carrying your political ambitions a little bit too far.

I just cannot understand why, when something is brought forward to help victims of crime, instead of constructive suggestions, you get the kind of hot-tempered response of the Member for St. Norbert who said, why that was just an election promise. Well, it's an election promise upon which we're delivering and I want to tell you that I've had calls and letters from organizations representing the victims of crime in this province who say, thank you very much. They will receive, let me assure you, copies of Hansard, the speech of the Member for St. Norbert, copies of the speech of the Member for Fort Garry and copies of the material that I am replying on.

Finally, Madam Speaker, the member speaks about well, why don't you use the Criminal Injuries Compensation Board. First of all, the criminal injuries compensation scheme is administered through the Workers' Compensation Board because it is a compensation scheme, unlike many of the schemes of a similar kind in other provinces of which is based just on a lump-sum payout.

It is for that reason, incidentally, that as of today, Manitoba pays the second-highest per capita amount out to victims of crime of any province. Is that something to denigrate? You say, well how much money you're paying; you're paying a trivial \$350,000; we're paying in this coming fiscal year \$1,600,000 to people who have suffered injury as a result of crime, only \$100,000 of which comes from the Federal Government - \$1,600,000 - only \$100,000 of which comes from the Federal Government. And Manitoba has a record of which we can be proud and it was an NDP Government that introduced that legislation; and it's an NDP Government that's introducing this legislation.

I'll tell you what the reality of the situation is and I conclude with this. The reality of the situation is, that the Conservatives in the last election thought the whole question of justice for victims of crime, that the whole question of law and order was somehow a precious and separate and unique Tory platform, so they put up their show candidate in the constituency of Wolsley around whom they were going to build their law and order plank as one of the most important planks in their platform.

Well, what happened? The Member for Wolsley increased her votes significantly and their whole platform, which was based on a whole hodgepodge of criticisms of federal actions, came a cropper. And what we have here, certainly in the words of the Member of St. Norbert, is sour grapes. People who play with sour grapes end up with purple fingers. I conclude.

QUESTION put, MOTION carried.

BILL NO. 32 - THE PENSION BENEFITS ACT

MADAM SPEAKER: On the proposed motion of the Honourable Minister of Labour, Bill No. 32, standing in the name of the Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, we have reviewed Bill 32 and we're prepared to see it moved to committee.

MADAM SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: Madam Speaker, on the principle of the bill, that's why I'd like to speak on Second Reading.

First of all I would commend the Minister of Labour for bringing in the bill. I think it addresses a matter of growing concern in Canada and that is the use of surplus pension funds by employers for purposes other than for the benefit of the pension fund itself. I think anyone who's looked at the trend has to be concerned about exactly what has been happening.

I would just reference a few examples of the magnitude of some of the removals of surplus pension funds that have taken place. I quote from an article of July 12, 1986, The Financial Post, for example, Madam Speaker, entitled: "Firm's Eye Pension Fund Cash," and it references the fact that Dominion Stores, with Conrad Black actually making the move, removed \$62 million from a pension fund earlier this year.

It references an attempt by Marshall, Drummond, McCall Incorporated of Lachine, Quebec to remove \$15.5 million from one of the company's two pension plans.

I quote from another article, Madam Speaker, in the Winnipeg Sun, Sunday, July 13, 1986, which indicates that the Hudson Bay Company wants to tap \$35 million from its employees' pension fund to help pay off the joint conglomerates debt, and also the fact, Madam Speaker, that approximately one year ago, the International Nickel Company of Canada, Inco, removed I believe it was close to \$100 million from one of its pension funds - pension plans from Ontario, as a matter of fact.

So it's a growing problem and one that I think has to be addressed, particularly here in Manitoba, but also I think across the country, and I was pleased in that regard to see that not only is a bill being introduced in Manitoba that would bring in amendments to The Pension Benefits Act to deal with this particular question, but also that the Minister of Labour call for a national approach which would ensure - for example in the case of the Inco pension plan, which was established outside of this province - that there would be some hope that employees whose funds were affected, Madam Speaker, would be able to have some protection against the corporations - such as in this case, Inco - withdrawing them unilaterally from the pension funds.

I'm pleased, Madam Speaker, that the bill before us does empower the Lieutenant-Governor-in-Council to make regulations regarding the use of surplus pension funds. It brings in amendments to ensure that employers must receive the consent of the Pension Commission before removing surplus pension monies, and also ensures, Madam Speaker, that an equitable share of surplus pension monies is going to be used to increase employees' pension benefits.

I think that's probably the most important feature of this bill. I think it recognizes an important principle, a principle that most people in our society would subscribe to, Madam Speaker, and that is that funds,

which are essentially deferred wages in this case, surplus pension funds should be used for the benefit, not of the employers, but of the employees. In fact I think in a way the whole use of the term, "surplus pension funds," is perhaps somewhat misleading. It may be surplus in the context of established benefits, but I think in cases where funds, due to investment of those deferred wages, do result in a benefit to that pension fund that they should be put to enhancing those pension benefits and enhancing the rights of employees.

So, Madam Speaker, I support the principle of the bill. It may be a very short bill, but I think it's one of the more significant bills in this Session of the Legislature, and I would certainly hope, at committee, subject to the detailed discussion, that we could see some support from members opposite, because I believe this is a principle that all members of this House can support.

Thank you, Madam Speaker.

MADAM SPEAKER: The question before the House is Second Reading on the proposed motion of the Honourable Minister of Labour, Bill No. 30 - the Honourable Member for Inkster.

MR. D. SCOTT: Thank you, Madam Speaker.

Just very briefly, because I want to speed this onto committee as well, but I don't want the opportunity to go by without saying a few words of praise and of credit for our Minister of Labour in bringing forward this piece of legislation.

It is, I think, more important than ever, in a time when the ability to predict what future economic conditions are going to be like, that we protect and we guarantee essentially through an additional review through the commission - or the pension funds that people have gone ahead, made an investment, put their future . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please. Could we please continue the debate in an orderly fashion? If members wish to discuss other issues than what's before the House, there's lots of other places they could discuss it. — (Interjection) — Order.

MR. D. SCOTT: Thank you, Madam Speaker.

If the members opposite would calm down a little bit, maybe I will be able to proceed and finish up that much sooner.

The practice that has been increasing in the past few years when some firms have become perhaps a bit tight on cash flow, to dip into their pension funds when they show an actuarial surplus, which is an estimated surplus over and above what they believe, through their ability to forecast what future economic conditions are going to be, that there is more money in a pension fund than is required. We've had examples of people dipping in and taking out hundreds of thousands, in some instances; millions upon millions in other instances, from a pension fund that is established normally on a contractual obligation between the union or the bargaining agent of the employee and the employer.

It is beyond me why we allow a practice - and we have allowed a practice - where one of those partners is entrusted with the ownership of the future security - the deferred income as the Member for Thompson so clearly put it - of the employees of that firm, to go in and perhaps put in jeopardy the future earnings of those people upon retirement. In a sense it is two parties initially contributing in virtually all instances to pension plans, the employer and the employee.

Withdrawals should not be made from that fund, as increases in pension contributions are generally not made in the fund without either negotiations or at least an agreement between the two parties, in most instances; and yet, one of the parties - the employer in this instance - is often given an ownership and he can go in and pull out money that people, in good faith, Madam Speaker, have invested in for their future security.

This legislation gives an added element of security to stabilize and enhance those pension contributions that people have made and the future security of those workers. For that reason, I give full credit to the Minister of Labour, in having brought this to our attention in caucus, as many of us were not aware of it going on, as the members opposite I'm sure, if they were aware, they did not act or certainly never raised it as a concern of theirs. I believe that we will have their support in this because they recognize as well the seriousness of the situation, if it is allowed to continue.

Once again, Madam Speaker, I think Manitoba will be leading the way in pension legislation, as we have in the past five years of our administration, leading the way in this country with all the other provinces; and in fact, frequently the Government of Canada following suit in copying our legislation, and I hope they do because I feel that all workers right across this country, all Canadians, should have the same protection that we are giving Manitoba workers.

Thank you, Madam Speaker.

QUESTION put, MOTION carried.

BILL NO. 42 - THE INSURANCE ACT AND THE QUEEN'S BENCH ACT

MADAM SPEAKER: On the proposed motion of the Honourable Minister of Consumer and Corporate Affairs, Bill No. 42, standing in the name of the Honourable Member for Riel.

MR. G. DUCHARME: Thank you, Madam Speaker. I first of all will be very brief in passing the recommended bill go onto committee.

First of all I would like to congratulate the insurance industry in promoting this compensation plan to protect insolvent insurers. It is their doings. It is a program that was first started in Ontario and I would like to set the record straight that it's the insurance industry which is particularly caring in regard to protecting those insurers.

The Minister alluded to the fact that in the past five years six general insurance companies have collapsed, and the most notable to the Manitobans was probably the Northern Union Insurance Company that went down in 1983, affecting approximately 2,000 policyholders in Manitoba.

This apparently I know has not been finalized. I know that the public and the agents were concerned. I felt at the time, and I was a little disappointed that MPIC didn't follow the direction of the Saskatchewan Government Insurance Program by providing an interim coverage, so that the people who were affected did not have to go through that 12 or 14 days of not knowing whether they were covered or not.

Madam Speaker, the plan will be operated by a non-profit corporation set up by the general insurance industry which will cover people or cover claimants up to approximately \$200,000, and that would be any claims over the \$500 deductible.

Madam Speaker, there are several procedures that are not apparent or haven't been explained in the proposal. At the time it does go to committee, I will be asking those particular questions. I thank the insurance industry for proposing this particular bill. I must recommend the administration for bringing it forward at this Session.

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: I thank the Member for Riel for his remarks. I would just like to point out, as one of those who, in fact when I was Minister of Consumer and Corporate Affairs, was involved in the evolution of this plan, it's true that the industry played a significant role in the evolution of this plan, and it is a good plan. But I do want to pay tribute to the Superintendents of Insurance from coast to coast, including our own Superintendent of Insurance, who worked very actively with the industry and with the industry committee. In fact, the industry committee was headed by a former Superintendent of Insurance in Ontario, so that it wasn't just an industry plan.

Indeed, when this plan was reaching its penultimate stage, it was discussed extensively at a federal-provincial-territorial meeting of Ministers of Consumer and Corporate Affairs at Hecla in the fall of last year. That was the final sort of jumping-off point for the development of the plan, the establishment of such things as the deductible, the maximum, the administration.

What I should just point out and it may deal with one of the questions the Member for Riel, who seems to have now spoken and lost interest, might be interested in, that the bill doesn't require the industry to put money up front. The bill only . . .

MR. G. DUCHARME: Point of order, Madam Speaker.

MADAM SPEAKER: Order please.
The Honourable Member for Riel.

MR. G. DUCHARME: There was a remark made by the honourable member that I had spoken and lost interest. I want to emphatically say that I was sitting here listening to every word he was saying. I want to go on record that I will not lose interest until this goes through this particular House and clears through the committee and final stages.

MADAM SPEAKER: A dispute over the facts is not a point of order.

The Honourable Attorney-General.

HON. R. PENNER: I can't tell you how delighted I am that the Member for Riel has not lost interest. In fact, I only said that he seems to have lost interest, and that may have been an unfortunate reflection of how he appears, for which I apologize and have nothing further to say.

But we shouldn't lose sight of the point that the industry plan doesn't require . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please.

HON. R. PENNER: . . . doesn't require the industry to put money up front. It only requires that, in the event of a failure, then the plan kicks in and the amounts that are paid in, in order to meet the claims of the policy holders in the first instance, and indeed it is related only to the policy holders and not to the shareholders, the amount that is available for the policy holders is then prorated depending on the premium sales and the particular jurisdiction in which compensation has to be paid. It's a good plan, and I welcome the support from members opposite.

QUESTION put, MOTION carried.

BILL NO. 44 — THE JUDGMENT INTEREST AND DISCOUNT ACT

MADAM SPEAKER: On the proposed motion of the Honourable Attorney-General, Bill No. 44, standing in the name of the Honourable Member for St. Norbert.

MR. G. MERCIER: Thank you, Madam Speaker.

Madam Speaker, finally we have a bill dealing with this particular subject that adequately addresses the subject. We have pursued this matter for some time at the previous and particularly at the last Session of the Legislature in 1985, at which time the Attorney-General introduced a bill which was finally realized even by himself, I believe, to be totally unsatisfactory, and has obviously taken it back and now brought forward a bill, Madam Speaker, which I believe is quite satisfactory.

There may be some questions with respect to some minor matters in the bill at committee that we will raise or will be raised by people interested in this bill but finally, Madam Speaker, we have a bill that I think will bring some equity into the settlements of claims by, generally speaking, giving to plaintiffs interest from the date of their loss, which I believe will encourage a settlement of more actions and certainly will encourage settlement of claims much quicker than has been in the past.

Madam Speaker, we are glad to see that this bill is back in the House, and that it is now in an acceptable form. We support passage of this bill through committee and Third Reading.

QUESTION put, MOTION carried.

BILL NO. 14 — THE MANITOBA ENERGY FOUNDATION ACT

MADAM SPEAKER: On the proposed motion of the Honourable Minister of Energy and Mines, Bill No. 14,

standing in the name of the Honourable Member for Fort Garry.

The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, the Honourable Member for Fort Garry does not appear to be available to debate the bill at the present time, and I would appreciate the opportunity to do so at this point in time.

MADAM SPEAKER: Is the honourable member suggesting then that the bill stands in the name of the Honourable Member for Fort Garry? Does the honourable member have leave? (Agreed)

The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you very much, Madam Speaker.

It's a pleasure to be able to speak on Bill 14, The Manitoba Energy Foundation Act. Madam Speaker, we on this side of the House have expressed very serious concerns with respect to this legislation in the past. We have expressed concerns publicly and, Madam Speaker, I intend to place on the record a few comments that would indicate the purpose of our opposition, our firm and unswerving opposition to this particular legislation.

Madam Speaker, I note that, when it was introduced by the Minister responsible some time ago, he referred to it as a major initiative that fulfills a major commitment to the people of Manitoba by this government. Madam Speaker, this, I think in a nutshell, gives an indication of just precisely what the intention of this legislation is. It really isn't legislation that is designed in my view to assist or create something of long-lasting value for the people of Manitoba, but it is in fulfilment of an election commitment.

Now, Madam Speaker, this leaves in my view the clear and unmistakable conclusion that it is a cruel hoax, because it is an example of a government that wishes to put forward a cheap political deception to try and convince people that something is happening in the future of this province that really, in essence, will never be there. The effect of this legislation, Madam Speaker, is to mislead the people of Manitoba into believing that there will be significant surplus funds out of the extra-provincial sales, principally from the Northern States Power Agreement, and that these funds will, in future, be used to help in social development and in economic development for our province.

Madam Speaker, I don't think that anything could be as misleading as that impression that was attempted to be put forward by the Minister when he put this legislation before this Assembly, and indeed in comments that have been made by a number of his colleagues and the Premier where they proudly refer to the fact that they are establishing this wonderful heritage fund for the future of our province.

Well, Madam Speaker, I think that, to put it most succinctly, to be charitable this legislation has been termed in an editorial as "like buying a piggy bank when you know that you won't possibly have any money to put in it for at least 15 years." After that 15 years,

of course, you have to examine whether or not there is any probability of having funds to put into that piggy bank.

The assumption that is being made by the Minister of Energy and Mines is that on the basis of assumptions he's made on the inflation rate, on the exchange rate for the U.S. dollar, and I might remind members opposite that Manitoba Hydro in this past year alone suffered foreign exchange losses of \$80 million. Just one year alone they suffered foreign exchange losses of \$80 million. So when they tell you that they have made an assumption on what the foreign exchange rate will be, vis-a-vis the U.S. dollar, you have to ask whether or not their assumption is going to be any better today than it was over the past decade when they entered into major borrowings that last year alone resulted in \$80 million worth of foreign exchange losses.

(Acting Deputy Speaker, M. Dolin, in the Chair.)

It further is based on an assumption of interest rates that will prevail over the course of the contract with Northern States Power, interest rates that they will have to pay when they enter into a financing agreement for Limestone. It's further based on an assumption of the price of coal, and we already know that their assumption of what the price of coal will be over the next couple of decades has been thrown totally out of whack by the changes in world energy prices, the changes principally in the cost of oil, and that resultant effect on what the price of coal will be over the next couple of decades.

The track record of the Minister of Energy and Mines, of his think tank in the secretariat that's led by Mr. Eliesen, the Manitoba Energy Authority and those people, the track record that they have for making valid assumptions upon which to base a conclusion that we will have an energy foundation and a great deal of money in the future is absolutely abysmal, and I suggest to you that is the basis upon which I suggest that this bill is a cruel hoax.

If there are any profits, and I remind you that even if the assumptions that have been made by Manitoba Hydro and the Manitoba Energy Authority, even if they come true, their own figures in their presentation to the National Energy Board say that there would not be any surplus of revenues over expenses until at least the year 2,000.

That is why I suggest that this bill, this very important bill, this major commitment on behalf of this government in this Legislative Session, does nothing for today, does nothing for the foreseeable future and, in fact, is really, as the editorial said, like buying a piggy bank for when you know that you're not going to have money to put in it for at least the next 15 years, and using your last dollar to buy it, as my colleague says.

This bill attempts to convince people that they can have their cake and eat it too. It attempts to convince people that we can have both low hydro rates and at the same time build up a heritage fund to pay for all of our dreams and desires. In that respect, it's a very dangerous piece of legislation because it takes the attention of the Manitoba ratepayers or, more importantly, in the mind of this very thoughtless and manipulative government, it takes the attention of the ratepayers of Manitoba Hydro and all of our taxpayers off the reality of the true facts of Hydro's necessity to operate in a fiscally and economically sound manner.

Hydro in the past has always had a mandate to maximize the returns from our very valuable hydro-electric resources and convert those returns into low cost hydro-electric rates in our province. It takes the attention completely off that former objective and former mandate and it fixes their attention on an illusory dream. It's just like we have the same principle in selling lottery tickets where thousands of people are encouraged to buy these lottery tickets based on a dream, the dream that they are going to be the lucky one who hits the jackpot, gets the major return from the purchase of a ticket and someday they are going to be the big winners. It totally ignores the fact that for every big winner there are tens of thousands - millions, indeed - who continually buy lottery tickets and never ever get a prize from these purchases of lottery tickets, never get any benefits whatsoever.

It's that kind of illusory dream that is called forward by this Manitoba Energy Foundation Act, Mr. Acting Speaker. You never get anything for nothing. Everyone of us in this Chamber knows it, or at least those on this side of the House know that you never get anything for nothing. Ultimately, we're not printing any money by passing this act. Ultimately, we're not creating a double source of income, something that we can spend twice. We only get the revenues from the sale of our hydro-electric energy and we only get them in accordance with the energy that we produce and sell.

In this past year alone, we sold over \$100 million outside of our province - \$100 million worth of energy. But we can't use the money twice. We only get it once and we then have the choice of deciding how that money is going to be used, how it's going to be applied. You can only spend it once. The way that Hydro's revenues have been invested in the past has been designed to keep our rates down as low as possible. Indeed, we have amongst the lowest rates in North America, and this is in comparison with utilities everywhere in North America, and that I think is thanks to the sound management and the proper development and good business principles that we have been following for more than 50 years.

In the past, we have reinvested all of the revenues in the utility where they belong to keep service levels at a very excellent standing and to keep hydro rates as low as they can possibly be maintained. Ever since the advent of extra provincial sales of our hydro-electric energy, and that has been going on for more than a decade, Mr. Acting Speaker, we have done this systematically, put the revenues back into our hydro utility to maintain the competitive advantage that we have over all other jurisdictions; yet now, for purely political purposes - and I stress that - purely political purposes - this New Democratic Administration wants to try and convince the people of Manitoba that we can somehow spend the money twice. They think, and they are trying to convince the people of Manitoba, that we can have lower rates, we can use the money once to keep the rates low and that we can use it a second time to spend on other things.

The Minister introducing the bill said, as I earlier indicated, that it will be used by the government to support both social programming and economic development. But, by leaving it in Manitoba Hydro, by leaving the revenues from the sale to Northern States Power, we'd be accomplishing precisely that, Mr. Acting

Speaker. By leaving it in Manitoba Hydro, we would accomplish both social accomplishments, social benefits to the people of Manitoba and economic development benefits, and I'll proceed later to show how. At the same time, of course, they are saying, no, that's not good enough.

The Minister responsible, and indeed this NDP Administration, are saying that in order to accomplish that it has to be taken out of the hands of Manitoba and strained through some other bureaucracy something like the Jobs Fund or another political public relations machine that's designed to try and take more credit for the government by spending the taxpayers' money and now spending the ratepayers' money of Manitoba Hydro on their pet projects, pet projects that government Ministers can't justify in their normal budgets, in their normal departmental budgets. Instead, they're going to be able to get it out of this Heritage Fund just as they in the past have attempted to say that they've been able to get the money out of this Jobs Fund that they set up.

But, Mr. Acting Speaker, I suggest to you that right now Manitoba Hydro, by keeping their rates as low as possible, by reinvesting their income in the utility at all times, are accomplishing very important social goals and very important economic development initiatives because what better social support could there be for low income families? What better social support could there be for our senior citizens on fixed incomes, than to keep their hydro rates as low as possible? What better advantage could we have in attracting investment, in job-creating industry, in job-creating employment opportunities, than by keeping our hydro rates lower than they can be in any other jurisdiction so that energy-intensive industry will want to locate here, so that people in high-tech industry will want to locate here in Manitoba because of the major advantage they would have of — (Interjection) —

MR. ACTING DEPUTY SPEAKER: Order please. The Leader of the Opposition has the floor.

MR. G. FILMON: I said before that the Member for Inkster is the head of the nerd wing in his party and he continues to demonstrate that every time he opens his mouth in the House — (Interjection) — he's offended because he's on the Manitoba Telephone System's Board and everything he gets involved with turns sour and he's here having the audacity . . .

MR. ACTING DEPUTY SPEAKER: Order please.

MR. G. FILMON: . . . to try and offer his wisdom to this House.

MR. ACTING DEPUTY SPEAKER: Order please.

The Leader of the Opposition on Bill 14. Can we have a little order, please.

MR. G. FILMON: There is no better way of us contributing to the goal of economic development in this province than to keep our hydro rates lower than they are in any other jurisdiction, so that we will have the best competitive advantage that we have to offer industry wanting to come here. That will create the

jobs. That will create the economic development. That's the best way of doing it, not doing it through some third-party strain, which is a new fund, a new way of spreading around money that Ministers can't justify for other purposes.

That is the most powerful attraction that we have here and that we've had in the past. But, no, it's not good enough for this administration. They feel that they've got to set up a new bureaucracy, as they did in the Jobs Fund, a new bureaucracy that will develop a new series of grants and handouts to people for what they consider to be their social objectives and social purposes. They'll get more political credit by doing it that way rather than by keeping our Manitoba hydro rates low to attract investment and to ensure that our people, our socially-disadvantaged people, pay the lowest possible rates in this province.

We don't need another bureaucracy like the Jobs Fund, Mr. Acting Speaker. We don't need another slush fund to decide on grants that couldn't be justified by any other departmental purposes by this administration. We don't need Cabinet Ministers to use this fund as a slush fund, as they have the Jobs Fund. I got a letter the other day from a group with the acronym called POWER, Prostitutes and Other Women for Equal Rights. Mr. Acting Speaker, I was astounded when I read the letter, in which they asked for support and they said that they were currently getting support and funding under the Manitoba Jobs Fund, operating funds under the Manitoba Jobs Fund.

I can tell you, Mr. Acting Speaker, that is the kind of priority choice, decision-making that occurs when you have a fund that's set up for the specific purpose of a government giving handouts, grants, and all sorts of other things.

They give it to organizations that could never justify to any department of government, that no Minister could ever get through Cabinet, that kind of commitment and that kind of grant, but they get it from the slush fund that's known as the Jobs Fund.

Now they want to create an even bigger one with millions of dollars, out of our hydro resources. That's the kind of thing that we are setting up with this Energy Foundation Act.

I believe that setting up this kind of heritage foundation act leaves us open to all the kinds of weird and wacky and ill-considered ideas that these people have put into practice in the past, except that we now are putting before them millions of dollars siphoned off from our hydro energy resources and putting it into another fund that is given Ministerial access by governments for future purposes, for their own priorities, priorities that are not shared by people throughout this province, I suggest.

As wacky and as ill-considered as some of these grants are, they will come out of this fund if we allow this government to put it in place. Because as irresponsible as I believe this government is, I believe that there could be other governments in future that would be even more irresponsible. I suggest to you that this government is leaning to the left. They've been taken over by some of the wacko aspects of their party already. They are now going to get into a situation where in future it is quite possible that if through some accident of luck they are elected as a government, they could give us the kinds of ill-considered investments

that nobody in his right mind would justify, but that's what we're leaving ourselves open to — (Interjection)

SOME HONOURABLE MEMBERS: Oh, oh!

MR. ACTING DEPUTY SPEAKER: All members will have an opportunity to speak on Bill 14. At this point in time, the Leader of the Opposition has the floor. I would appreciate if you would give him the attention he deserves.

The Leader of the Opposition.

MR. G. FILMON: As ill-considered as the priorities have been of this administration, we could be leaving ourselves to an even worse administration of their ilk coming forward and spending the money indiscriminantly in a manner that is not supported by the vast majority of the people of this province.

I believe that we ought not to be setting up that kind of fund, specifically a fund that is using siphoned-off revenues from Manitoba Hydro.

This legislation is being brought forward for purely political purposes; make no mistake about it. It's to save the face of the Premier and his bedraggled administration. The Premier made this promise during the election campaign and it was made along with a number of other promises. We've seen how embarrassed the Premier has become because he cannot fulfill many of the promises he made. They were ill-considered, ill-advised, and he should never have made them. But he did. This is a promise that they think they can keep by simply passing this act and creating this illusion in the minds of people that you can spend the same money twice.

That isn't the kind of basis upon which we should be passing legislation in this House. That same Premier, I might say, at the same time as he made this announcement, said that there were three arrangements already made for the sale of further hydro-electric energy to various utilities in the United States. He said there were three arrangements worth over \$4 billion of sales.

Later on, in the Throne Speech, the Throne Speech said that those three arrangements were now three agreements. Mr. Acting Speaker, you know as well as I do that there are no agreements, that we have established by questioning in this House that those agreements are absolutely false, that they do not exist. There is one at a value of about \$40 million and the others do not exist.

That's the kind of ill-considered promises that were made by the Premier in the past and that's why they have to resort to this kind of flim-flammetry, to try and save face for the Premier and his bedraggled administration. I don't believe that is justification for passing this sort of act in this Legislature, not now, not at any time in the future, Mr. Acting Speaker.

Despite the fact that even their own presentation said that they would not have funds before the year 2000 - their own presentation to the National Energy Board said there would not be funds before the year 2000 - they're saying we have to pass this act as a major piece of legislation in this Assembly in this Session.

(Madam Speaker in the Chair.)

I say to you, Madam Speaker, that is not the sort of thing that any administration ought to be proud of.

Madam Speaker, I find it incredible that we are being asked to deal with this foolish piece of legislation to save face for a foolish Premier and the foolish promise that he made during the election campaign. I don't believe that we or anybody on this side of the House want to be a party to that kind of action.

I don't believe that we should be asked to legitimize this exercise in face-saving, to try and be called in to be a part of the legislation and to be a part of the whole process here in the Legislature.

Everybody knows that you can't spend the same money twice; everybody knows that we are not elected to mislead the people of this province and yet that is what exactly this legislation tries to do. It tries to build up the hopes, create dreams about imaginary funds, to have people led to believe that sometime in future, they are going to be a part of this great group like those who buy tickets on the lottery week upon week.

Madam Speaker, this legislation is a hoax. The only way that we can have a heritage fund out of our Manitoba Hydro revenues is to charge the ratepayers and the customers of Manitoba Hydro more than we have to otherwise, to give them higher rates than they would ordinarily have to pay if we put all the money back into the utility and to use those higher rates to siphon off, to provide a fund for some NDP Ministers to play with at some time in future.

Madam Speaker, we are opposed to that in principle; we are opposed to that kind of flimflammetry; we are opposed to that kind of deception being portrayed, being put upon the public of Manitoba and we believe that this should not be supported as legislation.

Besides all of these things about the principle of the legislation, one only has to look at the manner in which it was drafted. It was hastily put together, as my colleague from Lakeside pointed out. There are a number of inconsistencies here; this bill is in conflict with two sections in The Manitoba Hydro Act; this bill is in conflict with the agreement for the sale of electricity in the Northern States Power. It was brought in hastily; it was brought in without care and consideration that should normally be given to legislation. It was brought in to just fulfill a promise of a sagging and discredited NDP Government. That's the only reason that it was brought in.

Madam Speaker, the final point that I want to address is why was it brought in now? Why this Session? Why, 15 years before their own Manitoba Energy Authority says there will be any surplus of revenues over expenditures?

My colleague for St. Norbert says, it may be their last chance, and that possibly is the best explanation that I could come up with, because this legislation, if indeed the government is committed to it, isn't even needed for the next 15 years, because there can't be any excess of revenues that could be put into a heritage fund, according to their own presentation to the National Energy Board.

The Minister says that he wants it because he's going to take out project financing on the Limestone project. He has in place a signed contract from Northern States Power that could be used as collateral. He can assign that contract to the financiers who are putting up the

money, and that indeed is capable of him to do. He can further amend The Manitoba Hydro Act to take out the provision that says that all the funds and revenues from sale of electricity have to go to Manitoba Hydro. He's going to have to do it in any case because, by this act, it now becomes in conflict with the provisions of this act, so he would have to do in any other case.

Madam Speaker, there is no justification for it. There is no rational explanation as to why it is being brought in today. It is only being brought in because this government has not had one bit of good news, has not managed any accomplishment of substance in this Session, and so they're saying that this is going to be their major initiative and that this act and this initiative is going to make everything right. It's going to make people forget about MTX; it's going to make people forget about MPIC and the firing of the president. It's going to make people forget about the investigations into the Workers Compensation Board, about the Ombudsman's investigation into the Natural Resources Department, of Ministers having to resign, of Ministers having invested in SRTC's, all the bad publicity they've had is going to be wiped away by this bit of flimflam that is going to sell people a lottery ticket in the future and raise their hopes where they ought not to be.

Madam Speaker, this is a deliberate attempt to try and overcome all of that negative publicity and in one fell swoop, say to the people of Manitoba, that somehow this government has done something worthwhile for them in this Session. None of it holds any logic; none of it stands the test of investigation as to why it's here and what it can possibly do for the people of Manitoba.

The said reality of it is that it will merely give the government an opportunity to siphon off Hydro revenues at any time it wants in the future, for unspecified purposes, for ill-considered investments, for questionable priorities. It's misleading. I believe that it's dangerous to be left in the power of any government, Madam Speaker. I don't want any government in future to have that power, least of all a government of New Democratic persuasion. We're opposed to it; we oppose it completely, thoroughly and totally. Madam Speaker, we will be voting against it and we will be opposing it every step of the way.

HON. J. STORIE: Madam Speaker, the Member for Tuxedo spoke and left the bill standing in the name of the Member for Fort Garry.

MADAM SPEAKER: The Member for Fort Garry is sitting there. Was the Member for Fort Garry wanting to speak today?

MR. C. BIRT: No, I'm just rising to say it should stand in my name.

Thank you, Mr. Storie.

MADAM SPEAKER: The process is that someone has to adjourn debate.

MR. C. BIRT: Stand.

MADAM SPEAKER: Right.

BILL NO. 4 - THE FAMILY FARM PROTECTION ACT

MADAM SPEAKER: On the proposed motion of the Honourable Minister of Agriculture, Bill No. 4, standing in the name of the Honourable Member for Ste. Rose. The Honourable Member for Ste. Rose.

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

I rise today with a certain sense of puzzlement to try and understand why the Minister and the members opposite are bringing forward a bill that they call The Family Farm Protection Act.

It's a beautifully written title to an act that I feel will have a detrimental effect on the agricultural lending in this province. It will have a detrimental effect on 95 percent of the farms in this province and will put a severe strain on the lender and borrower relationships within this province. In other words, it's bad news.

In fact, Madam Speaker, I would say that this bill attempts to legislate against stupidity and it seems to me that you cannot legislate against stupidity. When you're looking at Bill 4, you're looking at a situation where the credit could possibly, and very likely, will be reduced in its availability to the entrepreneurs of this province who wish to get into the agricultural field. When a young entrepreneur comes forward to borrow from whatever institution, there has to be a certain bond of trust between those who would lend and those who would borrow. I suggest that this bill comes between those two people, the institution, whatever it may be, and the young farmer or the middle-aged farmer, any entrepreneur who wants to get into the agricultural field will be affected by the far-reaching tentacles of this bill.

It is hoped that there will be some consideration on the other side for the fact that the effects of this bill will be far more negative than the beneficial aspects, and certainly we on this side will work very hard, not to protect the banks, as the members on the opposite side are so wont to say. They're quite capable of protecting themselves. I'm worried about protecting the farmers of this province, the farmers, some of whom are sitting in this House and know the effect that it will have on their ability to borrow and their ability to carry forward in their agricultural enterprise.

When you go to an institution to borrow, there must be a bond of trust established. You can't buy that trust, Madam Speaker, you can't borrow it; you have to earn it. In earning that bond of trust, Madam Speaker, you have to be prepared to honour the commitment you make to that institution when you borrow money. The involvement that this bill will have in coming between the lender and the borrower and interfering with the establishment of a bond of trust between those two polarities, if you will, is where the damage can be done by this bill.

When you go to borrow money - and it doesn't matter what enterprise you're in but we're talking agricultural finance here - but when you're borrowing money, you have to be able to show that you have an ability to repay; you have to be able to show you have a willingness to repay; and you have to be able to reach an agreement with the institution on what the cost of that money will be, what the terms of repayment will be, and that is a negotiable factor which out of benefits

expand the plus aspect of the loan will be established. — (Interjection) — The Minister asked me how much. Is he implying that the government would step in and establish what the rate would be? I'm sure that's not what he's saying.

When you go to establish the terms of a loan, Madam Speaker, the terms have to be acceptable to both or the loan will not be a good loan. If the terms are unacceptable to the lender, the lender will continually be skittish in their approach to the repayment of that loan. If the terms of the loan are unacceptable to the borrower, then he will have made a bad business decision and he will pay either too much for the loan, or he will have established terms which he cannot live up to in the future. Any lender or any borrower will tell you that the interest rate and the terms that are established are the criteria upon which any good loan has to be judged.

But when the institution looks at a loan and tries to decide what rate will be levelled against it, they're going to do that on the basis of what is the chance of loss. They're going to look at the management of the individual or the company that is borrowing. They're going to look at the markets. They're going to want to know whether or not there is a product that will be produced that will go forward and receive a useful price, a price that at least will provide a return to the entrepreneur.

The demand for the product, is it a product that will become obsolete? It is no different than any other borrower going to an institution to try and establish a business. The agricultural portfolio has become increasingly complex as we get into the aspect of government interference; government interference in the markets, either on a positive or a negative side; the influence of the institutions within the country to take away the natural availability of efficient production in various parts of this country. Those are all things that the borrower and the lender and the agricultural institution have to take into consideration when they go to make an arrangement to borrow funds.

The banker, the institution, the credit union - call them what you want - the MACC, FCC, they all use the same standard today, and that is whether or not that enterprise can provide a viable cash flow. The long-term objectives of the enterprise will be examined and the possible subsidization or countervail effects that can happen. All of these things are either put down in black and white or they certainly become part of the screening process in applying for an agricultural loan.

The relationship between the lender and the borrower has to be frank, has to be open, and there has to be confidence and competence on both sides before a good loan will be established. As I said a moment ago, that confidence can't be borrowed; it can't be bought; and it can't be bestowed; it has to be earned. Those of us in the agricultural economy, on the producer end of the scale, learned that many years ago.

People who were wanting to expand in the agricultural field about 30 years ago could not compete with the massive American agricultural production machine because there was not agricultural funding available in this country; so that they could expand their holdings; they could expand their machinery and expand the production and take advantage of the markets that were there.

We have since progressed in agricultural finance to a state where, I believe, we have established some confidence in the relationship to the willingness of the institutions to look at agricultural lending. — (Interjection) — Obviously the Opposition Whip isn't interested; that's his prerogative.

The establishment of the confidence of the lending institutions in this country is one of the best advances that has been made to help improve the lifestyle, improve the standard of living, and improve the quality of agricultural entrepreneurs in rural Manitoba to make a living and to go forward and establish sound family businesses for themselves and for their families and for future generations. It has been built on hard work; it's been built on careful management; and it's been built on careful financing of their farms and of their enterprises.

I suggest, Madam Speaker, that this bill will interfere with that process that has taken us 30 years to build up. The major stumbling block that we had 30 years ago was an inability to achieve financing when we needed it. If you had 50 percent of the cash on hand and the other 50 percent in liquid collateral on your farm in the form of grain or livestock, you'd probably be able to borrow the money to acquire a new tractor.

Lots of arguments can be made that the pendulum has swung almost too far, where financing was possibly too easy to achieve. We may very well be seeing the results of some imprudent borrowing. But I suggest that this bill, in interfering in the borrower-lender relationship in this province, will cause far more damage than the fact that there was a point in history when agricultural finance was too easily achieved.

We can go back - the backbench on the government side obviously doesn't want to remember that the lending institutions of this province were devastated and became timid. It devastated their portfolios - it didn't devastate the institutions - but they withdrew from agricultural lending in the Thirties and in the Forties, and they were coaxed back in in the 1950's to recognize agriculture again as the strong backbone of the economy of this country.

You can't legislate against stupidity, Madam Speaker. Let us not forget that a foolish loan made by an institution is probably also a bad loan on the other end and the institutions have to accept their share of the responsibility as does the borrower.

Agriculture has been a poor cousin in the area of financing for far too long. We have earned our right to be an economically strong industry in this province that can go into the financial institutions, can go to the governments of the province and of this country, and say that we have a plan and that plan will be backed up by our ability to produce, our willingness to meet our credits when they are required to the best of our abilities, and barring interference, that relationship should continue.

It is my sincere hope that it will continue and I'm concerned. When I look across and I see honourable members such as the Member for Lac du Bonnet who, I'm sure, built up his enterprise with hard work, with cautious, intelligent financial management, and he knows the devastating effect that this can have on a banker-client relationship.

When the banks came into agricultural lending, they came in because they began to realize that agriculture had a real potential market for their product, and their product is money, banking services. When they realized

the ability of the agricultural economy to stimulate growth and to provide business that was complementary to the business they were in, they began to come into the agricultural-financial area with much more willingness. They began to realize that an agricultural loan was a viable loan; that agriculture was growing; that agriculture was the major growth industry in the last 20 years in this country.

No one will deny that agriculture is going through a shake-down; that agriculture is beginning to have levelled off and many people would say back off from the buoyant years that they went through in the Sixties and the Seventies. But the banks have long realized, as have the competent farmers of this province, that the interest rate and the quality of the loan and the risk involved in the loan can be handled in the same manner as any other economic endeavour, whereby you establish the risk by the factors that I stated earlier. You establish the risk, but you also establish a program of payback in relationship to the ability to repay.

Our banking institutions and the government farm-lending institutions, Madam Speaker, have begun to move into a lending situation where they are more interested in the cash flow ability of the operation and not simply the collateral. We've seen evidence this spring when loans through the provincial lending agency, MACC, were being denied, where there was 75 percent, 65 percent, even 55 percent equity in the operations, but there was not cash flow. They were denied loans because there was not cash flow.

What this tells me, Madam Speaker, is that the provincial lending institutions have adopted very nearly the same guidelines that have been adopted by the private institutions when it comes to lending money in the agricultural field; that there has to be cash flow; that there has to be responsibility.

I would challenge the House, Madam Speaker, to talk about the number of foreclosures that have been precipitated by MACC. How much land does MACC rent back to its former clients? It's no different than the banks. It's no different than the credit unions. The field men in MACC have received instructions that make them equally as concerned about the viability of their portfolios and they know that if their field of responsibility is not being carefully managed, they will hear from their superiors within the department.

That is no different than what has happened in the banking institutions. The government institutions of this province and I would say of the nation, cannot treat the farmers any differently than the private institutions can, because they simply cannot receive the kind of financial backing that is required to do that. They have to apply some business management and practicality to their portfolios.

Bill 4, Madam Speaker, will affect, I believe, all of the lending institutions in this country that deal in this province. Bill 4, I believe, will destroy to a great degree the confidence, the ability of the agricultural economy to take advantage of the advances that have been made in agricultural finance in the last two decades.

I want this bill stopped. I want it stopped not because the banks or the credit unions need protection. They have a way of protecting themselves. Ask the Member for Lac du Bonnet how the bank protects itself. Ask the Minister of Agriculture how the banks protect themselves. They raise the interest rate. They make

the interest rate commensurate with the risk that's involved. This bill has the potential to increase the risk involved.

We knew - I understand now the government knew - in late June that there would not be an agreement from the Federal Government regarding certain parts of Bill 4, whereby the authority over creditors' rights to seize livestock and machinery, which is included in Bill 4, would not be transferred from federal authority. The Minister has said in a recent interview that he was aware of that fact in June.

Well, Madam Speaker, there is evidence out in the country that there are some very skittish lenders who are worried about the effects of this bill. I've received submissions from livestock people who still do not understand; the livestock people do not understand how this bill will affect them, because they haven't been told. The Minister has not told us what his amendments to this bill will be. When he comes forward with amendments so that he can take some uncertainty out of the agricultural financial institution, then we can get down to some better understanding of why they are being so adamant about not wanting to withdraw this bill and plunge ahead with certain aspects of it that we know will be detrimental to agricultural financing.

The only conclusion I can come to, Madam Speaker, is that they're protecting the Premier. When he was looking at the big white one, he dreamed up this.

Madam Speaker, the Premier's promise-a-day pace during the election is now showing up in the legislation that is coming before this House. We have just heard our leader talking about the imaginary Heritage Fund, and I emphasize the word "imaginary." We now have a situation where the word "moratorium" has become such a buzzword to this government that they're prepared to go to any end to be able to justify what they said during the election.

Let me talk about moratorium for a minute, Madam Speaker. To the credit of the members opposite, I've heard some of them mention, well what about the moratorium situation in Saskatchewan. Why is Manitoba's moratorium different from the one in Saskatchewan? Well, the only thing that is similar is the spelling of the word. The way Bill 4 is presently written, and I would quote that moratorium can be imposed by the Lieutenant-Governor-in-Council and can be withdrawn by the Lieutenant-Governor-in-Council.

Under the section that talks about moratorium on farmland, it says: "for the purposes of . . . "this division, ". . . any action or proceeding to realize upon or otherwise enforce

(A) a mortgage, an encumbrance, and a security agreement or an agreement for sale of farmland, or any provision contained therein

. . . shall be halted on the declaration of the moratorium, if I could paraphrase what I believe is the understanding of the rest of that division.

The difference is, in the Saskatchewan moratorium, Madam Speaker, the moratorium, while it is declared by the Cabinet, comes into effect upon the application before the courts to have the moratorium declared, and that application by the farmer involved in his particular case. The moratorium is not of the nature of this one where the moratorium is in place and the application is to be exempt from the moratorium. In this case, the application is to be exempt.

Wednesday, 13 August, 1986

Perhaps you should listen to the people who went to Saskatchewan to examine Saskatchewan moratorium. The judge in Saskatchewan, when application is made before the courts, if the farmer is deemed to be making a reasonable attempt and if the farmer is deemed to have a possibility of making a reasonable end to getting back on a correct and a plausible financial footing, then the moratorium can be declared to cover him by the judge. The judge can declare that the act is in fact in effect in this case. That is when the moratorium is applied in Saskatchewan.

As I read this bill, the moratorium is applied across the board upon declaration, and the only way that the moratorium is not applied is when in fact a judge grants exemption from the moratorium. It is reversed from what Bill 4 is.

Madam Speaker, I submit that Bill 4, in its present form, will result in a massive withdrawal from the agricultural financial field. I suggest that is a dangerous situation for those of us in agriculture to find ourselves. When we go to -(Interjection)- The Minister of Education asks me would I stake my seat on that. When you talk about increased collateral, is that a withdrawal? Would you qualify that as a withdrawal? It is.

Asking for increased collateral when a loan is being put forward is in effect a withdrawing from the agricultural lending field - it has the same effect because the money is not there - as has the government been asking for increased collateral, and that is exactly what makes my point, Madam Speaker.

The realism of present agricultural finance means that you can't legislate against stupidity, you can't legislate somebody else to give his money to support the farms. You have to honour loans that are legitimately put in place and try and reach, if necessary, through panels an understanding between the lender and the borrower. But don't try and legislate against stupidity on either side.- (Interjection)- the Minister of Agriculture would put words in my mouth, Madam Speaker. The farmers who are in trouble he says I said would be considered stupid. They are far from stupid.

But the banks would be stupid if they were forced to accept the fact that they should take their money and support that farmer despite the fact that he cannot even achieve 10 percent equity in his operation. If you would legislate the banker to support them, then you would legislate agricultural financing out of this province. The bankers don't need my protection and I will not stand for any comments from the other side that says that we do. The banks can protect themselves and that is the very nubbin of what I'm trying to say; that the banks will protect themselves and it will be at the cost of those of us who are in agriculture.

I would challenge the members opposite to take a look at what's happening in Saskatchewan. The cost of borrowing there is greater than it is in this province. It is because of the skittishness regarding their bill and in fact their bill is not as onerous as this one.

Let me go one step further in explaining why I believe Bill 4 would damage the borrower and the lender relationship that is established because it does not treat all parties fairly. There are those farmers out there who have worked extremely hard and have managed very well who will also be penalized if we see a movement in interest rates, a movement in the amount of collateral that's required, if we see a movement in the

requirements that the lending institutions would impose upon the terms and conditions alone. The reason for that possible move, Madam Speaker, is because, of course, the lender is no longer in control of his loan portfolio and, frankly, neither is the borrower. When the lender and the borrower cannot achieve an understanding, then, of course, a mediation panel is an excellent suggestion in order to achieve that.

The question, of course, that is out there that is unanswered, and that we would challenge the Minister to address very soon, is how is he going to react in relationship between this bill and between the federal Bill 117? There has to be agreement, there has to be some understanding between those two bills, or we're going to have a proliferation of a nature that would be very confusing for the borrower and the lender not being sure which bill would have precedence and which bill would be the best one for them to apply for relief under.

Frankly, Madam Speaker, it concerns me when the contractual agreements that are made between a borrower and a lender become worthless in terms of the ability of either one to enforce or to live up to. The ability to make decisions in a normal borrower-lender relationship I know are strained under these difficult times. That's why I support the idea of mediation panels. I do not support, however, the creation of a bureaucracy in order to do that.

I have to say, Madam Speaker, and I know that the members opposite will not accept that I am trying to be non-parochial in saying this, but this is one reason why I can support the federal bill inasmuch as it is simple, straightforward and it has the obvious hand on the throttle. It knows something about agricultural loan and repayment problems and the practicality of dealing with those problems. There has to be an opportunity for bankers, credit unions, all financial institutions and their agricultural borrowers to sit down and be given every opportunity to negotiate.

But consider if a moratorium is included, then how good will the faith be, how good will the relationship be if the lending institution knows that it sits down willingly with a borrower and renegotiates a situation and then another year or so down the road, after further deterioration either of the agricultural economy or of the condition of that particular enterprise, that the agreement is not working? How willingly will they renegotiate when they know that even the renegotiated settlement may not hold and that they will not have an opportunity to recover their inputs, they will not have an opportunity to recover even after they have renegotiated in good faith?

The imposition or even the inclusion of the moratorium - and there is some suggestion that perhaps some of these more onerous clauses might be left in but not declared - well, even if that were to happen it would have the same effect because we have seen by example, and I would talk about the teacher tenure situation, where leaving a clause in but not having it declared is very thin gruel for those who are opposed or who are concerned about the effects of that particular clause because it can in fact be implemented on very short notice.

Will those loans that are considered borderline right now continue to be considered borderline or will they in fact slide below that borderline when institutions

start to look at the agricultural portfolio with a jaded eye?

I would suggest that the bottom 30 percent of the loans from the agricultural community could be put in some jeopardy if this type of legislation continues in its present form.

I cannot understand how a caucus that contains a former Mr. Manitoba farmer who would put forward a bill that suggests that when the lenders find out that they cannot recover in the normal course of events even after they have renegotiated in good faith, that they are going to feel as if they have been kneecapped. The Minister expressed some puzzlement at that statement.

The fact is that if they have renegotiated under the present circumstances with a mediation panel or a peer panel, in another year or so down the road and that same situation arises, how good will their good faith be when they go to renegotiate knowing that that renegotiated settlement or agreement can be affected by legislation and in fact may become unenforceable. The risk factor suddenly increases for all borrowers, Madam Speaker, therefore the possibility of more collateral and higher interest rates is very real.

I mentioned a moment ago the unfairness - and I have received some puzzlement from the opposite benches - the unfairness is there. The unfairness that already exists and the fact that we in the agricultural economy are fighting world markets and foreign treasuries, will be compounded by an interference in our own financial arrangements. You cannot legislate against stupidity, Madam Speaker, and lenders will not knowingly negotiate if they cannot expect to recover.

Court sanctions to foreclose at some future date leaves the community in a very puzzled state. When we know full well that once a loan that has gone into the courts appears to have no definite end to those proceedings, if the judge does not want them to end then they can drag on it would appear for almost an indefinite period and these unproclaimed sections will come back to haunt us.

When I talk about unproclaimed sections, Madam Speaker, I would refer also to the sections for moratorium in livestock and machinery. I would wonder if the Minister has had much concern expressed to him by the machinery dealers of this province. Certainly I have received considerable concern expressed to me from the people in the livestock field.

There are enormous sums of money that changes hands in livestock operations and those funds can very easily be tangled up in legislation whereby the possibility, the very possibility of not being able to achieve some relief from non-payment, will make those lenders extremely twitchy. When they have several truckloads of livestock on the road and payment pending, can you imagine the state of mind of some of the dealers? And I'm not talking large financial institutions here, Madam Speaker, I'm talking individuals the same as each of us who are trying to make a living in the buying and selling of livestock.

I would submit therefore that the first thing the Minister should do if he refuses to throw out the bill in its entirety, is make it very clear that he intends to throw out at least those two sections and then go on to the moratorium section and throw it out also.

The time has come, Madam Speaker, to have the province begin to cooperate with Bill C-117. It has the authority over livestock and machinery and it has the appropriate stay of proceedings that can cover up to 120 days, but then have a very definite finishing period. If we want to look at a genuine form of protection for the farmers in these fields of endeavour, then don't turn your back on C-117 and say that because it's a federal bill it has no value.

A MEMBER: He has to withdraw this bill.

MR. G. CUMMINGS: Government lending agencies, Madam Speaker, are doing exactly the same as private agencies in looking at their cash flows and looking at their requirements for the collateral and the cash-flow situations. This bill is counterproductive. Once it gets past the peer group panels, it does not do anything to help the farmers who are actually suffering financial problems in this province. The negotiation of refinancing is the area where the farmer and the lender will be able to improve the opportunity of the farmer to continue his operation.

You cannot legislate the inability of a banker to collect or of the borrower to pay. You have to look at it in its practical terms and the problem is that there needs to be additional cash put into the agricultural economy if you are going to save all of the farmers who are out there.

Don't pass this bill. Mr. Minister, don't pass it to back up an election promise. Don't forget the cost that all farmers will end up paying. Don't put us back in a position where we lost our ability to borrow as we did two decades ago. Don't put forward false hope. This bill will not provide the tremendous panacea that you anticipate.

This bill, Madam Speaker, I submit must be withdrawn.

COMMITTEE CHANGES

MADAM SPEAKER: The Honourable Member for Ellice.

MR. H. SMITH: Madam Speaker, I'd like to announce changes to the Municipal Affairs Committee, the Member for Inkster for the Member for Gimli; and the Statutory Regulations and Orders Committee, the Member for Kildonan for the Member for Thompson.

MADAM SPEAKER: The Honourable Member for Minnedosa.

MR. D. BLAKE: Madam Speaker, I'd like to move, seconded by the Member for Brandon West, that debate on Bill 4 be adjourned.

MOTION presented and carried.

MADAM SPEAKER: The hour being 5:30, the House is now adjourned and stands adjourned till 2:00 p.m. tomorrow. (Thursday)