



Second Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

40 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

LIB - Liberal; ND - New Democrat; PC - Progressive Conservative

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	LIB
ASHTON, Steve	Thompson	ND
BARRETT, Becky	Wellington	ND
CARR, James	Crescentwood	LIB
CARSTAIRS, Sharon	River Heights	LIB
CERILLI, Marianne	Radisson	ND
CHEEMA, Gulzar	The Maples	LIB
CHOMIAK, Dave	Kildonan	ND
CONNERY, Edward	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	ND
DOER, Gary	Concordia	ND
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	LIB
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Clif	Interlake	ND
EVANS, Leonard S.	Brandon East	ND
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	ND
GAUDRY, Neil	St. Boniface	LIB
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	ND
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	ND
LAMOUREUX, Kevin	Inkster	LIB
LATHLIN, Oscar	The Pas	ND
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	ND
MANNESSE, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	ND
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	ND
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	ND
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	ND
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	ND
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	ND
WOWCHUK, Rosann	Swan River	ND

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, July 4, 1991

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Doug Martindale (Burrows): Mr. Speaker, I beg to present the petition of Alan Mitchell, Ruth Mitchell, Dwayne Mitchell and others requesting the withdrawal of funding and the prevention of construction of The Pines project and to prevent projects similar in nature from destroying the community.

TABLING OF REPORTS

Hon. James McCrae (Minister of Justice and Attorney General): Pursuant to the provisions of The Manitoba Provincial Court Act, I am tabling today the first report dated June 7, 1991, containing the Report and Recommendations of the Judicial Compensation Committee.

Hon. James Downey (Minister of Rural Development): I am pleased to table the 1990 Annual Report of the Manitoba Municipal Employees Benefits Board.

INTRODUCTION OF BILLS

Bill 75—The Manitoba Employee Ownership Fund Corporation and Consequential Amendments Act

Hon. Jim Ernst (Minister of Urban Affairs): On behalf of the Minister of Industry, Trade and Tourism (Mr. Stefanson), I move, seconded by the Minister of Energy and Mines (Mr. Neufeld), that Bill 75, The Manitoba Employee Ownership Fund Corporation and Consequential Amendments Act; Loi constituant en corporation le Fonds de participation des travailleurs du Manitoba et modifiant diverses dispositions législatives, be introduced and the same be now received and read a first time.

His Honour the Lieutenant-Governor, having been advised of the contents of this bill, recommends it to the House.

I wish to, Mr. Speaker, table at this time the message from the Lieutenant-Governor.

Motion agreed to.

* (1335)

ORAL QUESTION PERIOD

Core Area Initiative Government Commitment

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, we apologize for getting into an internal Conservative fight, but we think the public interest is very important and a vital program such as the Core Area to ask some very pointed questions to the government.

The Premier yesterday said, and I quote: The commitment I made was that we would endeavour to negotiate another three level agreement, we are still committed—quote, unquote, from the Premier.

The lead minister for Manitoba, the Honourable Jake Epp, has said the province also wanted to eliminate the tripart Core Area Initiative structure that gave Winnipeg an equal seat at the table. It was not just our wish. It was the wish of the province of Manitoba, too. Ernst has said very clearly to me that the province does not want a Core III, Mr. Speaker.

My question to the Premier is: Who should Manitobans listen to? Who should we rely on for the truth in this matter? Which Conservative is telling the truth, and which Conservative is not telling Manitobans the truth? Is the Premier still committed to a trilevel agreement on behalf of the province of Manitoba, or was Jake Epp telling the truth when he said the province was not committed to that agreement?

Hon. Gary Filmon (Premier): Mr. Speaker, as I said yesterday, both inside and outside this House, yes, we are still committed.

Core Area Initiative Government Commitment

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, then the Premier is basically calling into

question the integrity and honesty of the minister and his statements—the federal minister, the Honourable Jake Epp. He is basically saying that the federal minister is not telling the truth and that the provincial government is telling the truth.

I would ask the Premier, in light of the fact that on September 4, 1990 -(interjection)- that is a good point. I would not dare.

"Earlier in this Election Campaign I committed our government to continuation of an Inner Core Tripartite Program to build upon the successes of the first two Core Agreements," signed by the Premier to the Urban Futures Group.

I would ask the Premier: How is he going to remedy this situation where the lead Conservative minister is saying that the province is not committed to a third core area trilevel agreement and the Premier is saying that he is committed to it? How does he plan on dealing with this issue? Is he going to go directly to the Prime Minister to get the Prime Minister to overrule Mr. Epp and his position in regard to the province of Manitoba and the Conservatives in this government?

Hon. Jim Ernst (Minister of Urban Affairs): Mr. Speaker, this government has been, is and continues to be committed to urban revitalization agreement extension for the core area of the city of Winnipeg. We are committed, we have been and we will continue to be committed.

The question of how that is accomplished is what is under negotiation at the present time. We are continuing to discuss with the federal government their method of participation in an agreement. We have discussed with the City of Winnipeg the question of an extended agreement dealing with urban revitalization issues in the core area of the city of Winnipeg. We are committed, Mr. Speaker. We remain committed.

Core Area Initiative Public Negotiations

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, of course, the federal lead minister of Manitoba, the Conservative lead minister, the Honourable Jake Epp, has made some very, very negative comments about the ability of the City of Winnipeg to be an equal partner in a trilevel agreement. In light of the fact that the province has the constitutional responsibility to represent municipalities and urban centres in this province,

what action has the Premier taken in regard to the Honourable Jake Epp's comments about the City of Winnipeg and the discrepancy between what the Tories are saying here and what the Tories are saying in Ottawa? Secondly, will he agree to have the next set of negotiations in full public so that the public will know who in fact is proposing to withdraw from the Core Area Agreement and who is not proposing to withdraw from the Core Area Agreement?

Hon. Gary Filmon (Premier): Mr. Speaker, as the minister who conducted all of the previous Core agreements in private behind closed doors, I just respond to the Leader of the Opposition, surely you jest. -(interjection)- I am sorry, his name is not Shirley? Okay.

Mr. Speaker, the fact of the matter is that the coverage of the issue identifies what I believe should have been very clear to everyone, the Urban Futures Group, the opposition and everyone else, that going after the provincial government, who have said that they are committed and desirous of having a new trilevel agreement, is not the route to go.

The federal government clearly is the partner in this tripartite agreement that has to be addressed, and whether it is the Urban Futures Group, the City of Winnipeg or anybody else, we are not going to get a tripartite agreement if one of the three partners is not agreeable to it. The federal government obviously must be convinced that this is important to the city of Winnipeg, that this is important to the province of Manitoba.

We are endeavouring to do our part. We are endeavouring to do our part to convince them of that, and we would hope to have the support of members opposite in making the case to the federal government.

* (1340)

Goods and Services Tax Sales Tax Harmonization

Mr. Leonard Evans (Brandon East): Mr. Speaker, I was going to address the question to the Minister of Finance (Mr. Manness), but I will address it to the Premier.

Mr. Speaker, the Toronto Dominion Bank yesterday issued a statement on provincial government finances, observing that the so-called harmonization of provincial sales taxes with the GST would, and I am quoting: significantly broaden

the tax base and boost revenues, administering a rude shock to consumers.

I know the Minister of Finance and his department are constantly reviewing sources of taxation, and I therefore ask the Premier whether his government has an updated estimate of the additional revenue the province would collect by levying the PST or the provincial sales tax on all items covered by the GST?

Hon. Gary Filmon (Premier): Mr. Speaker, coming from a member of an administration that raised more taxes higher and more frequently than any other provincial administration in the history of this province, talking about concern about taxation levels really is the height of cynicism coming from that member for Brandon East, coming from a member who personally took it upon himself to rape the treasury of this province for some \$15,227 for his own personal use.

I have an article from the Brandon Sun in which he boasts about using it to put on lunches for the senior citizens in his area, Mr. Speaker, as a vital part of his service to the people of Manitoba. I find that to be the height of cynicism that he should show any concern about the tax levels in this province. That is pure cynicism, pure hypocrisy—

Mr. Speaker: Order, please.

Mr. Leonard Evans: From that type of answer, I think we can assume that he is going to harmonize the PST with the GST.

Mr. Speaker, I would ask the Premier whether his government has received any correspondence from the federal Minister of Finance, or indeed any kind of communication from either the Prime Minister or Mr. Mazankowski, asking the Province of Manitoba to follow the course taken by Quebec, Prince Edward Island and Saskatchewan, who have indeed harmonized their provincial sales taxes with the GST?

* (1345)

Mr. Filmon: Mr. Speaker, I advise the Member for Brandon East not to make that assumption because the only people who can be assumed to want to raise taxes in this province, consistently, are the New Democrats in this Chamber. They did it for all the years that they were in government. They brought in taxes that were unheard of anywhere else in the country. They taxed jobs through the payroll tax. They taxed investment through the corporation

capital tax. They raised the provincial sales tax from 5 percent to 7 percent.

They brought in all sorts of new and creative taxation that this province had never seen, and they raised this to the second highest overall level of taxation of any province in the country, Mr. Speaker. That is the fact, and that will continue to be the fact. As long as there are New Democratic members around to live and breathe, they will talk about raising taxes.

No, Mr. Speaker, I have not received a letter from the Prime Minister authorizing or urging us to harmonize the taxes.

Mr. Leonard Evans: I would remind the Premier and his government that it was a Conservative government that introduced sales taxes in the first place in this province. Let us not forget the history of this province.

My question to the Premier then, Mr. Speaker, is: Will the Premier now firmly and categorically commit to the people of Manitoba, to this Legislature that he will not further add to the regressive taxes in Manitoba by harmonizing the provincial sales tax with the GST?

Mr. Filmon: Mr. Speaker, I will remind the member opposite, the Member for Brandon East, that despite the fact that the New Democrats said they were opposed to the provincial sales tax, they not only continued it, but they increased it by 40 percent when they were in government, and they never reduced any taxes. They in fact added, added and added to the huge tax burden to make this province the second highest overall tax province in the entire country.

That is the record of New Democrats; that is the sorry, sad record of New Democrats. Cynicism, hypocrisy and taxes, Mr. Speaker, that is their record, and they stand by it every day.

Core Area Initiative Federal Minister's Statement

Mr. James Carr (Crescentwood): Confusion reigns supreme over there in Toryland, Mr. Speaker. One week before the election on September 4, 1990, the Premier commits his government to continuing a Core Area Agreement with Ottawa and Winnipeg, and I will table that letter right now. Yesterday, Jake Epp said, no, that is not quite right. Jim Ernst does not really want to negotiate a new

Core Area Agreement and neither do we in Ottawa, says Mr. Epp.

The Premier says one thing, the Minister of Urban Affairs says another and the senior Tory cabinet minister from the Province of Manitoba says something quite again. Mr. Speaker, what a fiasco.

My question is for the Premier. I would like to ask the Premier how does he respond to Mr. Epp's accusation that the Premier broke his election promise?

Hon. Gary Filmon (Premier): Mr. Speaker, I think it is one thing to take licence on issues, licence on the poetry that is contained within news reports; it is another thing to just simply misrepresent it as has been done. Mr. Epp has not said that. That is nowhere in his comments, and I challenge the member for Crescentwood to produce that.

Core Area Initiative Bilevel Agreement

Mr. James Carr (Crescentwood): Mr. Speaker, the Premier said during the election campaign he was committed to renewal, and Mr. Epp said yesterday that Mr. Ernst is not committed to renewal. That is a contradiction. It is not for me to explain the contradiction. It is for the Premier and Mr. Epp to explain.

The minister said yesterday that he was interested in negotiating a bilateral agreement with Ottawa to help Winnipeg's core area, but the agreement may not include the City of Winnipeg itself. How bizarre, because the City of Winnipeg is the only government with money on the table.

Why is the Minister of Urban Affairs prepared to negotiate an agreement with his reluctant cousin in Ottawa without inviting the City of Winnipeg to the table, the only level of government with so much as a single dime for the revitalization of the inner city?

* (1350)

Hon. Jim Ernst (Minister of Urban Affairs): Mr. Speaker, as I indicated earlier today in Question Period, we are committed, we remain committed, we have continued to be committed to obtaining a further revitalization agreement for the core area of the city of Winnipeg.

If my honourable friend would care to quote other lines in that particular article, he would see that the federal government is also involved in those same negotiations trying to determine if we can find a

method of dealing with very urgent needs in the core area of the city of Winnipeg. Core area revitalization needs to be continued. We have many, many areas of priority to deal with those and we are pursuing those negotiations.

Financial Commitment

Mr. James Carr (Crescentwood): Mr. Speaker, I have a final supplementary question to the Minister of Urban Affairs.

I am sure all members are delighted that the province is committed to renewal of the Core Agreement or some kind of an agreement for the revitalization of the inner city of Winnipeg.

Could the Premier or the minister tell the House how much money the government has committed to the revitalization of the inner city of Winnipeg?

Hon. Jim Ernst (Minister of Urban Affairs): Mr. Speaker, as I have indicated also publicly in the last day or so, we are in discussions with the federal government at the present time. I can tell my honourable friend if he is not aware, the City of Winnipeg has committed \$5 million annually within their five-year capital budget.

It is up to us to determine through the negotiation process what we can do to deal with the urban revitalization problems in the inner city of Winnipeg. We are pursuing those discussions with the federal government vehemently, Mr. Speaker.

Civil Service Appointments Amarjeet Warralch Investigation

Mr. Steve Ashton (Thompson): Mr. Speaker, on an almost daily basis, there have been revelations coming forth to the public involving political associates and supporters of the Premier. Most recently, the RCMP has confirmed that it has widened its investigation to include Amarjeet Warraich who, the Premier is quite aware, received an appointment from this government while claiming to be totally disabled and unable to work.

What I would like to ask the Premier is whether the Premier will be taking any action involving the individual pending the outcome of that investigation, both in terms of the position he was appointed to by this government and the appointment of the individual to the Human Rights Commission?

Hon. Gary Filmon (Premier): Mr. Speaker, I am glad that the member is acknowledging that the proper course of investigation is being pursued and

that, through the independence of the RCMP and the Civil Service Commission, those matters are being fully investigated. I would invite the member opposite to suggest what further action he thinks should be taken, and we will see what should be done, Mr. Speaker.

We believe that everything that should be done is being done and that we will deal with the reports and the consequences of the investigations thoroughly, completely and to the letter of the law.

Mr. Ashton: Mr. Speaker, it is interesting that only a week ago the Premier was accusing media members and the opposition of smearing the individuals now under investigation.

Independent Investigation

Mr. Steve Ashton (Thompson): Indeed, Mr. Speaker, if the Premier wants a suggestion, I will put it in the form of a question to him as to what should be done, and that is, will the Premier now support the call that is being made by members of the opposition and increasingly by members of the multicultural community to a full investigation that goes beyond strictly the RCMP into the question of political influence in hiring for government jobs by this government?

Hon. Gary Filmon (Premier): Mr. Speaker, you know, as a member of a party that made an art form of appointing its political assistants to Civil Service jobs—in just one government department, we currently have a dozen of those such people, former political assistants from Schreyer and Pawley administrations who have found their way magically, through the process of government, into the Civil Service. We had such wonderful names as Terry Sargeant, as Phil Eyler, as all these people who were magically finding their way—Jay Cowan's wife and on and on who were being put in the Civil Service—yes, all of these matters being put directly into the public service.

An Honourable Member: She worked for the government before he was an . . .

Mr. Filmon: No, no, no, worked for your caucus and then went into the Civil Service.

These are the people who are now saying that a big public inquiry ought to be done? Come on, Mr. Speaker, what a joke that is. The fact of the matter is that the RCMP are investigating the matter. The Civil Service Commission is investigating the matter, and any recommendations and any

decisions that come out of those investigations will be pursued thoroughly and completely.

Claro Paqueo Real Estate Broker Status

Mr. Steve Ashton (Thompson): Mr. Speaker, we are dealing with some very serious matters. Individuals who have been appointed are now subject to RCMP investigation. People have ties going back to the Premier in the 1983 leadership, including Claro Paqueo.

I would like to ask the Premier, in view of the fact that Mr. Paqueo's real estate broker's licence was revoked, I believe, about an hour ago, will the First Minister or the Minister of Co-operative, Consumer and Corporate Affairs (Mrs. McIntosh), launch a wider investigation into how this agency was able to operate for several months without following the proper procedures that all agencies have to follow when indeed it has now been confirmed and that licence has been revoked as of one hour ago?

* (1355)

Hon. Gary Filmon (Premier): Mr. Speaker, the members opposite are obviously having a great deal of fun, and they show what little respect they have for serious issues in this House by virtue of their behaviour in the House.

Mr. Speaker, the fact of the matter is that those matters have been dealt with by process. We asked for that matter to be dealt with. It has been dealt with. The licence has been revoked. That is the case.

Community Colleges Employee Pension Plan

Mr. Dave Chomlak (Kildonan): Mr. Speaker, pensions are fundamental to all, I think all members of this House agree. The government, in its colleges act, has looked after every aspect of colleges. They looked after corporate boards. They have set up structures. They put mechanisms in place, yet despite repeated questions from this side and the concerns of the 1,500 employees, the government has refused to move on their pension plan.

Will the minister assure the House today that they will make provisions to allow the 1,500 employees to continue their pension plan in the present pension plan that it is now represented in?

Hon. Leonard Derkach (Minister of Education and Training): Mr. Speaker, that indeed has been a concern to the employees of the colleges, and rightfully so. Employees who are working for the colleges at the present time need to be assured that their pension plans are in place if indeed they are to become members of an independent board. As I have indicated to my staff and through them to the college employees, indeed we will assure that every benefit that they have now under the pension plan will remain intact, and they will indeed have the benefit of the pension plan as it exists today under the Civil Service Commission.

Mr. Chomlak: I am sorry to say the employees do not believe the minister.

Mr. Speaker, the government has done it for the Hazardous Waste Corporation. The government has done it for the Crown Accountability entity. By a simple stroke of a pen by Order-in-Council, they can simply take care of this problem. Why will the minister not move on it today?

Mr. Derkach: Mr. Speaker, I think it should be very clear to the member opposite that, when I am prepared to get up in this House and indicate quite clearly that the employees who are now the employees of the community colleges and when they move to the Boards of Governors will have the same benefits as they received today under the pension act, that should be evidence enough that indeed the government is committed to ensure that their benefits are secure.

Tuition Fee Increases

Mr. Dave Chomlak (Kildonan): My final supplementary to the minister is related to the same act.

Mr. Speaker, in the act, will the minister provide some kind of provision to ensure that tuition fees are not raised exorbitantly by the new boards that are being put in place to protect the students at the community colleges so they are not in the same situation that many students of universities are in, getting 20 percent increases as a result of this government's funding?

Hon. Leonard Derkach (Minister of Education and Training): Mr. Speaker, I am not quite sure what the member is asking in terms of how we can legislate a freeze on tuition fees within the legislation. I have never seen any similar legislation in all of the college acts that we have across this

country or indeed in the United States, so I would have to indicate that would be a very creative idea but not indeed one that is conducive to a proper educational environment in this province.

I think there is a responsibility not only of the taxpayers of this province to support education but indeed for those who benefit from education to have some responsibility in contributing to their educational programs as well.

Forest Fires Disaster Assistance

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, no one will argue with the Premier when he accuses the federal government of failing to live up to its commitments to assist us with the costs of the forest fires of 1989, but the people of this province are also entitled to the full truth. Unfortunately our Premier suffers from a disease that Winston Churchill called terminological inexactitude.

The Premier stated that we have not received one dime from Ottawa for that disaster. In fact, the department of Indian and northern affairs has paid the province for the suppression of fire costs in 1989 some \$1.372 million, some of which is for the exact fires that the Premier talks about.

What he also did not tell us in the House over the last few days is that over \$16 million is available to us from Emergency Preparedness Canada for the evacuation of communities that took place. Why did the Premier not divulge this information when he asked about this situation two days ago? Why was he not up front with the people of Manitoba, and why did he give us not all of the facts but just some of the facts concerning this particular issue?

* (1400)

Hon. Gary Filmon (Premier): Mr. Speaker, the fact of the matter is that the member for River Heights, the Leader of the Liberal Party, may want to argue on the side of the Ottawa bureaucrats to break the promise of the Prime Minister to this province. I am glad that she wants to do that because it demonstrates that, for political purposes, she is prepared to do anything, even if it is to the detriment of the province of Manitoba.

The only reason that the bureaucrats in Ottawa want us to agree to the acceptance of the \$16 million is to break the Prime Minister's promise of generous assistance. We have been aware since the time of

the fires that, if we go under the disaster assistance formula, we are only able to access some \$16 million. We had over \$75 million in costs to fight those fires. Much of those costs were to evacuate people from the North to the South, much of those costs were to cover the replacement of damaged, whether it be trap lines, whether it be residences, cottages, all sorts of—Mr. Speaker, much of it, of course, was temporary housing, social assistance, all sorts of things for that.

The \$75 million to us was covered by a promise that the Prime Minister made not once but twice on national television, saying he would treat us generously. Mr. Speaker, I do not think that \$16 million of a \$75 million cost is generous, so we have said to the federal bureaucrats, thank you, we are not dealing with you because the disaster assistance act is not the coverage that we were promised by the Prime Minister and his ministers. We are wanting to get what we think is fair treatment for the people of Manitoba, the kind of fair treatment that has been given to other provinces, and that goes beyond the disaster assistance act. The \$16 million that she wants to accept is not acceptable to us—

Mr. Speaker: Order, please.

Mrs. Carstairs: Mr. Speaker, the \$16 million is not acceptable to us either. However, the federal government is not asking this government to sign any waiver of any further claim, not a single piece of paper are they asking them to sign with regard to future obligations based on the Prime Minister's statement.

Mr. Speaker, why has this First Minister not been prepared to put in the bill for the \$16 million, which covers only the evacuation of Status Indians, does not cover all of the other costs enumerated by the First Minister today when the First Minister of the nation said he would be more generous?

Mr. Filmon: Mr. Speaker, we have not been willing to play the bureaucratic game of signing off for our commitments from Ottawa on what we consider to be a much higher bill that we have paid. We have paid over \$75 million, and we are entitled to generous support that goes beyond the rules of the disaster assistance program, and agreement that we have. If we sign off on that Disaster Assistance agreement, as the Leader of the Liberal Party would like us and the bureaucrats would like us, we no

longer would have a case with Ottawa for assistance. We are not willing to do that.

Mrs. Carstairs: Mr. Speaker, the Premier does not have the facts. The facts are that that program is for one small aspect of the forest fires costs. It is only for the evacuation of Status Indians, the cost of which the Government of Canada is prepared to pay to the tune of \$16.125 million. That does not, in any way, weaken the obligation of the Prime Minister of this nation to be generous for all of the other costs implicated by this government.

Why is this Premier refusing to accept that aspect, refusing to even put in a bill for that aspect of the cost, while still maintaining the other negotiations with respect to the generous promise of the Prime Minister?

Mr. Filmon: Mr. Speaker, the member opposite, the Leader of the Liberal Party, makes my case exactly. They are willing to pay only that which they are legally obliged to pay. We know what they are legally obliged to pay, and we can collect that any time. I am glad that we now see what a negotiator we have on that side, who is willing to accept \$16 million in lieu of a generous, truly generous, response to a \$75-million bill.

We have a commitment from the Prime Minister, Mr. Speaker, and we are going to do everything we can to hold him to that commitment.

Churchill, Manitoba Airport Upgrading

Mr. Daryl Reid (Transcona): Mr. Speaker, on Monday night a 767 aircraft with 190 passengers on a flight from Los Angeles to Denmark was forced to make an emergency landing at Churchill due to a fuel leak problem. Fortunately, there were no injuries, and the plane was able to be repaired with a minimum of equipment and facilities that remain at Churchill.

My question is for the Minister of Highways and Transportation. Considering the willingness of the federal government to abandon the Churchill airport, can the minister tell the House what success he has had in getting support from the federal government for upgrading of the aircraft service facilities at Churchill?

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, as part of the agreement that was signed five, six years ago by the previous administration under the programs that

affected the community of Churchill, one of them was that the federal government would put up a new hangar in the Churchill area. I think we are looking at the tune of \$3 million.

Out of all the agreements that we had with them, this is one that has not been met by them. We are still encouraging that they have a moral obligation, by having signed that agreement, that they should do that. We are still pursuing that, Mr. Speaker.

Mr. Reid: Mr. Speaker, this is a very important issue for the community of Churchill, and I hope the minister continues to pursue it.

Port of Churchill Federal Commitment

Mr. Daryl Reid (Transcona): As the 1991 shipping season has begun, it is increasingly important for Churchill, as well, which has already lost more than 15 jobs this year due to the federal and provincial cuts, that they receive grain for their port, Mr. Speaker.

I ask the Minister of Highways and Transportation: What commitment did this minister receive from the federal minister responsible for the Wheat Board that grain would be shipped from the port of Churchill this crop year and that volumes would exceed the break-even point of 600,000 metric tonnes?

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, I have no commitment from the federal minister, but I have taken the opportunity—I have written the federal minister. I have written the Minister responsible for the Wheat Board. I have been in touch, together with my colleagues, with the Minister of Northern Affairs (Mr. Downey) as well as Agriculture, have been in touch with the Wheat Board, and I have been encouraging them on an almost, well, it is getting down to twice-a-week basis, pushing them to try and see whether we can get some commitment.

I just met with staff this morning to consider the matter again whereby we feel that, since some of the information that has come forward where Canadian taxpayers are paying part of the movement of grain to Churchill, we will have a stronger case to put forward to the Wheat Board, that they should insist that some of the movement of grain to Russia goes through the Port of Churchill.

All-Party Committee

Mr. Daryl Reid (Transcona): My final supplementary to the same minister.

Considering that it takes from 10 days to two weeks for the port to be ready to export grain and for the railway to prepare its equipment, if there was no commitment by the federal government by the beginning of next week, will the minister agree to set up another all-party task force to go directly to Ottawa, along with representatives of the Churchill community, to demand a fair share of Canada's grain exports for Churchill in 1991?

* (1410)

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, through my department and myself, we are trying to utilize every angle that we can in terms of putting pressure on the Wheat Board, and I have to honestly say that I feel that, in spite of the fact that the federal minister wrote me and indicated that he has no influence on the decisions, I still think there is enough justification. I think there is a possibility that the federal minister could help to create some pressure on the Wheat Board, and we will be pursuing that. Failing all avenues, I am prepared to talk to the critic from the opposition in terms of what further action should be taken.

Manitoba Hydro Gardening Plot Fees

Mr. George Hickes (Point Douglas): Mr. Speaker, some north-end residents, most of them senior citizens, have been gardening a vacant property owned by Manitoba Hydro for over 30 years. The residents garden not only for the small harvest they get, but also to keep the area free of weeds and clean looking, something which the property owners, Hydro, do not do.

Four years ago, Manitoba Hydro began charging the residents, for their use of plot, \$15 each. Now, they have added GST and calculated this year for a total of \$16.05. Now, Manitoba Hydro decided arbitrarily that additional land was being used and demanded an additional \$16.05, after the gardens were planted, from the seniors.

My question is for the minister responsible for Manitoba Hydro. Can the minister tell the House if his government condones the gouging the residents who, after all, are doing Hydro a favour by keeping

the land clean and making a positive contribution to the neighbourhood's environment?

Hon. Harold Neufeld (Minister responsible for The Manitoba Hydro Act): Mr. Speaker, I received a transcript of the CJOB interview this morning, and I have only had a chance to read it. I have not had a chance to discuss this with Manitoba Hydro. I have, at this point in time, no information as to the reasons for the increase or indeed the amount of that increase. I will be contacting Manitoba Hydro within the next couple of hours and getting some more information on this.

Mr. Hickes: This is blatant greed on the part of Manitoba Hydro, and I ask the minister if he will assure this House that Hydro will abolish this unfair fee entirely today?

Mr. Neufeld: Mr. Speaker, I do not think it is appropriate for the minister responsible for Manitoba Hydro to make any judgments or to make any decisions without first inquiring with Manitoba Hydro as to the reasons for the increase. I will be doing that, and I will be discussing the reasons and the amount of the increase with Manitoba Hydro. Manitoba Hydro will take its decisions after that.

Solvent Abuse Legislation Proclamation

Mr. George Hickes (Point Douglas): Mr. Speaker, since the City of Winnipeg yesterday asked this government once more to proclaim Bill 91, the solvent abuse legislation, I would ask the Minister of Health to tell this House, given that that the minister and his advisors have been studying the legislation for 16 months now, when he will have an opinion. When will the bill be proclaimed?

Hon. Donald Orchard (Minister of Health): I hope to have an opinion in the near future, and depending on the opinion, I can answer the second question.

Northern Health Care Patient Transportation

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, this government has offloaded its financial responsibility for education onto school boards. It has offloaded its responsibility for provincial roads onto municipalities, and now we see that the government is offloading its responsibility for the Northern Patient Transportation Program onto the backs of northern hospitals.

We have learned that the government plans to build the budgeted amount for the Northern Patient Transportation Program into local hospital budgets and then reduce the funding to the program by the expected savings from the \$50 user fee.

Can the minister explain how northern hospitals are to assume the losses of overdue accounts, and what other programs will northern hospitals be forced to cut as a result?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I am sure my honourable friend would not want to leave the opinion on the record that Northerners do not pay their bills, in talking about overdue accounts. We do not expect to have that as a major problem.

In terms of the administration of the Northern Patient Transportation Program, the hospitals are in a very excellent position to monitor the program and to make sure that it meets essential medical needs in northern Manitoba, as I know my honourable friend has been informed when she made inquiries of those individuals.

User Fees—Delinquent Accounts

Mrs. Sharon Carstairs (Leader of the Second Opposition): The hospitals are indeed concerned because they know of many Northerners who are unable to pay these \$50 user fees, particularly those with chronic illnesses, particularly those with children who require frequent visits to hospitals and doctors.

Can the minister tell the House what this government's policy is going to be with regard to delinquent accounts which could total, according to the northern hospitals, tens if not hundreds of thousands of dollars?

Will the government assume the debts, or are the hospitals to assume those debts, thereby taking the monies from ongoing programs?

Hon. Donald Orchard (Minister of Health): The Northern Patient Transportation Program is anticipated to provide \$2,800,000 of assistance for Northern Patient Transportation warrants which will be issued in the next calendar year. For my honourable friend to say that the losses could reach hundreds of thousands of dollars is totally irresponsible. The entire expected contribution is \$220,000.

Is my honourable friend saying that 50 percent or indeed 100 percent of Northerners are not going to

make their contribution? That is not giving northern Manitobans a very good reputation.

Mr. Speaker: Time for Oral Questions has expired.

Speaker's Ruling

Mr. Speaker: I have a ruling for the House.

On June 26, 1991, the honourable member for Thompson, the opposition House leader (Mr. Ashton), raised a point of order about the release of a report, the first State of the Environment Report for the Province of Manitoba at an embargoed news conference prior to the report being tabled in the House.

Before dealing with the specific issue, I wish to remind the House of the definition and purpose of a point of order. According to the appendix in our rule book, a point of order is a "question raised with the view of calling attention to any departure from the Standing Orders or the customary modes of proceeding and debate or in the conduct of the legislative business."

While there is no Manitoba ruling on the exact point of whether it is proper for a minister to release a report at an embargoed news conference prior to tabling it in the House, Speaker Phillips, on July 11, 1986, ruled that there was no compulsion on the part of a minister to make a statement in the House rather than outside the Chamber. In that ruling, she equated a press conference with a statement outside the House.

In my opinion, the same principle applies to a report released at a news conference prior to it being tabled in the House. The rules and customary modes of proceeding apply only to activities occurring within the House, however the action complained of occurred outside the House. Therefore, it does not qualify as a point of order. Further, there is not, in my understanding, any custom that reports must be tabled in the House before being released to the media.

In the past, similar complaints have been raised from time to time as privilege, however Beauchesne's Citations 352 and 31(10) are very clear: "The option of a minister to make a statement either in the House or outside it may be the subject of comment, but it is not the subject of a question of privilege."

"The question has often been raised whether parliamentary privilege imposes on ministers an obligation to deliver ministerial statements and to

make announcements and communications to the public through the House of Commons or to make these announcements or statements in the House rather than outside the Chamber. The question has been asked whether honourable members are entitled, as part of their parliamentary privilege, to receive such information ahead of the general public. I can find no precedent to justify this suggestion."

I am therefore ruling that the honourable member for Thompson (Mr. Ashton) does not have a point of order, nor are there any grounds for raising the matter as one of privilege.

Nonpolitical Statements

Ms. Jean Friesen (Wolseley): May I have leave to make a nonpolitical statement?

Mr. Speaker: Does the honourable member for Wolseley have leave to make a nonpolitical statement? Leave? Agreed.

Ms. Friesen: I stand with great pleasure to invite the rest of the House to celebrate with us the success of three Manitoba films and film makers. John Paskievich was awarded the blue ribbon at the American Film and Video Festival in June for his film, "The Old Believers." The feature film "The Last Winter" last week won the grand prize at the sixth international Festival du Film et de la Jeunesse in Paris to add to the 15 other awards that film has won. The director of photography for that film, Ian Elkin, won also the best photography award at the festival.

Mr. Speaker, this is the biggest selling English Canadian film for 1990 and it is a Manitoba film. We would like to add our congratulations to Kim Johnston, Jack Clements and Ken Rodeck, the co-producers of this film.

Finally, we would like to celebrate the achievements of Derek Mazur and the Credo Group who last week won an award in New York for the outstanding children's film, "Lost in the Barrrens," an adaptation of Farley Mowat's work.

Mr. Speaker, what do these films and these film makers all have in common? Do they all live in Wolseley? Unfortunately, not quite, but many of them do and I would like to congratulate those of them who are my constituents. One thing they do all have in common is that they all worked with C.I.D.O. money, and I think we all have the opportunity to take some credit for that and to take some pride, I think, in the work on this that Mr.

Kostyra did, that Mr. Axworthy did, and in the support that the present government has continued. All of them have already or are repaying this money back into the fund. All of them used Manitoba crews and Manitoba locations, putting money into the local economies.

Many of the films have been used to raise money for Manitoba charities. "The Last Winter," for example, raised, I think, over \$150,000 for the Canadian Cancer Society. "Bordertown Cafe," a more recent film, raised a similar amount.

Secondly, all of these films have benefited from the presence of the National Film Board in Winnipeg, and I would like to pay tribute at the same time to the National Film Board funding and the co-production opportunities that it has offered to Manitobans. They have all provided an international name for Manitoba, not just in the northern tier of states, not just in the United States, but in Paris, in Sydney, in New York, in festivals around the world. These awards are a just tribute to the creativity and excellence of the motion picture industry in Manitoba.

I would like to invite the rest of the House to join with us in the New Democratic Party in celebrating the continuing success of the Manitoba film industry and Manitoba film makers.

* (1420)

* * *

Mr. Cliff Evans (Interlake): May I have leave to make a nonpolitical statement?

Mr. Speaker: Does the honourable member for Interlake have leave to make a nonpolitical statement? Leave? Agreed.

Mr. Cliff Evans: I would like to take this opportunity to congratulate Charla Wallack, Nathan Kicenko and Dennis Cruise. These three students make up the 1991 graduating class of the Poplarfield School and will be the last to graduate from the school.

Over the years, enrollment has declined steadily and the school will now be closing its doors. From the beginning, the Poplarfield School and the community have received high praise for the consistent quality of education students have received. Through the combined efforts and dedication of local citizens and teachers, the school offered a curriculum as varied as in any large urban school.

From sports activities to French and drama, the school and its students excelled. It was not only a centre of learning but, more importantly, it was the heart of the community. The closing of Poplarfield School is a letdown for the town and a real loss to the residents.

I would like to take this opportunity, Mr. Speaker, to congratulate the teaching staff for the tremendous work they have done over the many years. Their dedication and determination contributed in no small way to the continuous quality and the school's family-like atmosphere. Times have changed, and in the fall both staff and students will be relocating to other schools in the area.

I wish them good luck and trust that their history of excellence will continue. I wish to, along with members of this side of the House and all members of the Assembly, offer our congratulations to the Poplarfield School, its students and teachers, for the tremendous contributions to the community over the many, many years.

House Business

Hon. Clayton Manness (Government House Leader): Mr. Speaker, before Orders of the Day, I would like to announce that the previously announced meeting of the Standing Committee on Municipal Affairs to be held at 1 p.m., Friday, July 5, is cancelled. A new date has been set for Tuesday coming, 10 in the morning.

Also, the Standing Committee on Industrial Relations will meet in Room 255 at 1 p.m. tomorrow to consider Bills 55 and 56 and other bills that might be referred possibly tomorrow.

Mr. Speaker: I would like to thank the honourable government House leader.

ORDERS OF THE DAY

Hon. Clayton Manness (Government House Leader): Mr. Speaker, I would like you to then call bills for second reading, 73, 71 and 39.

SECOND READINGS

Bill 73—The Rural Development Bonds Act

Hon. James Downey (Minister of Rural Development): I move, seconded by the Minister of Highways and Transportation (Mr. Driedger), that Bill 73, The Rural Development Bonds Act (Loi sur

les obligations de développement rural), be now read a second time and referred to a committee of this House.

Motion presented.

Mr. Downey: Mr. Speaker, I am extremely pleased to rise today to add some brief comments in support of Bill 73 and the introduction of it for second reading. I, first of all, want to acknowledge the work of my colleague the member for Emerson (Mr. Penner) and the work which he had carried out as the minister in some of the preparatory work as it related to Bill 73, and also the support generally—I say this genuinely—throughout all of Manitoba on this important initiative.

I would hope that the members opposite would be, without question, fully supportive of an initiative that will, I believe, breathe new life into the economic activities, particularly of rural Manitoba. I will stick to my comments and my notes and try to move through them relatively quickly.

It is a pleasure to speak today to the members of the House, as I said, about an exciting initiative to provide new opportunities for Manitobans to invest in their communities. Manitoba was founded by people of many cultures; however, they all shared a common desire: they wanted a chance to make a better life for themselves and their families. They wanted to take full advantage of the tremendous opportunities offered in a great new land. They strove together to achieve these goals; they worked together because they had to in order to survive. Together they grew and prospered.

Like those pioneers, we want to invest in Manitoba's future. We believe that Manitobans can and will work together to help their communities grow and prosper. Manitoba's economy has generally been a resilient one, able to endure the cyclical ups and downs of the marketplace. Manitobans recognize that economies need to continue to grow and diversify to meet the needs of the community.

The rural sector of our economy is very aware of this need for growth and diversification. Agricultural and other primary industries are important within our economy and vital to our future. However, recent international market conditions and successive droughts have combined to deal a series of body blows to our provincial economy, the rural farm-based economies in particular.

The opportunities for growth and diversification have not kept pace with the demands. This has impacted on the rural communities in a very tangible way. For example, they have experienced large-scale migration of young people to the largest urban centres in search of opportunities. My colleague from the Interlake's (Mr. Clif Evans) comments in a nonpolitical statement I think point out some of the difficulties communities that he represents have in fact faced. Mr. Speaker, one would want to I hope, in his comments, further give support to this initiative that we would be expecting full unanimous support in the House.

From time to time rural communities and their industries have looked to all levels of government for innovative new programs to stimulate the economic growth so vital to their existence. Rural depopulation has become a recent fact of life. The drain of young people in particular undermines the very foundation of Manitobans' rural communities. The need is clear. Local rural communities must generate economic growth to provide the local opportunities necessary to keep more young people in their home communities or local regions.

In the '90s we are faced with the challenge of finding new ways of promoting local economic growth while practising a realistic policy of fiscal resource management. We have to explore alternatives which will create exciting areas of economic development and opportunity without leaning heavily on government funding.

To meet these challenges, I have introduced The Rural Development Bonds Act in the House. It will provide an avenue for investment by Manitoba residents in support of rural development through the creation of Rural Development Bonds. Investments made in Rural Development Bonds will be fully guaranteed by the Province of Manitoba. Rural Development Bonds are a unique way for us to grow.

These bonds provide a method for you and your neighbours to create new and exciting opportunities, opportunities for family and communities, opportunities for local entrepreneurs and for young people seeking employment, opportunities providing growth and stability for future generations. Rural Development Bonds mean Manitoba money working at home for Manitobans. Rural Development Bonds will play a major role in the strengthening of the rural economy. Bonds will assist in diversifying the economy, because

business ventures funded by local investments will purchase local goods and services.

* (1430)

We are not encouraging people to invest their life savings in Rural Development Bonds. It is our hope, however, that there are some monies which people feel they can commit to Rural Development Bonds as an alternative to putting them in some of the traditional financial institutions. This action would keep our money in our communities working for everyone. This will benefit all Manitobans, because a healthier more active economy creates a stronger Manitoba.

With a thriving and diversified economy, we will reduce our reliance on some of the resource-based industries. Bonds will help build communities as jobs are created and as business grow. By investing in Rural Development Bonds everyone can unlock the power of their own dollar. Our investment in our communities creates a pool of capital for local equity investment to be used to start local economies growing again. A healthier economy provides more revenue to government through personal income and business taxes. This will allow us to continue to support essential services in the health, education, family services fields. This program is not a case of the province issuing bonds. The Rural Development Bonds Act creates a partnership between the government and rural communities. It sets forth very clear responsibilities for each party.

Foremost in the government's area of responsibility is the protection of the investors. The Province of Manitoba will be guaranteeing their investment, alleviating risk factors, and encouraging participation. It is important to stress that with this guarantee, investors are guaranteed not to lose your money, but there is no guarantee that they will make any money. However, I have confidence in the local entrepreneurs and the local leadership that very viable business opportunities will be entered into and that there, in fact, will be a very beneficial return on the monies invested.

It is structured in this way deliberately to provide local people with an incentive to get involved and take an interest in the operation and their co-operation in order to earn an attractive return. Again, I think the principle of people being involved, ensuring the success of an enterprise, is the key to the operation of any bond program.

If this government were to establish a guaranteed rate as we do with HydroBonds, I believe there would be less incentive for local residents to get involved in the corporation. They, I believe, would be able to sit back because the government would be guaranteeing the return on their investment regardless of success or failure. This is not a gift or a free ride for any community. They will get only what they earn. We are simply providing a vehicle of opportunity for residents to get involved and show how much they believe in the future of their communities. Our major criterion is that each venture be a commercially viable proposal based on sound business sense. The criteria are outlined in the act, and we do not think it unreasonable to have proposals meet the commercial viability test, asking Manitoba taxpayers to risk their guarantee on it.

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

This government believes Rural Development Bonds offer a tremendous potential for Manitobans. We will begin the program with a \$10 million loan authority support, and as the program develops and expands in subsequent years, that level of funding will have to be determined. Rural Development Bonds, I believe, will revitalize Manitoba's rural communities and stimulate strong economic development through the '90s and into the next century. It will create jobs, long-term economic stability and future opportunities for our young people enabling them to play a part in Manitoba's dynamic growth potential. Rural Development Bonds will give Manitobans the opportunity to take control of their own destiny and invest in a better tomorrow.

Manitoba's future is everyone's business. Through the purchase of Rural Development Bonds every Manitoban will be able to play a constructive role in its success. It is an opportunity for Manitobans to show their pride in their community now while making a lasting commitment to a prosperous legacy for Manitoba and Manitobans for tomorrow.

Madam Deputy Speaker, as I said at the opening of my remarks, I am extremely pleased and privileged to be able to introduce this very important legislation for the underpinning of our rural communities, our rural development. I believe that in the next few weeks we will have the opportunity to have many consultation meetings with the different community leaders, the rural development

corporations who have shown tremendous interest and support for this program. There will be the development of regulations which will further fine tune the legislative direction in which we are going. As well, the delivery mechanism and package will be put together in the coming months so that in the near future we will be able to actually see money in rural Manitoba working for rural Manitobans.

There are some details which the members may want to get into during committee stage, but I would hope that could happen very quickly. The quicker that this becomes approved by the Legislative Assembly, then, in fact, the quicker it can become a reality in rural and all of Manitoba, Madam Deputy Speaker.

I appreciate this opportunity to introduce such important legislation, and would hope for unanimous support of the Legislative Assembly. Question?

Ms. Rosann Wowchuk (Swan River): I move, seconded by the member for Dauphin (Mr. Plohman), that debate be adjourned.

Motion agreed to.

Mr. Reg Alcock (Osborne): I am certainly prepared to give leave to stand in the member's name. I was just wondering if I could make a few remarks on the bill.

Madam Deputy Speaker: Does the honourable member for Osborne (Mr. Alcock) have leave to speak to the bill?

An Honourable Member: To leave it stand in her name.

Madam Deputy Speaker: To leave it standing in the name of the honourable member for Swan River (Ms. Wowchuk)?

Some Honourable Members: Agreed.

Madam Deputy Speaker: Agreed.

Mr. Alcock: Madam Deputy Speaker, I would like to take advantage of the opportunity to add a few words on this particular piece of legislation, so that it can be passed to committee as soon as possible.

I think the government is to be commended for moving in a number of ways to allow Manitobans to participate in the economic stimulation and development of this province, and I think this is one legitimate example of that and one which the minister should be justifiably proud of. However, I would like to caution the minister in a couple of ways and I would be interested in seeing the regulations and the details of the bill.

When we saw the HydroBonds come forward, and I think there was an honourable intent with the HydroBonds, what we saw the government do was to load the fee structure in such a way that the people who were selling the bonds were making some six times what they would make selling Canada Savings Bonds, and no wonder the minister has sold as many of them as he has when he has had the entire investment community trying to take advantage of this little loophole that he offered them, or this difference. Perhaps I should not call it a loophole, but certainly the minister sweetened the pot to the point where one has to wonder where some of that money is going.

I would be interested in seeing how this particular program is structured. The idea of giving some support, some government support to underpin investment in what are identifiably more risky areas to invest, certainly in any consultations we have held in some of the small towns in remote communities, it is very difficult to get the traditional lenders to provide risk capital. The idea of the government supporting a program whereby the people who already have made an investment in that area can strengthen that investment and can build some vitality back into the economy is a laudable one, and we will do everything we can to see that this bill is examined, amended to fix perhaps a flaw in it, and made law as quickly as possible.

Bill 71—The Mineral Exploration Incentive Program Act

Hon. Harold Neufeld (Minister of Energy and Mines): Madam Deputy Speaker, I move, seconded by the Minister of Urban Affairs (Mr. Ernst), that Bill 71, The Mineral Exploration Incentive Program Act; Loi sur le Programme d'encouragement à l'exploration minière, be now read a second time and referred to a committee of this House.

Motion presented.

Mr. Neufeld: Madam Deputy Speaker, the mining, oil and gas sectors are important contributors to the Manitoba economy. A significant number of mineral exploration flow-through share issues are marketed in Manitoba each year as a means for raising and promoting exploration funding.

The flow-through mechanism is an incentive provided by the federal Income Tax Act to finance exploration activity. Expenses are renounced by

the exploration company and passed onto the investor.

* (1440)

Manitobans have invested over \$80 million during the past four years on these instruments. However, few if any of these issues were for exploration activity in Manitoba.

Exploration expenditures in Manitoba have declined since peaking in 1987. The future of northern Manitoba mining in particular depends on discovering and developing new ore deposits.

In an effort to stimulate mining, oil and gas exploration activity within Manitoba and to encourage Manitobans and residents of other provinces to invest in our economy, the 1991 budget announced a program offering investors a 25 percent grant for eligible investments in authorized exploration activities. The grant will supplement existing federal flow-through share incentives.

The Manitoba Mineral Exploration Incentive Program Act is the enabling legislation for this new measure.

The incentive targets new exploration activities by junior exploration companies. All eligible exploration activities must occur within Manitoba. Only investments and ventures financed under a flow-through share limited or partnership agreement will qualify.

The marketing of the flow-through share and limited partnership agreement instruments will be carried out by a registered non-Crown Manitoba exploration investment corporation. These corporations will sell the investments and use the funds raised to sponsor junior mining and oil and gas exploration activity in Manitoba.

Eligible flow-through shares and limited partnership interests issued by Manitoba exploration investment corporations will be limited to \$50 million.

This bill represents an investment in the future of Manitoba's critical mineral resource industry, and I recommend it to all members and to all Manitobans.

Mr. John Plohman (Dauphin): I move, seconded by the honourable member for Thompson (Mr. Ashton), that debate be adjourned.

Motion agreed to.

DEBATE ON SECOND READINGS

Bill 39—The Summary Convictions Amendment Act

Madam Deputy Speaker: To resume debate on second reading of Bill 39 (The Summary Convictions Amendment Act; Loi modifiant la Loi sur les poursuites sommaires), on the proposed motion of the honourable Minister of Justice (Mr. McCrae), standing in the name of the honourable member for Dauphin (Mr. Plohman) who has 24 minutes remaining.

Mr. John Plohman (Dauphin): Madam Deputy Speaker, I had the opportunity, along with my colleagues, to address this bill some two weeks ago in the Legislature as it was brought forward for second reading. As we had pointed out at that time that we had general support for the principles of the bill, certainly, the improvements and changes to The Summary Convictions Act that would allow for greater flexibility in triggering the fine option program were, it seemed to us, to be positive moves by the government, particularly as an alternative to incarceration once a warrant of committal has been served to a person, or even after they had begun the period of incarceration. To have that as an option offered a great deal more flexibility than is presently in place in The Summary Convictions Act.

As I said, we also were interested in some questions and more information on the reciprocal arrangements under this act, but certainly that seemed to be a positive step. So, Madam Deputy Speaker, in light of that we would like to see this bill move forward to committee so that the public would have an opportunity to make some comments through the process that is in place on this bill. Following that, of course, we may have some amendments or suggestions for the minister in this area. At this time, we would be prepared to move this bill forward.

Madam Deputy Speaker: Is the House ready for the question?

An Honourable Member: Yes.

Madam Deputy Speaker: The question before the House is second reading of Bill 39. Is it the pleasure of the House to adopt the motion? Agreed? Agreed and so ordered.

Hon. Clayton Manness (Government House Leader): Madam Deputy Speaker, I would like to

refer Bill 38 to committee tomorrow, on Industrial Relations.

An Honourable Member: 39.

Mr. Manness: Thirty-nine, I am sorry; 38 has been to committee, Madam Deputy Speaker—Bill 39 to committee tomorrow and if there is some change in that, after some other dialogue, I will make that announcement.

Madam Deputy Speaker, would you call Bill 70?

Bill 70—The Public Sector Compensation Management Act

Madam Deputy Speaker: To resume debate on Bill 70 (The Public Sector Compensation Management Act; Loi sur la gestion des salaires du secteur public), on the proposed motion of the honourable Minister of Finance (Mr. Manness), standing in the name of the honourable member for Thompson (Mr. Ashton).

Mr. Steve Ashton (Thompson): Madam Deputy Speaker, I have had the opportunity to use a few of the notes that I prepared, but I unfortunately have not had the opportunity to use all of the very detailed research that I was able to conduct and that our research department was able to conduct. Indeed, there may be further opportunities to deal with this bill. I really feel like I am only beginning after this being the sixth day.

Hon. James Downey (Minister of Northern Affairs): You know what? I feel the same way.

Mr. Ashton: Well, the Minister of Northern Affairs feels the same way, Madam Deputy Speaker. I am almost tempted now to continue for another six days to ensure that the minister will not be disappointed. He will have the full opportunity to hear the depth of my remarks.

An Honourable Member: He has got nothing better to do.

Mr. Ashton: Indeed, maybe he has nothing better to do, I am not sure, Madam Deputy Speaker, then listen to my comments on Bill 70. Having known the minister for the last 10 years, I do not think he is going to change his opinion on Bill 70.

He may note that yesterday when I talked about specific members I did not reference the Minister of Northern and Native Affairs (Mr. Downey) as one member that I expected to change his ways. Come to think of it, he was a cabinet minister in the Sterling Lyon government, and yesterday I did extol the

virtues of Sterling Lyon and Ken MacMaster in not bringing in any bills, any legislation that parallels Bill 70. Maybe deep down in his heart the Minister of Northern Affairs, who has never shied away from the label "right wing," maybe I misjudged that member, Madam Deputy Speaker.

Maybe in caucus and cabinet in the Sterling Lyon years, maybe it was not Ken MacMaster leading the charge against those members who might have wanted to roll back labour legislation. Maybe the real progressive on that issue was the Minister of Northern Affairs. Maybe he was the one who said, let us not attack labour in this province; let us not attack public servants. Maybe in his heart today, some 14 years later, that same progressive instinct still applies.

I note, Madam Deputy Speaker, that member is one of the few of the right-wing rural members who still even uses the term Progressive Conservative. I think he is probably one of the few members on that side who would admit that he would probably vote Progressive Conservative in the next election, unlike some other members who, I think, would probably be more tempted to align themselves with the Reform Party. Maybe I have misjudged the member. Maybe that member really, in his heart of hearts, is against this bill. I see him wavering somewhat.

* (1450)

You know, maybe this minister has not agreed with what has happened. The Minister responsible for Decentralization (Mr. Downey) has not agreed with some of the cutbacks in numbers of Civil Service positions, of the layoffs, his own program which was affected when 44 positions that were going to be decentralized were eliminated. Maybe that minister—and I say this in a way that I am sure he would agree with—who I think believes in political patronage, not necessarily of the type being conducted by the Premier (Mr. Filmon), I would say the member probably would ascribe to the view that it is a Canadian institution. Maybe he is, without realizing it sometimes, actually a friend of the Civil Service in this province.

Certainly if the minister had his way, I doubt if there would be any Civil Service cutbacks or bills such as Bill 70, because most of those civil servants would be Conservatives, probably appointed by the minister. If he had his way, indeed, we might see some different lobbying on this particular case than

we see currently. Yes, indeed, some Conservatives have been appointed. We are seeing that on a daily basis, but even the Conservatives have not had the opportunity to pack the Civil Service, perhaps, to the extent they would like, so there is not that lobby.

I look to that minister. Maybe in his heart of hearts he can see clear on this bill to stand with the public servants of this province and say, no, this is not the way to do it. I say that knowing that perhaps the minister as the Deputy Premier will have to toe the party line.

I look to other members as well, those who were part of the Sterling Lyon government, those who have served in this House for a number of years, such as the Minister of Finance (Mr. Manness), going back to the 1981 election, and the new members, because I really believe they will regret significantly if they proceed and push through Bill 70, if they proceed to make civil servants and public servants generally the scapegoats, if they act on the basis of opinion polls, if they act on the basis of political expediency and opportunism, and if they turn their back on the basic principle of fair treatment for the Civil Service of this province. They will regret because, as I said yesterday, those public servants will remember.

They will remember 1991. They will remember the actions of this government. They will remember this government's word could not be trusted on collective bargaining. They will remember that this government's word could not be trusted on arbitration and final offer selection. They will remember that this government will do anything for the purpose of political opportunism, will find any scapegoat, and in this particular case, it is public servants. They will be reminding their neighbours and their friends that if it is public servants in 1991, only nine months after the election, who will it be after the next election, whenever that may take place?

Mr. John Plohma (Dauphin): Well, we hope it will not be that government.

Mr. Ashton: The member for Dauphin says, we hope it will not be that government. I can predict now that many of those 48,000 Manitobans who are being affected by this bill will be the leaders in making sure that does not happen, because they will be the canvassers. They will be the telephone workers. They will be working for both opposition

parties. They will work for anyone except the Conservatives.

I say that not just from a matter of predicting in a year or two or three years—I am not saying that out of idle speculation, Madam Deputy Speaker. I am saying that because I have talked directly to public servants who voted Conservative as recently as nine months ago, who have told me they will never vote Conservative again. I say that until nine months ago they were saying that about the federal Conservatives. Now they are saying it about the Filmon Team—small print, Progressive Conservatives—no, what was the word, Manitoba PCs. I cannot even remember how they buried the name. It was so small on print.

Hon. Leonard Derkach (Minister of Education and Training): A winner.

Mr. Ashton: Well, the Minister of Education and Training says it was a winner. It was a winner once. You can fool some of the people some of the time, but you cannot fool all of the people all of the time, Madam Deputy Speaker. It may work once, but it will not work again. It will not work with the 48,000 Manitobans who are seeing just how little those empty phrases counted for in the last election. It will not work with their family and friends. We are talking about as many as one out of 10 Manitoba workers affected directly—voters affected by this bill—one out of 10 of both workers and voters.

An Honourable Member: I suppose you did not do it for votes, right?

Mr. Ashton: Well, the minister says with a smile on his face, he did not do it for votes. They do not care about the one out of 10. That is the name of the game politically. Scapegoatism starts with picking a group that is an easy target, a definable group, Madam Deputy Speaker. You isolate them. You try and make them out to be whatever, greedy, harmful to society's interest. You say, well, they are the ones that are to blame for this, that and the other. Then you go to the other nine and you say, times are tough, how about we make the one pay for the sins of this—what really should be the sins of this government. -(interjection)-

Madam Deputy Speaker, only the Minister of Finance (Mr. Manness) can sit there and smile and know truthfully what he inherited in the way of a financial circumstance in this province. He inherited a surplus and has turned it into a deficit that matches any deficit in any recession or any

depression at any time in the history of this province. It is classic. I do not really care if they want, in a partisan way, to try and make out other parties to blame for everything.

I find it ironic, for example, that three years, two elections and four budgets later, whenever they are backed into a corner—and the Premier we see do this on a regular basis—he will either use the previous government envelope or another government envelope. He will talk about Newfoundland and Ontario, but never once does he say, we accept responsibility.

Never once does the Premier say, the buck stops here. Never once does this government go and find out where the problem is. The way they do that, Madam Deputy Speaker, is for them to look in the mirror, because they are responsible.

Let us talk about scapegoatism, because scapegoatism in this case takes the one and tries to set the nine up to believe that the one is the problem. They are forgetting one thing. They can run a poll and there may indeed be people, a majority of people, who may say, well, let us find a scapegoat. There may be six out of those 10 or seven out of those 10 who will agree, because not all nine will.

Madam Deputy Speaker, they may find six out of 10 to begin with, but that one out of 10 with the support of simply the other two or three out of 10, they will not forget. They will be working in elections. They will all start working the day this bill is passed, because this government is going to hit that one out of 10 more than anybody has been hit by any government in the history of this province, upwards of \$2,000 a year cost to the family, assuming one employee working. In the case of two employees, up to \$4,000 a year, more than any tax passed by any government of any political stripe in the history of this province, more than anything they ever complained about when they were in opposition, more than anything that was done by their government or other governments, more than even the Conservative federal government is doing with the GST. Even that will not cost the average family \$2,000 or \$4,000, as horrendous as that is.

I say, Madam Deputy Speaker, that the politics of scapegoatism and, indeed, in the case of the Conservative Party, I found that to be increasingly their style of politics. The whole bottom line in the politics of scapegoatism is that will only work up to a certain point in time. It will not work in perpetuity,

and it will not work in this province any longer. It will not work in the form of the public sector, because they will remember. They will talk to their neighbours and friends, and they will work day and night. They will work day in and day out. They will work month in and month out until this government is unceremoniously turfed out of opposition.

You know, I predict right now, Madam Deputy Speaker, that in the next election there will be a whole series of scapegoats that will work together. It will be the public servants. It will be those who have been victimized by the policies in Child and Family Services. It will be students. It will be seniors. This government has done more in nine months to put together a coalition of people who are united by one thing, their disgust with the policies of this Conservative government, than any government has done in the previous history of this province.

I look at the Sterling Lyon government. As much as it did bring together students and other groups—and I remember its policies in those days, identical to the policies of this government—they did not have the same degree of animosity that this government has in just barely nine months, because this government has done everything. It has laid people off. It has frozen their wages. It has cut their grant. It has taken away Child and Family Services agencies. It has taken away their collective bargaining rights.

* (1500)

This government has done more than the Brian Mulroney government has done. I hate to say that. I hate to say that, but even the Mulroney government has not brought in a flat zero for its employees. Even the Mulroney government has not destroyed collective bargaining. Madam Deputy Speaker, I am having some difficulty with my words, because I have said in the same breath that even Sterling Lyon—and I am saying even Brian Mulroney has not done things as negative as this government. I never thought I would live to see the day.

I want to make it clear on the record, I have not lost leave of my senses. The Mulroney government has done a lot of things in other areas that are just as bad as this government. I am not trying to let the Mulroney government off the hook, Madam Deputy Speaker. I say that in terms of labour relations, they have not been as bad as the Brian Mulroney government. The only governments I can compare

them to in this country are one Conservative and one Liberal government. The Conservative government in Nova Scotia has brought in probably the most Draconian piece of legislation in this country, and indeed the government of Newfoundland—

Mr. Kevin Lamoureux (Inkster): No.

Mr. Ashton: The member for Inkster says no. I know it is a Liberal government, Clyde Wells—I believe the most popular bumper sticker in Newfoundland now, Madam Deputy Speaker, is one that says, Clyde lied. Indeed, Clyde did lie in Newfoundland. He has brought in layoffs that match this government's layoffs, in fact exceeded. He has cut back in terms of hospital beds and public services in a way that has been unprecedented, and has indeed frozen the wage of public servants.

Madam Deputy Speaker, as the Liberals and Conservatives exchange comments about who may have been the worst in what they have done, whether it was Nova Scotia or Newfoundland, I say they are both bad. The one thing in terms of the New Democratic Party that has been clear, and one has to look at Ontario and one will see in other provinces where very soon the New Democratic Party will form government, they will not embark upon a course of making public servants the scapegoat for the problems of any province, for any economic problems or fiscal problems. They will work fairly, as they have indeed in Ontario where collective bargaining rights have been recognized, where public servants have not had to pay for the price of the economic recession made in many ways worse by the policies that we have seen of this right-wing ideology.

They are not asking the victims to pay the price as indeed this government is, because that is what is happening. That is the logical conclusion of right-wing scapegoatism. What you do is you end up making the scapegoat, who is often the victim, out to be the villain. Public servants are not responsible for the economic mess we are in. Free trade is, supported by this government; high interest rates, which have only just come down the last few years, supported again by Conservatives federally and provincially.

People have said we have had a made-in-Canada recession. We have a made-in-Manitoba recession here. This government has an abysmal record. It is worse than even the Mulroney government. We

are 10th out of 10 on virtually every economic score. The bottom line—and these members laugh. They keep waiting for the bottom to drop out, I know. I am sure every week they have their cabinet meetings and caucus and the Minister of Finance (Mr. Manness) must be saying, well, there is nowhere to go but up; we have bottomed out; we are on our way to recovery. Then a week later, some more statistics come out and it bottoms out even more and they are still on their way to recovery. Then the third week they come in and the bottom keeps going down, and that is where they came up with the brilliant idea of Bill 70.

Bill 70, the solution to all their ills. Bill 70, pick on those one out of 10 Manitobans who are public servants and say, aha, we have found a reason. It is not free trade or interest rates. It is not our economic incompetence. It is those civil servants. That is the political strategy of this bill.

Madam Deputy Speaker, I see the irony when I see the Minister of Finance, when he has to face some of those people, say how tough a decision it was. When I sit here and I look at the faces across the way, and I see that look that does not indicate there was any toughness in this decision. I hear the comments made by people across the way. Some members are quite literally gloating because they feel this is going to be to their great political advantage, because they will be able to go to the nine out of 10 and say, aha, we have found the reason; we have found the ones that are to blame; we have found the real scapegoats. It is those public servants.

Madam Deputy Speaker, that may work in the short run; it may work because some people will buy that. What is going to happen when freezing the Civil Service wages is not going to help the problem? How are people going to believe, even those that will buy the scapegoat theory? How are they going to believe anything when they freeze the wages, they take away the collective bargaining rights, and we are in the same mess that we were two, three, four months ago because that is what will happen?

This will not put one more person to work. It will not create one new job. This will not start one new business; this will do nothing to improve the mess our economy is in. There are structural reasons; there are policy reasons. This will do absolutely nothing to solve the problem.

When you are dealing with quick-fix politics, we are dealing with scapegoat politics, all that matters is the short run. I have seen from Conservatives and other situations how the scapegoat theory does not apply. I remember in years gone by, in '83-84, there was another scapegoat at that time, another different issue, and they were convinced it was their ticket to re-election in this government.

What happened when 1986 rolled around? Because of the strong economic performance of the then NDP government, people had completely and absolutely forgotten any of those statements, any of the controversy, that had taken the place only three years earlier. The scapegoats were no longer the scapegoats, and this government, then in opposition—this party had nothing to run on and it lost the election. They started off 35 points ahead in the polls, and they ended up losing the election.

The same thing nearly happened in 1988. They had a few good scapegoats to use; they had a few issues to certainly blame the NDP for, whether it be Autopac or whatever. They nearly lost that election again too, even though people were upset at the then NDP government. They went from a 30-point lead in the polls to almost losing that election.

Madam Deputy Speaker, in 1990, through a series of rather bizarre circumstances, the Premier (Mr. Filmon), off to Ottawa, to defend our Manitoba's rights in opposing Meech Lake, after he had introduced it into this Legislature and supported it—indeed, there are many twists and turns from any party, and I understand why. I think all of us do, because of the very serious implications on the country, but if the end result was the Premier was elected by really saying nothing.

Dr. Feelgood, happy days are here again, that was the only phrase that was missing from the campaign. It did not work in 1986 for them; it did not work in 1988. In 1990, the only reason they were able to get where they were was because of this Dr. Feelgood. For once, at least officially, they avoided scapegoats.

It was not always the case, and in my area there were scapegoats. There were people running around criticizing educational programs, training programs for aboriginal people. That was definitely a scapegoat that was used, not officially by the Conservative Party, although it was in 1988, but certainly by campaign workers. There were other scapegoats that were used on a basis of that level,

personality attacks. I saw the member for Dauphin (Mr. Plohman), where I believe 12, 13, 14 ministers went to his riding, and after the most determined personal attacks he ended up with a higher margin. So, when it was tried, it did not work.

This government, after briefly letting the scapegoatism go out the window, is now bringing it back into force in 1991. That is the message I want to give to this government. There is indeed a lot more that can be said about this bill and a lot more that will be said. Indeed, I have spoken for six days, and I could speak for another six and, indeed, perhaps I will at further stages on the bill. That remains to be seen, but the bottom line message, as we move to the next stage in this fight against this draconian and—indeed, I have used this word; I will use it again—this fascist piece of legislation in terms of labour relations in this province.

We now need to hear from other members of this Chamber; we need to hear—I feel from the Liberals who, I understand, are also fully opposed to this bill. -(interjection)- Well, the Minister of Health (Mr. Orchard) says they are changing their opinion. They are not changing their opinion, or at least I hope they will not on this one, because I understand they are very clearly opposing this from their statements. We need to hear from other members of this House, and indeed many of our members who will be speaking on this bill and raising the concerns of those individuals affected and also the issues of principle.

More importantly, too, at some point in time in the next period of time, we need to take it to the people in that unique way in which Manitoba allows members of the public to comment on all public bills through committee hearings in the Legislature, and I believe there are many Manitobans waiting to express their view on this very important bill.

So indeed, Madam Deputy Speaker, I find almost as I begin my comments, that in a way I have to, out of recognizing the need to allow others to speak and to allow members of the public in particular to speak, to bring my comments to a close.

* (1510)

What I find interesting is the fact that since I began these comments, we have seen just how lacking in integrity this bill is, just how lacking in principle this bill is, just how bad it is, both in principle and in terms of drafting, because what they have done in this bill for the last several weeks—and I ask you to think

back to when this bill was first introduced—we have had selector decisions that have said that this government has not bargained in good faith. We have had selector decisions that have awarded the settlement to the employees.

We have seen this government, day after day, on issue after issue affecting Bill 70, show clearly that they really have not gone beyond their political strategy of making public servants scapegoats and have not developed a bill that can even pass the most rudimentary standards, the most fundamental standards of legislative draftspersonship in this particular case.

We have seen in the last few weeks that they are losing the debate on this issue with the public because they are being seen for as flimsy as they are in terms of their pretext of bringing in this bill. I mentioned yesterday in terms of Portage, one small example where the sympathy was clearly for the workers affected.

So I look to this government now, as we move to the next stage and other members speak, to do a number of things. First of all, is to make sure this bill, which is terrible in principle and is a fundamental violation of the principles of labour relations, is improved at least in the sense of taking out some of the worst sections in terms of amendments.

I also want the government to take the time to reconsider what it has done, to think on the historic implications of this bill, to think about what this government has done, which is to violate, fundamentally in a greater way since any time since '19, the principles of labour relations in this province and at the same time to bring together the labour movement in a way that we have not seen since 1919. I want them to reflect on that, and I want to give them that opportunity as well.

I pleaded with members on the opposite side to—

Mr. Edward Helwer (Gimli): I do not believe it.

Mr. Ashton: I have pleaded, yes—it is the member for Gimli—I have pleaded. I will plead with them now, not to pass this bill.

Hon. Donald Orchard (Minister of Health): Get on your knees.

Mr. Ashton: Well, the Minister of Health says, get on your knees. If that would persuade them to drop this bill, I would indeed get on my knees.

Mr. Orchard: Give it a try.

Mr. Ashton: I am not going to give it a try. I do not trust the Minister of Health.

I would do anything in pleading with this government to get them to drop Bill 70 before they destroy our system of labour relations in this province. You know, I know something about this government after seeing some of the members for a considerable period of time—perhaps too much time, Madam Deputy Speaker—seeing others only for a short period of time. I do not believe that in the rush of what is happening in the legislative process, in the day-to-day bombardment they are receiving on many issues, that they will take the time to fully consider this bill and the error of bringing it in.

So what I want to do, Madam Deputy Speaker, is go one step further. I am going to give them the opportunity now to reconsider the error of their ways. I will move a motion that will allow them to have some time. If I cannot plead with them to drop it, I will throw it back into their court and say to them, they have this opportunity. If, indeed, they still do not see the error of their ways, they can bring it back, and we will debate it again, and we will vote on it; but this way they have a chance.

(Mr. Speaker in the Chair)

They have a chance to get out of the bunker of this building. They have a chance to get out and talk to people, to talk to the 48,000 Manitobans affected, their families, their friends. They have a chance to look at how bad this bill is, how it is going to destroy labour relations in this province. They have the time to look at what this bill really means, how fundamental this is.

That is why, Mr. Speaker, I move, seconded by the member for Wellington (Ms. Barrett),

THAT the motion be amended to delete all the words after the word THAT, and substitute the following: Bill 70, The Public Sector Compensation Management Act, be not now read a second time, but be read a second time this day six months hence.

Some Honourable Members: Oh, oh.

Motion presented.

Mr. Speaker: Order, please. Prior to recognizing the honourable member for St. James, I would like to inform the House that I have been informed that the honourable member for St. James is the designated speaker on behalf of the honourable

Leader of the second opposition party (Mrs. Carstairs).

Mr. Paul Edwards (St. James): I want to start by saying I will not be speaking for the same duration of time that the member for Thompson (Mr. Ashton) did, although I appreciated and reviewed his comments over these last few days. He has put on quite a display, a lot of which I agree with, but I intend to take issue with some of it.

Mr. Speaker, this is a very, very important piece of legislation for this House and for this government and for the people of Manitoba. I do not think there is a more important piece of legislation, in terms of the working of government in this province, before this House in this particular session. I say that, not primarily because it invokes a zero percent increase for the public servants of this province. That, indeed, is a very serious and very severe move on the part of the government. That is not, in my view and in my party's view, the problem which cries out for rectification in this bill.

The problem with this bill is that it is fundamentally dishonest and it is fundamentally in bad faith. One has to be aware when you are dealing in any labour relationship, and labour relations generally, of the necessity of good faith. The whole system breaks down if good faith is lost. Anyone who has negotiated a contract, anyone who has been involved in an employee-employer relationship knows that, as do the hundreds of arbitrators, the hundreds of judges who have adjudicated on these decisions.

Bad faith is like fraud. It unravels everything. If there is bad faith then there can be no deal now or in the future. It erodes the fundamental relationship. All arbitrators, all labour boards, all courts punish bad faith unequivocally. They punish it harshly and they punish it without exception. That is the key sin in any labour relationship—showing bad faith. It is not a sin to bargain hard, it is not a sin to take a position and hold the position and take the consequences. The consequences, of course, flow from either a lock-out or a strike. Those are the ultimate weapons of the two sides in a labour relationship.

* (1520)

We have been living on that regime for some 60 or 70 years as we have developed a pattern and a history of collective bargaining in this country. Mr.

Speaker, what is essential to the entire process is maintaining good faith.

The Minister of Health (Mr. Orchard) talks about arbitration and the fact that a large part of the employees this bill covers were going to an arbitrator. If he would put his tongue back in his mouth and think before he spoke, he would know that his predecessor, a man who I am sure he has the utmost respect for, Mr. Duff Roblin, who was the Premier of this province, saw fit and understood that the government was a unique employer and it is, Mr. Speaker. Clearly, patently, anybody with the least bit of sense knows that the government is a unique employer.

Every other employer has to live by The Labour Relations Act or the Canada Labour Code. Not the government. The government can write The Labour Relations Act. That is, in fact, what they have done in this case. They have amended a different act, the public sector. They have brought in The Public Sector Management Act but it is an erosion, it is an amendment in effect to the labour relations regime set out in The Labour Relations Act.

They are unique. They have a hammer like no other employer in this province. They can create law and, of course, they can particularly do that in the present situation in which the government happens to have a majority. Then they have a free hand. Now, Mr. Speaker, we acknowledge that. Everyone acknowledged that of necessity in the last election. However, they took that authority and they have done nothing but abuse it in dealing with the public sector, and I do not say that just in the last few months that we have seen this bill.

What this bill illustrates is that from day one they have abused their authority in their relationship with civil servants, because they have led those civil servants on. They have led those unions on and asked them to take risks and pay penalties and pay costs by going on strike and participate in selection of arbitrators, selection of final offer selectors, run up the cost of proposing settlements, both in private and to arbitrators and selectors. All of that time and effort, Mr. Speaker, and what happened at the end? They pulled out the rug. That is what they did. They pulled out the rug.

There is no clearer example in the history, I would dare say, of this province of bad faith on part of government. It is absolutely without merit and without morality. You cannot lie to the people of this

province. You can use the majority. No one says that you cannot make law, but to lie to the people of this province is absolutely unforgivable. That is what is wrong with this bill.

That will be the legacy of this government, and if the people of this province, Mr. Speaker, and many of them do, support the result, they certainly do not support the underhanded, unforgivable bad faith expressed by this government in this bill. It is unbelievable to me, and anyone who has any knowledge of an employer-employee relationship knows that it will do irreparable damage to the relationship between this government and, I dare say, future governments and the civil servants of this province.

Mr. Speaker, given that opening, I hope it is clear that the bill simply cannot be accepted in any way, shape or form, even with amendments which we have been handed today from the minister. It cannot be accepted. We cannot allow such an erosion and such a message to go not just to the civil servants. What about all the other employers in this province and the other unions in this province? What about them? What are they going to say when the government says to them, you go in front of our Labour Board and you explain your bad faith. Yes, we have a Labour Board, and if you are alleged of bad faith, come before our Labour Board, politically appointed Labour Board, and we are going to punish you for bad faith—punish you like no other sin. Bad faith will draw the ire and the disdain of a Labour Board and a labour arbitrator like no other sin. You can do almost anything and get off easier than you can showing bad faith in your relationship.

Mr. Speaker, what are they going to say now when they come before that Labour Board, and the very government that is holding them to that standard ostensibly in The Labour Relations Act has shown the utmost disrespect for the whole process itself. Hard bargaining is one thing, and hard bargaining is essential in many cases, in particular in times of fiscal restraint in the private sector when money is tight. Hard bargaining is known to be part of the process. That is not bad faith. To stand by your position and hold to your position and stick to it and take the consequences is not bad faith. This is. This is pulling the rug after six months of negotiations and after all of the time and effort expended and all the leading on of these individuals.

What about the casino workers? What about the electrical engineers who walked the line, Mr. Speaker, who walked the picket lines taking less pay, risking their jobs? What about those people? They are told when they do get a settlement, not what they wanted but when they took a settlement, that it does not matter. They sure do not get compensation for the money and the time and the aggravation when they walked that line. They sure do not get that. They were lied to. There is absolutely no way around that for this government.

Mr. Speaker, this government never ceases to amaze me in its ability to set new heights of hypocrisy, and I have learned that in particular having gone through the final offer selection debate. I recall that debate all too well, and in that debate I recall the Premier (Mr. Filmon) of this province saying that—he was citing why labour was against final offer selection. He said, they find it a totally unwarranted intrusion into the free collective bargaining process. They prefer to settle their differences over the bargaining table. They do not want to have the heavy hand of government with an imposed arbitrator.

Then he went on to say, and I do not think labour should be criticized for that position. In other words, in a negotiated or mediated or normally arbitrated settlement, no side gets everything.

He recognized that, Mr. Speaker, no side. Did he make an exception for the government in that speech? No, sir, in fact final offer selection applied to government. He did not exempt them, they had to be included in those comments. But more, he went on to say, "The fact of the matter is, . . . there is no club and there never will be one from this government. We will act in good faith at all times in the open free collective bargaining process with all employees with whom we have to negotiate."

That is a quote from November 6, 1990. Now, it is unfortunate that the Premier has yet to explain those comments. He said in this House—and I want to say it again. When I read this I had some comfort that the Premier did understand free collective bargaining, because I know that NDP do not understand free collective bargaining, but I thought maybe he understood it and that is why I thought I gave the Premier credit—he says the fact of the matter is that we will act in good faith at all times in the open free collective bargaining process.

Then he said—wait, he went further—you believe in it, we believe in it and we will carry out our responsibilities under it, Mr. Speaker. That is the word of the Premier. That is the Premier of this province all right. He says, “Any further significant changes to the Manitoba labour laws or The Civil Service Act would only be taken after consultations with the public, business and labour.”

He then goes on to say in respect of these negotiations, “. . . please return to the bargaining table, have your differences worked out through the free collective process. That is why the process exists. I support it, and I assume you do.”

That was in the House, October 16, 1990. Mr. Speaker, there is no way around it for this government, they have lied. They have lied repeatedly, they have lied incessantly, and they have lied shamelessly to the workers of this province, all workers of this province. They have told them one thing, and they have done another, and they have done it for political expediency.

They did not go in and tough it out in the arbitration process. They did not go up to the bargaining table and tough it out, and state their position, and put their position forward, and having faith in the people who put it forward to get the result. No, they did not do that. Neither did they say at the outset, do not bother negotiating, you are getting zero, and we will bring in legislation. They did not even do that. No, they rolled the dice. They said, let us see how we can do in the negotiating process, let us go to the bargaining table and see how we do, and when things got a little tough, they got out, they ran, they scampered for the corners. That is what Bill 70 is. It is an absolute cop-out.

When the Premier says free collective bargaining, he has no idea what that is. He would not know the first thing about hard bargaining. He ran for the corner with a bag over his head, called it Bill 70, that is what he did. He told the people in this province one thing and he did another. He should never have the respect or the trust of the civil servants or, indeed, any of the working people of this province again. I, for one, hope he does not.

He went on to say, and I want to quote one more from October 16. It is a final repeating by the Premier. He says: “I will repeat that the free”—he always uses those same words—“collective bargaining process”—refers to that constantly—“ought to prevail That is the

process that we as a government support . . . I cannot understand why they would want to do anything other, such as bargaining here on the floor of the Legislature and entering into a labour dispute.”

What do you think we are doing now, Mr. Speaker, in Bill 70? What do you think he has brought to the floor of this Legislature? He has brought a labour dispute he was losing. That is what he brought. He knew he could not win. He got to the table. He did not even let the arbitrator do his or her job. He did not do that. He did not have any faith in his own arguments. He said, I give up, I cannot win. There is no way I can win. I do not know how to negotiate any further. I am going to pull out and run for the corner and use the ace card. That is what he did, and he made that threat for the first time some five or six months after he had started negotiations with these people.

* (1530)

Mr. Speaker, let me move on to the statements of the present Minister of Labour, the member for Lac du Bonnet (Mr. Praznik). He is one who is given to a certain amount of quite, I would say, flowery rhetoric. He is quite trained at it; he is quite skilled at it. I enjoy watching him stand and make this type of statement, and let me just quote back one that I particularly enjoyed. He said, and by the way, I agree with what he said: “at the heart of the free collective bargaining system is the free”—always the word free; free is a big word over there, free—“collective agreement, and that the parties themselves must retain the responsibility for reaching and maintaining agreements. While Governments must occasionally take action to protect and preserve public safety, and there may be exceptional circumstances where intervention is warranted”—again for safety—“these circumstances must be exceptional.”

Well, Mr. Speaker, I look forward to the Minister of Labour telling me what safety, physical safety, is being threatened that they needed to bring in Bill 70. There certainly is no such -(interjection)- Well, the minister says, the future of the children. He knows full well that when the Minister of Labour stood up, he was talking about safety in terms of the essential services. Even the essential services, which is maybe not something the Minister of Education and Training (Mr. Derkach) knows, but we have essential services agreements in this province.

We do not destroy the right to strike. We do not erode the fundamental rights that have been earned over 40 or 50 years of fighting in the labour relations sector of this country. We do not absolutely undercut that on a whim, but this government did. This government said that they believed in free collective bargaining. Mr. Praznik went on to say, the member for Lac du Bonnet: Free collective bargaining should be protected as a fundamental principle. I do not think that any members opposite would like to get into a system where we are having a forced settlement.

Well, he was right. He said, I would hate to get into a situation where we had to do a forced settlement. I think any other member would, Mr. Speaker, but that is exactly what they did.

Just to round it off, Mr. Speaker, I would be remiss if I did not also bring in some quotes, some comments from the present Minister of Justice (Mr. McCrae), the former Labour critic, and what a fine Labour critic he must have been. He said on June 19, 1987, in this House. This was in his former life as the Labour critic, he said: "There is a certain amount of emotional attachment to an agreement"—this is a free bargaining agreement—"like that, something that has been worked out through tough bargaining and sometimes over an extended period of time. That type of an agreement is something that is pretty important to our labour relations in Manitoba." It is pretty important because both sides have an emotional attachment, that commitment to an agreement that they have worked so hard to achieve.

Well, Mr. Speaker, where was the commitment to bargaining? Where was the commitment to good faith? Where was the commitment to not be absolutely bold-faced, shameless liars? There was no such commitment. There never has been. That is the legacy of this government, and I do not use those terms lightly, but there is no other answer. There is simply no other way around Bill 70. It is an absolute bold-faced lie to the working people of this province.

They told them they could have faith in a process. They told them, let us start negotiations. Yes, if you feel you have to go on strike, go on strike. That is what they said. That is fair. We can say, oh, they should have paid more. They should not have let them go on strike. But the truth is, I have always acknowledged, this party has always

acknowledged, those are the rules. There was certainly nothing untoward or illegal about asking somebody to take zero and then letting them go on strike. That is the process, and those are the risks that people take.

This government got five months into the process and changed the rules. Like silly, scared children they ran for the corners and they ran for cover. They hid under the one rock that they knew was impenetrable, their own legislative power—the arrogance, the outrageous arrogance of a government that resorts to the only tool it has left, the only hammer it has left when it is getting beaten on a level playing field.

That is what this government did, and Mr. McCrae, the member for Brandon West, and Mr. Praznik, the Minister of Labour, and the present Premier (Mr. Filmon) have put on the record some very accurate quotes about free collective bargaining. I agree with most of them. Too bad they do not. Too bad they do not believe what they say.

Mr. Speaker, lest I forget to mention the hypocrisy of the government in granting someone like Oz Pedde 15.4 percent just days before they offered 48,000 civil servants zero—not offered, mandated zero percent. They gave to Mr. Pedde a 15.4 percent increase. He is making \$150,000 a year. Now let me refresh members' memories to what the Finance minister said in defence of that raise. First of all, let me quote the Premier. He denied it was an increase. He said, it is not an increase, it is a decrease.

Mr. Speaker, you tell me how \$18,000 is a decrease. I am fascinated to know that. Fifteen point four percent is not a decrease. What sense is this Premier talking about? The Minister of Finance goes on to say, either we accept the wage request of Mr. Pedde, 15.4 percent, or we do not get the best person. That was his defence.

What does that say about the rest of the civil servants of this province? It is a pretty clear message that this government believes they are not the best people, far from it. This government has absolutely slapped in the face every civil servant in this province by that comment.

The Minister of Finance (Mr. Manness) says, we had to go 15.4 percent to get the best, but we will legislate zero because you do not deserve the best. If there is any lesson from anyone who has

employed people, it is have faith in your employee, because without it, if they do not have your faith, they will not perform to their maximum. They will not be the best. They never will be. It requires confidence. It requires expectations and the communication that we are in a mission together to serve the public.

It used to be, 30 years ago in this country, I am told, that it was an honourable thing to be in the public service, in the Civil Service. That was something which you did not necessarily make the best money at, but you were given the opportunity to serve your fellow Manitoban or Canadian, your fellow citizen. It was an honour. It was a vocation.

Today they are treated like third class citizens, worse than any other employee in this province, because every other employee, Mr. Speaker, has The Employment Standards Act and The Labour Relations Act to rely on. They know that their employer cannot go and change the act. They have treated the 48,000 civil servants in this province affected like third-class citizens. They have told them, you are not the best, we know you are not the best; we are going to give you another kick. That is what they have said. Good move. No wonder morale is low. Morale has no doubt hit rock bottom, and how can you blame any civil servant who feels depressed about his or her job at this point in time, given this government's attitude and obvious, obvious, very low expectations for productivity.

* (1540)

Mr. Speaker, the Minister of Finance (Mr. Manness), went on to say—this was on June 5 of this year—that Crowns, their senior officers and indeed their senior management, will be asked to include in their consideration of wages the spirit of this legislation. MTS is a Crown corporation. Where does 15.4 percent fit into the spirit of that legislation?

The fact is this minister and this Premier (Mr. Filmon) had a choice. They had a choice to treat everybody equally. They had a choice to treat everybody fairly. They certainly did not treat everybody fairly, but worse yet, they were not even credible enough, they did not even have enough integrity to treat people equally, the rich and the poor. No, no, they hit the poor. They hit the people, a lot of women, underpaid already, who have been working jobs for many, many years, they hit them. They did not hit Mr. Pedde. No, sir, they gave him an increase and called it a decrease. That is not

even doublespeak. That does not even qualify for doublespeak. That is just an outright lie. That is what that is. It is outright. It does not qualify as being a spin. There is no spin on that. It is wrong. There is no other word.

Mr. Speaker, it is also important to recognize that the Deputy Minister of Finance received a 7.9 percent increase. The director of human resource management received a 25.7 percent increase, those increases all in the face of a legislated zero percent for the civil servants of this province.

Mr. Speaker, in terms of the history of the civil servants of this province, I have referred to Duff Roblin, who in 1960 was—the original Civil Service Act received Royal Assent on March 26, 1960, and put into place the establishment of a joint council to consult on suggestions. That was the forerunner of the MGEA.

In 1965, Duff Roblin, as I have referred to earlier, introduced a resolution on behalf of the Provincial Secretary Mr. Steinkopf, and it was subsequently passed. Here is what it said:

It is expedient to bring in a measure to amend The Civil Service Act by providing among other matters that the government may enter into a collective agreement with the association.

That was the birth of the MGEA. That became Bill 64, and it recognized the MGEA. The bill also provided at the time that it created the MGEA for a mediation process with an appeal to rates and working conditions. Ultimate control obviously was in the hands of the cabinet, but Mr. Roblin, Mr. Speaker, had the decency and the foresight and the integrity to recognize that you cannot kick civil servants around the block.

He put into place a mediation and, ultimately, an arbitration process was put into place in 1969 which recognized that we do not want to have a war with our civil servants every two years. It recognized that arbitration is a fair way to deal with that and this government, indeed, felt that way in October, November, when it entered into arbitration. It obviously felt that way. It submitted to arbitration. It did not say anything about a piece of legislation.

What really happened, Mr. Speaker, was, they got going in arbitration and did not like what they were hearing. Their arguments did not make sense. They were not being too persuasive, and they said, let us get out; let us get out and cut our loss. That is what they said halfway through the process.

Mr. Speaker, the New Democratic Party, and I listened to the member for Thompson for some time on this, was more than willing to put on the record umpteen times, and I could go back over some of them, but I have read a few days of his speeches, umpteen times again, the free collective bargaining process. That is what they talk about all the time. Is it not wonderful to have a free collective bargaining process? That is what they say.

Then, Mr. Speaker, lo and behold, we have the Leader of the opposition party (Mr. Doer) saying: I have a lot of problems taking away the right of the front bench, the Treasury Bench, in establishing wages and benefits. That is what he said on February 22, 1990, in this House. That is what he said: I have a lot of problem taking away the power of government to determine wages.

The truth is, that member, who is now the leader, has been in government, Mr. Speaker. He knows the temptation, because he has submitted to the temptation in the past of using the very hammer that this government is turning to, not quite in the same draconian measures, I must acknowledge. He has had the same temptation and, whether it is this issue or the environment or many of the other issues which come before all of us in this House, we see the New Democratic Party again and again and again changing history, seeking to tell Manitobans, they are green, they are just, they are prolabor, they are this, they are that. They were none of that when they were in power.

Mr. Speaker, the now Labour critic, the member for Thompson (Mr. Ashton), talked about arbitration. He said that arbitration stifles, freezes the bargaining process, because the incentive under traditional arbitration is for parties to put in extreme offers under the assumption that the arbitrator will bring in a decision in the middle. That quote fascinates me.

I recall the member for Thompson during the final offer selection debate just running endlessly the merits of arbitration: Avoid a strike at all cost, avoid a strike. No, they will be reasonable. This brings people together. They make reasonable offers. Then a selector will make—it is very civilized. Those were the quotes that were made, Mr. Speaker.

He knows by January of 1990, Mr. Speaker, that that is not the way arbitration works. Arbitration is just as he describes it. You go in with your best

shot, and you hope to get something in the middle. That is the process. Final offer selection did not change that.

The fact is the New Democratic Party favours the free collective bargaining process when it is convenient. It is convenient right now. It is very convenient. The fact is that a few years ago when some of their colleagues, in particular, Mr. Christophe and Mr. Hudson, did not want the free collective bargaining process they were more than happy to oblige, and they got rid of it.

Mr. Speaker, it is also important to note for the Minister responsible for the Status of Women (Mrs. Mitchelson)—and I look forward to her comments on this bill, because I think she has a duty to speak on this bill because there is no question that there will be a disproportionate effect on the women of this province through Bill 70.

The lower income civil servants will be the hardest hit by the wage freeze. The majority of civil servants at the low end of the pay scale are women. This is a women's issue, and I very much look forward—and others in our party will speak more on this—but I look forward and I want to prepare her that I will be here. I will ensure that I am here to hear her comments as she speaks about the effect on women of Bill 70, because it is important. They talk about pay equity. They talk about the importance of having women in high-ranking positions, Mr. Speaker, and they have used this legislation to punish women at the low end of the scale. Oz Pedde gets 15.4 percent; the women get zero. That is the result.

I have spoken at some length on the history of the mediation process, the history of arbitration, the very sensible approach to arbitration this government embarked upon. I might say that it really is, I think, a sign of the degradation of this Conservative Party—and I do not just say this government, this Conservative Party that they have abandoned the principles first espoused by Mr. Roblin. I know that the present Minister of Natural Resources (Mr. Enns) would have the utmost respect for Mr. Roblin. I am sure he would have known him well.

He was a man who came to this House and, with integrity and decency, understood the need to put into place the Manitoba Government Employees' Association; ultimately a mediation process, ultimately an arbitration process was put into place. He understood that need.

Mr. Speaker, I look forward to the Minister of Natural Resources standing on this bill. I want to hear him talk about the decimation of the spirit and the intent of their forerunner Duff Roblin in Bill 70. I want to hear him tell us how he can insult the memory of Duff Roblin as the Premier of this province by coming up with this piece of garbage legislation, this absolute and unequivocal piece of garbage.

It does nothing but insult the memory of those who understood the need to make sure that the best come forward to be our civil servants, that we always attract the best, indeed not just to this Chamber but to the Civil Service. We need nothing but the best to come to the Civil Service and serve us around this province in the various departments. Any minister would acknowledge that, I am sure. They are quick to defend their civil servants, and I applaud that. They stand up and they say, do not insult those who cannot defend themselves.

* (1550)

What have they done in Bill 70? What defence can the Civil Service give to a government that uses the only clout, the only hammer it has, in desperation? There is no defence that a union, a working person has. This government knows it, and it is playing on the politics of the day. It has abandoned principle, and it has abandoned a sophisticated, sensible approach to the growth and development of the Manitoba Civil Service.

We as a party have made a commitment which we will want to ensure we comply with, which is that all of our members will be speaking to this bill. All are very keen, indeed, to stand and put their comments on the record on this piece of legislation and with good reason. As I said at the outset, I believe it is the most important piece of legislation that has come before this House in this session. I believe that time will bear that true, if not today—and I know the government is playing on what it perceives to be the political reality of the day—time will tell that this government can never look some 48,000 Manitobans and their families in the face again and say anything which they will ever believe.

They will not, and who would blame them? Who would blame them for saying my government not only does not represent me, but it lies to me? That is a very, very depressing spectacle for any government.

I have always felt, and I think anyone who has been involved in labour negotiations or, indeed, all members of this House who engage in debate, there are two ways to engage in debate and engage in dispute. One is with swords; the other is with daggers. Swords are a sign of honour. If you fight within the rules and you state your case and you take the consequences and you use your best arguments, then you do not have to apologize for winning or losing, if you play by the rules. He who drops the sword and picks up a dagger, as this government has, and takes it and uses it behind the back of the opponent is the lowest of the low and has no right to be at a bargaining table, period. Any labour board and any court would tell them so, but this government knows they will never have to submit to that.

They are kings in their castle. They create the legislation and they have a majority, and Mr. Speaker, that is the arrogance, that is the pomposity of a government that does not even have the decency to, at the outset, say, this is what we are going to do. They did not even say this is what we are going to do at the outset. No, they said, we are going to go six months down the road, and at the end of the day we are going to see how it goes, and if it does not go too well, we will have to move to Plan B. Mind you, we did not tell you about Plan B.

Mr. Speaker, it is also, I think, important to hear from many of the government members, and I think it would be the height of disrespect, the height of failure to engage in one of the pressing issues of the day and really a desertion of their legislative responsibilities, if every member of the governing party did not speak to this bill. I would be shocked if they would not put their comments on the record on this piece of legislation. I want to ensure that each and every one of them has an opportunity to do that and to attempt to defend not just the Treasury Board of the government, because to defend that is one thing, but defend the stab in the back six months after the process has begun, defend bad faith, and that is all it is.

I want to hear every member. In particular, the Minister of Labour (Mr. Praznik), I think, should be putting his comments on the record, and I think he should be explaining to us. I want to put it on form again, Mr. Speaker. I think the Minister of Labour should be explaining to us what he meant when he said, I do not think that any members opposite would like to get into a system where we are having a

forced settlement. He said, while governments must occasionally take action to protect and preserve the public safety, and there may be exceptional circumstances where intervention is warranted, these circumstances must be exceptional.

I look forward to him standing up and explaining how safety is at risk when this government—you know what safety is at risk? The safety that is at risk is that this government was going to lose the arbitration. That is what they said, but they did not go to a conclusion. They did not let the arbitrator make the decision. They did not have faith in their arguments or those who were making the arguments. I presume the Minister of Labour, if he was not making the arguments, was at least involved in them. He must have been giving some instructions in conjunction with the Minister of Finance (Mr. Manness). What did he do when the going got tough? He ran. He ran for the corner. He ran for cover.

He said, no, I know, Mr. Arbitrator, that I have agreed to you being appointed. I agree to the legislation. I know I have invoked my opponent to come forward with all arguments, and make effort, and come forward with settlements. I know I have done all that but, gee, what if I lose? What if I do not get everything I want? I am going to quit. That is what he said. He took his ball and bat and went home. That is what he did. He said, I know I said at one point that I do not think anybody, any members opposite or the government, would like to get into a system where we are having a forced settlement.

He said that, but he turned around and he said, no, I did not mean that. I do believe in a forced settlement. I do not believe in the free collective bargaining system any more. That is what he said. He turned and ran and with him, as well, the Premier (Mr. Filmon), the Minister of Finance (Mr. Manness), and indeed every member of this government who does not stand up and publicly rebuke the leadership of this government for what they have done to erode public confidence in the system itself.

Let us be clear. We all lose when governments act like this. You think people are cynical about politicians, Mr. Speaker. Do you wonder why they are cynical about their politicians? When somebody leads them on for six months, tells them to go on strike, take the risks, take the cut in pay, walk the picket line in the winter and then brings in

a piece of legislation and nullifies it all; do you think people are cynical? You are darn right they are cynical. They have got every reason to be cynical.

They are looking at a government that does nothing to inspire any confidence, not just in the ultimate decision that they will make. That is one thing. We vote on that. Governments make decisions. We vote on making decisions, but they are not just being opposed on that front. They become depressed when they see government that does not respect the process, that says we have nothing but disdain for the process.

There was an act in place. They said there was an arbitrator we are going to go to, but we do not like the arbitrator any more. Sorry, we agreed once, but we do not like him anymore. We are halfway through the process. We quit. How can anyone have anything but cynicism and contempt for governments, for all of us, for politicians who play that kind of game with the people of this province?

Mr. Speaker, as I have indicated, I want to leave time for every member of our party to speak on this bill. I want to leave time for the members of the government to speak. I want everyone to speak, and I look forward to it. I have named some in particular that I would like to hear from, but I would like to hear from all of them. I am sure that as representatives for their constituents, they will want to stand up on this, probably the most far-reaching, the most important piece of legislation before this House in this session.

I am sure they will want to put their thoughts on the record, and I can hardly wait, Mr. Speaker, because there is a lot of answering to do here. I am not talking about the result. I am talking about the process. I am talking about the desertion of integrity on the part of government. I ask every member to look at what this does to the process, what this does to the people of this province and the people of this country as they look to politicians for leadership, not just on issues on the ultimate decisions, but on issues of ethics, issues of process.

With that, I want to thank all members for the opportunity to have spoken. I am sure that ultimately this government will use the hammer it has—that is the whole thrust of this bill—to push this on to committee. I am sure we will hear many, many Manitobans tell us exactly what they think about this bill and what they think about this government.

I ask the members of the government to do one thing, and that is to listen, to listen to the arguments that are made and consider this bill, consider what it does to the future relationship that they and other parties and other governments will have to have with the civil servants of this province. Thank you, Mr. Speaker.

* (1600)

House Business

Hon. Clayton Manness (Government House Leader): Mr. Speaker, I believe there is a will to waive private members' hour today. Could you canvass the House?

Mr. Speaker: Is it the will of the House to waive private members' hour? Leave? Agreed.

* * *

Mr. Jerry Storle (Flin Flon): Mr. Speaker, I am pleased to join the debate. I believe, like my colleague from St. James (Mr. Edwards), that probably many of the members, on this side at least, will want to join this debate.

To say the least, I am not surprised that the Minister of Health (Mr. Orchard), for example, has not joined this debate. I expect that very few members on that side will have the guts to stand up and put on the record some justification for what they are embarking on with this piece of legislation.

Mr. Speaker, the member for Pembina (Mr. Orchard) will sit and chirp from his seat, ad nauseam, some might say, but he will not stand up and put on the record his justification for this piece of legislation. If he does, he will parrot the words of the First Minister and the Minister of Finance (Mr. Manness), the minister who introduced this legislation. He will parrot those words rather than speak from the heart, because we know that if he did speak from the heart, which from time to time shows a blacker side than many of us in this Chamber would like to see, we would find out what the real Tory agenda is when it comes to working people and the people who serve this province.

I believe it is a vision that they and the Minister of Health should share with the people of Manitoba. It would be an interesting vision to say the least. It certainly would deviate substantially from the kind of monotone rhetoric that we have heard from the Minister of Finance and some of the government spokespersons with respect to this legislation.

(Madam Deputy Speaker in the Chair)

No one should have any doubt what this legislation is about. My colleague for Thompson and others who have spoken, including the member for St. James (Mr. Edwards), talked about the deceptiveness of this bill, talked about its Draconian nature. Not only is it Draconian, not only is it unnecessary, but it, perhaps more than anything else this government has done to date, belies their real agenda. It speaks to their real agenda. It is what they want to do, and that is perhaps the most distressing part for the people of Manitoba.

Others have put on the record what the Premier (Mr. Filmon) said, what the Minister of Finance (Mr. Manness) said about the collective bargaining system. Before the election in 1990, the Premier said any further significant changes to Manitoba labour laws or The Civil Service Act would only be undertaken after consultations with the public, business and labour. Madam Deputy Speaker, that is a direct quote. There can be no equivocation about what the First Minister meant. It is in black and white; it is spoken by the Premier of this province.

The only out the Premier has was it was an election promise and, of course, no one would expect a Tory to keep an election promise and, of course, they did not disappoint us. They did not have any respect for their own words, and they certainly showed no respect for the people they employ directly and indirectly. That is what Bill 70 says, and it says it more eloquently than anything any of us could say to the people who are affected.

The First Minister (Mr. Filmon) of this province continued to pretend in this House, to utter soothing words to employees of the government about the government's intentions. We were told on a number of occasions, the First Minister and the Minister of Finance (Mr. Manness) reiterated, of course after the election, the serious fiscal situation in which the province found itself. I guess it is not surprising that before the election, in June and July of 1990, before the call of the election and during the election, the First Minister and the Minister of Finance told this House and told the public of Manitoba that everything was fine, that we had regained some fiscal control, that in fact the economy of the province was booming.

Of course, all of that was, like much of what this government says, a lie. It was not true. The

unemployment continued to grow, bankruptcies started to increase dramatically and, of course, once the election was over and the government had managed to obtain a slim majority, the circumstances changed, the rhetoric changed. All of a sudden the prospects for the province were dismal.

Madam Deputy Speaker, what was the First Minister saying to people employed by the province after the election? Well, the First Minister was still saying that he would respect the collective bargaining process, that workers had nothing to fear from this government, there was no intention of introducing any Draconian legislation to either freeze wages or reduce wages, nothing of that kind was being contemplated.

Of course, we know that legislation is not produced at the drop of a hat. The government knew, the Minister of Finance knew, probably the Minister of Labour (Mr. Praznik) knew that this legislation was being drafted at the exact same time as the First Minister of this province was telling everybody not to worry, this government would not act in any ruthless, uncaring and arbitrary fashion. But, of course, like most of the utterances of this government, they misspoke themselves. They did not tell the truth; they were not honest with the people of Manitoba, and we saw only now, a few weeks ago, the introduction of Bill 70 which is really a catastrophe for the province of Manitoba and for the people who serve the province of Manitoba.

Madam Deputy Speaker, the unfortunate record of this government is one of betrayal, and I do not think that is too strong a word. I am not just talking now about the 48,000 people who are going to be impacted by this piece of legislation. The betrayal goes much beyond that. The betrayal comes about as a result of this government's utter inability to understand the importance of economic development, having an economic strategy, having a vision of where they want to take the province of Manitoba.

Madam Deputy Speaker, the government of Manitoba, this government, always looks for what it perceives to be the quick fix solution. Bill 70 is not going to be that solution. Just like the government's announced Decentralization program was no quick fix for the rural economies that were staggering, this Bill 70 is going to be no panacea for the government's perceived fiscal problems. Decentralization was bungled. The communities

that anticipated some benefit have been betrayed by this government, and they have become angry. The fact of the matter is that this government does not seem to have any respect for the people who work for it.

It began with decentralization. The Decentralization program was carried out in the most ham-handed way that one could imagine. Instead of listening to the advice of the Civil Service Commission, the Manitoba Government Employees' Association, members of this Chamber and perhaps some on that side with common sense, the government chose to introduce it without consultation, without considering the impact on people's lives, on the opportunities people had, on their special circumstances, Madam Deputy Speaker.

So what did we have? We had a case where the majority of people who were affected were in fact women. We had situations where the movements contemplated by the government would have separated husband and wife. Families would have been split apart because of the government's cavalier attitude towards the people who work for it.

* (1610)

Madam Deputy Speaker, the government in its announcement talked about the spinoff benefits and the importance decentralization would have to the rural communities. Decentralization does not create one additional job. In fact, for this government what has happened ultimately is the government has spent probably \$4 million or \$5 million to this point, decentralizing in a process that has not only frustrated the people who have been assigned to move, but the communities that were expecting some of those people. The government has had to backtrack. The government has had to tell communities that they are not going to get the jobs that they had anticipated because the government did not do its homework, because the government did not know what it was doing, because the government had no real agenda other than a political one when the announcement was made.

Madam Deputy Speaker, the Minister of Finance (Mr. Manness) wants to know whether this is on the bill. The answer is definitely yes, because this bill is about an attitude, an attitude toward the people that the Province of Manitoba employs and the employees of agencies of this government. The

attitude is one of disrespect, and that is what Bill 70 says. It says it because this government had no intention of negotiating with the Manitoba Government Employees' Association, not from Day One.

Hon. Clayton Manness (Minister of Finance): Not true.

Mr. Storie: The Minister of Finance says not true. Well, I want to read from a press release from an individual who spent time, supposedly, discussing issues with the Premier (Mr. Filmon) of this province. The press release says, Peter Olfert, President of the Manitoba Government Employees' Association, said today that much of what Premier Filmon has been saying recently is fraudulent.

He does not just say this without providing some support. He also provided to the press, the media, a list of meetings and the subject of those meetings with the government of Manitoba. He concludes that during the course of the 20 bargaining meetings, not one substantive issue was settled at the table and, in fact, the government did not at any time indicate that if negotiations did not proceed quickly, the government would be moving forward with this Neanderthal piece of legislation.

Madam Deputy Speaker, this government's objective was, they said, to save money, to cut the cost of governing the province—

Mr. Manness: To save jobs.

Mr. Storie: Well, I am going to get to the Minister of Finance's, we are going to save jobs. When they were discussing this publicly, they said their objective was to save the taxpayers money. That is essentially what it boiled down to.

You do not need a bill like Bill 70 to save the taxpayers money. In fact, in 1982 and 1985, when the government of the day negotiated with the Manitoba Government Employees' Association, we were able to achieve not only zero salary increases on an annual basis, in one instance we actually got the people employed by the Province of Manitoba to provide funding for other projects, in actuality to provide some of their wages, some of their negotiated benefits back to the Province of Manitoba. They actually took a pay cut, in effect, to support the Province of Manitoba in recognition of the difficult circumstances coming out of the recession of the early 1980s.

Madam Deputy Speaker, I point that out only because the government did not have to use Bill 70.

If they had seriously understood what negotiations are all about, or if they had not wanted to turn the issue of civil servant wages into a political football, they could have done something different. They had choices. Let there be no doubt about that. This bill was not necessary.

Had they been a competent government, had they understood or respected the collective bargaining system, they would have found an alternative because alternatives are available within the collective bargaining system.

If the Minister of Finance (Mr. Manness) wants to ask the question, how is this relating to the bill, the question is the principle of this bill. The principle of this bill is: I am the boss; I really do not care about what your problems are; it is going to be my way or no way. That is the principle, a principle of disrespect, a lack of understanding of the importance of maintaining a responsible and a positive morale within the public service, Madam Deputy Speaker.

The government also continued to suggest that this was necessary because of the fiscal situation of the government of Manitoba. Madam Deputy Speaker, this very same government, this very same front bench has now provided an extra \$30 million to \$35 million to private schools in the province of Manitoba since they were elected—\$35 million to private schools in Manitoba and not one additional student is being taught at those schools. A massive giveaway of \$35 million. The next time the Minister of Finance (Mr. Manness) talks about fiscal responsibility, the next time the First Minister (Mr. Filmon) talks about fiscal responsibility, I want someone on the front bench to stand up and say, yes, we have to be careful. We just gave away \$35 million to private schools that we did not have to provide.

An Honourable Member: Which school?

Mr. Storie: Madam Deputy Speaker, the which school can be answered by the member asking the the Minister of Finance, the Minister of Education (Mr. Derkach), I should say, for a list of the 85 private schools that get funding in the province of Manitoba. Some of them get millions of dollars. -(interjection)-

Madam Deputy Speaker, to the member for Niakwa (Mr. Reimer) who is chattering from his seat, here is an example of fiscal irresponsibility. Every time this member gets up to talk about the government's fiscal management, I want to hear in

his speech recognition. The \$35 million that could have been spent providing services to Manitobans has gone to private schools because of the political agenda of the government, not because of any educational need or any other.

Madam Deputy Speaker, this government has not been honest, has not been forthright with the people of Manitoba. That \$35 million that went to private schools is only one example. If the government of the day has its way until 1997, the Province of Manitoba will have spent by 1997 more than \$160 million more on private schools. That is not responsible government. What is most tragic about that, of course, is that while they are spending in that careless and cavalier way those dollars, they are attacking the services provided in rural Manitoba, by and large, and northern Manitoba through their position cutting and indirectly through Bill 70.

Madam Deputy Speaker, not only this. Not only has the government failed in terms of its fiscal responsibility, the government also used the argument that Bill 70 was necessary to protect the beleaguered taxpayer. The beleaguered taxpayers in northern Manitoba are now paying a \$50 user fee for the Northern Patient Transportation Program. The Minister of Health (Mr. Orchard) is perhaps most guilty when it comes to charging user fees and taking money out of the pockets of Manitobans.

Madam Deputy Speaker, if the Minister of Family Services (Mr. Gilleshammer) were here, perhaps he could justify why parents who are sending their children to daycare are seeing their fees go up by as much as 48 percent. If the Minister responsible for Seniors (Mr. Ducharme) were here, perhaps he could tell seniors why the deductible has increased for Pharmacare, why park fees have increased, why there has been a deindexing of 55-Plus? All of those are hitting the beleaguered taxpayer, for all intents and purposes, a lot harder than a negotiated settlement with the representatives of the people who work for the Province of Manitoba.

There is another inconsistency that has been pointed out by many who have spoken here today with respect to the government's plans. This Bill 70 affects not only people directly employed by the Province of Manitoba; it also affects literally thousands of workers for provincial Crown corporations, Crown corporations that in and of themselves are profitable, are providing service, service, Madam Deputy Speaker, that is being

provided substantially below cost experience in other jurisdictions.

* (1620)

If the government's sole objective in this was to prevent any increase in funding from the government to the salary envelope, Madam Deputy Speaker, they did not have to make workers or include IBEW workers or communications workers in the Manitoba Telephone System or other Crown corporations in this legislation. Those Crown corporations are offering a service at value in the province of Manitoba, and the government cannot argue that this was required to protect their interests, given the financial circumstances of those Crown corporations.

I would be in error if I only focused my remarks on the Minister of Finance (Mr. Manness) or the First Minister (Mr. Filmon). The Minister of Labour (Mr. Praznik), Madam Deputy Speaker, a minister who is quite eloquent, who, I believe, came into the portfolio, his first opportunity to serve in Executive Council, with some reasonable expectations about what he might achieve. In one fell swoop, the new Minister of Labour has lost all credibility amongst those whom he has intended to support, provide advice to and listen to. He has no credibility left amongst the people whom he is supposed to protect. That is not just people who relate to the Minister of Labour as a result of The Labour Relations Act but also The Employment Standards Act. He has no credibility left, an unfortunate position for a new minister. -(interjection)-

Madam Deputy Speaker, I moved quickly. The Minister of Labour spoke at length about the purposes of this bill and, in questions after it was released, said that this bill had no impact on the labour relations atmosphere in the province of Manitoba, that the people at the grassroots level would be supporting the government's initiative and that it was only union leaders, the union bosses who are going to object to Bill 70. Well, I think the Minister of Labour's education began the day Bill 70 was introduced because, contrary to what he said he would do and that was protect, as a fundamental principle, collective bargaining, he has worked more quickly than any other Minister of Labour in the history of this province to undermine the very principle he said he was going to support.

Madam Deputy Speaker, in all of this there has been criticism from every quarter. I want to read into

the record an editorial that was written in The Daily Graphic, the paper that is published in the community of Portage la Prairie. The headline is: "Gov't shouldn't change rules after the fact!" I do not intend to read all of this, but I do want to read two small paragraphs. The first paragraph begins: "Nor, does it excuse the way in which the wage freeze was enacted."—talking about the government's action. "The government has been fully aware of the financial constraints it is facing for some time—and was certainly aware of the situation when negotiations took place on a number of contracts."

Madam Deputy Speaker, I made that point earlier, that the government cannot come in, in June of 1991, and begin to plead special circumstances that would warrant the introduction of this legislation. The last paragraph reads:

"Given the way these people have been treated"—these people refers to public servants—"it is hard not to sympathize with them—regardless of how you feel about unions or civil servants.

"The government, and its representatives, negotiated these contracts in good faith and it should honor them."

Madam Deputy Speaker, I think that is probably a reference to the casino workers. We are talking about a group with lower than average wages, even non-union wages, a group that negotiated in good faith, that stood by their principles, that walked the picket line in support of their principles, and finally received a settlement that perhaps made some of that effort worthwhile.

What do they get for their commitment to principle? They get Bill 70. There is no justice in that for the casino workers, not that there is any justice for any of the other workers, but it simply is a little harder to take when you have dealt with government intransigence, and their refusal to negotiate, when you have stood by your principles and marched on the picket line through some horrendous weather, only to have the government throw all of that effort in your face, and, in fact, laugh at them publicly by introducing this kind of legislation without respecting where they were and what they had achieved.

Madam Deputy Speaker, the contrast between the justice that the casino workers received and the justice that Oz Pedde received has not gone without notice in the province of Manitoba.

On the one hand, we have a new president for the Manitoba Telephone System, who comes in to a \$150,000-a-year job, an increase of some 15 or 16 percent over what the previous occupant was paid, but that is justice. Madam Deputy Speaker, 15 percent, when you are earning \$150,000 is a lot of money. If this Minister of Finance (Mr. Manness) had left the agreement in place with the casino workers, he could have done it basically on Oz Pedde's increase, almost what it would have cost the government of Manitoba.

It does not end there. This government's treatment of its own staff, senior staff—contract staff with this government have all been receiving increases much beyond inflation, Madam Deputy Speaker, and, of course, we have also seen the political patronage plum appearing from time to time in the annals of this government's history.

We have the political appointment of Ron Arnt, David Langtry and Norm Isler, to name only a few. For the people that are on contract with this government, are their salaries being frozen or rolled back? The answer is no. The government's agenda does not include penalizing its own political friends or attempting to be fair, and that is indeed unfortunate.

Others have also talked about the opportunity this government had to deal with its legislation, even the legislation it introduced in a more equitable fashion. Madam Deputy Speaker, we have the incongruity of people earning salaries of \$70,000 and \$80,000 facing the same circumstances, in terms of this bill, as people who are earning \$15,000 or \$18,000. Anyone who knows anything about disposable income knows that after a certain point, the inflation rate, the opportunity costs, I guess, for people on lower income are much greater than for people who are making above average salary.

* (1630)

There was no effort to recognize the difference between the circumstances of government workers. My colleague from St. James and my colleague from Thompson have also expressed concern over the fact that the vast majority of people who are going to suffer directly as a result of Bill 70 are going to be lower paid civil servants, predominantly women, which also reflects the fact that this government is always looking for the simple solution, rather than the fair or the more appropriate solution.

The same could be said, of course, about the impact of this legislation on people working in northern Manitoba. The salary freeze for an employee in the community of Flin Flon or Churchill is going to be much more of a hardship than someone who is living in the city of Winnipeg.

The fact of the matter is, the inflation rate in northern Manitoba is generally almost one and a half times the inflation rate in other parts of the province. The freeze of salary is going to be a hardship for people who are living on the edge already, trying to maintain a residence and maintain a family in northern Manitoba, but the government has shown no recognition of the differences that civil servants, as a group, face as they are employed across this province.

The bottom line is as Mr. Olfert has suggested in his press release of June 7, 1991. What the government is about is fraudulent. It is fraudulent. It suggests that it is solving a problem that it is not going to solve. It is doing it in a way that is fraudulent and deceitful. It is not consistent with what it said publicly, what it said privately to the groups that are going to be affected by this legislation.

It is being done fraudulently, Madam Deputy Speaker, and the results, like the results of many of the government's actions, are going to be likewise illusory. The government has already acknowledged that it is going to cost some \$20 million in severance and other benefits it is going to have to pay out as a result of the layoffs which it announced. The benefits which are going to supposedly accrue to the government if this legislation is finally passed are likewise going to be short-lived.

Madam Deputy Speaker, I think everyone recognizes that in collective bargaining—and I assume that the government at some point is going to once again entertain the idea of continuing on with the free collective bargaining system—the arguments are going to be made, and perhaps this government or another government or an arbiter down the road will listen to the pleas of the employees, the bargaining agent, and find that an increase above what would normally be considered would be justified because they have fallen even further behind inflation.

Madam Deputy Speaker, the Minister of Finance (Mr. Manness), when he introduced this legislation,

produced some statistics which are extremely misleading and which have caused a great deal of misunderstanding in the public. Fortunately, the MGEA has provided some additional information which, I believe, more accurately reflects the true circumstances of wage increases with respect to civil servants.

Madam Deputy Speaker, the government maintained that wage increases, salaries paid to MGEA representatives, employees of the province, had exceeded inflation. Again, if you look at the Winnipeg consumer price index from 1984 to 1990, you will find that the index increased by some 29.4 percent.

The wage increases achieved by the Civil Service over the same period of time were approximately 19.4 percent. Now, I want you to remember and members to remember that when you talk about civil servants in northern Manitoba in particular, the cost of living has increased even more dramatically than what is represented here by the Winnipeg consumer price index.

Madam Deputy Speaker, that does not make the case for the government, that somehow the settlements negotiated on behalf of its members by the MGEA were out of line. They made the case and they still make the case that, in fact, their wages, with the wage increases they have been receiving, are falling behind inflation, that their take-home pay is shrinking, that they are falling behind in terms of their disposable income.

How does the government justify its bill? The government justifies its bill on the basis of political opportunism, I guess, is the best word, rather than the practical implications of what they are doing in the long term. Practically, what is going to happen, they are not going to achieve the kinds of savings they believe they are going to. Maybe the Minister responsible for Labour (Mr. Praznik) or the Minister of Finance (Mr. Manness) will stand up and tell this House now, whether in fact they are going to introduce legislation further along in the next session to continue the wage freeze. If they are not, they are going to lose the benefits they believe they are gaining at this point.

Madam Deputy Speaker, they have not been honest about what alternatives they have had. I have pointed out already that the money they are going to save freezing the wages of civil servants they are already giving to private schools, basically.

They could change their approach to spending the taxpayers monies, which they choose not to do.

Perhaps the most—I was going to say, dishonest, but that is not the right word—despicable—that is perhaps the best word—is the government's assertion. It was stated by the Minister of Finance (Mr. Manness) not more than a few minutes ago from his seat, that somehow the choice that the MGEA had, well, they obviously had no choice because there were no negotiations and this was never discussed with them, but the fact of the matter is, this government has suggested that somehow a freeze is going to save civil servants jobs.

The irony of that, of course, is the government, only a few weeks before announcing the pay freeze, did its hacking and slashing, removed some 500 people who were actively working for the province of Manitoba from the payroll and eliminated some 450 additional positions from the Civil Service.

This government cannot even be consistent in its own logic, in its own rhetoric. It said, if the Civil Service has a choice, it was jobs or salary increases. Not only did they give them no choice, they took away both; they took away their jobs and their wage increases.

Madam Deputy Speaker, this government has made choices. It has made the wrong choices. The unfortunate fact is the people who are going to pay for it are the people who work for the Province of Manitoba; the people who provide the service directly. The people who we see sitting across from us provide no service directly; they provide hot air in some instances and a lot of it in other instances, but they provide no services to the people of Manitoba.

The people who provide the services are taking a wage freeze, are losing their jobs. The people who are ultimately going to suffer and are suffering are the people who are the recipients of that service. What do we have? We have health care workers and education workers and teachers and social workers and day care workers losing their jobs; people in Natural Resources and people serving northern Manitoba losing their jobs. The people who are ultimately going to be losers are the people who were and who would and who want to take advantage of the services those people provide.

* (1640)

This government has done it all wrong; Bill 70 is all wrong. I have no doubt, in my mind, that they are

going to continue to press to see Bill 70 become law, and it will live to haunt them.

As has been said before, the 48,000 people who know there was another way, that the government had choices, are going to remember this, and this government will pay the ultimate price that any government that is decidedly arrogant pays at the next election, Madam Deputy Speaker. That is when the chips will finally be counted, and that is when the government and the members on the front bench at least will know the true results of their actions.

Thank you, Madam Deputy Speaker, for allowing me the time to put those remarks on the record. I know that there are many other people who also want to speak.

Mr. Reg Alcock (Osborne): Madam Deputy Speaker, I am pleased to be able to rise today to speak on Bill 70, and I want to preface my remarks by just talking a little bit about what might be described as my own naiveté as I approached the role of an opposition member in dealing with this government.

In the beginning when we first came back into this Legislature and we looked at a majority government with presumably a four-year term, I felt that I had an opportunity to act as a responsible opposition, to attempt to work with the government in the sense of providing constructive criticism of the actions that they took, of reviewing in some detail and spending as I can attest to a great many hours looking at the actions of the government and attempting to provide some constructive criticism of what they were doing.

Now, in the minority government that proceeded this session, we had some of that. We had an ability with certain ministers on the other side to work co-operatively to create quality legislation. Now, we had signs of the arrogance that infects this governance today. We had signs of it certainly from the Minister of Finance (Mr. Manness) who, if you did not play by his rules, would walk out of meetings or who would completely disregard whoever he felt like, but we had an attitude on the part of some ministers of a willingness to work on behalf of the people in this province, and I came back into this government believing that would continue.

I spent a great deal of time prior to the last election and since the last election consulting with people—Chambers of Commerce, business people, workers, civil servants and the like—all over

the province talking about what was needed in this province. It is no secret that I supported the need on the part of the government to cut back expenditures. I have spoken about that many times. I spoke about it when I spoke back in March about the need for us to freeze our own salaries and said we could not be expecting people in other parts of the province to do with less if we were not prepared to do that ourselves.

I spoke about it when the Minister of Finance went through that road show in early January and when I—you know, I think in my naiveté that he was being sincere—offered to work with him and actually sat and asked him questions about what did he intend to do. How was he going to bring this about? If he wanted us to help, would he share some information, information that I have not received to this day, because I believed that what we were here for was to try and do something to make things in this province a little bit better.

The Minister of Finance (Mr. Manness) stood up in this House in December of 1990, and he made some statements about how difficult things were going to be financially and how this would affect the negotiations. He set some targets and some ceilings for negotiations that I felt were reasonable.

When I held consultations in my own constituency, and I represent a constituency that has a large number of civil servants, not one of them ever complained to me about the concept of taking zero this year, not one of them, because civil servants are taxpayers too. They know what is happening in this economy. This knew we were in difficult times and they were quite prepared. In fact, I have had many of them speak to me and say, you know, we are quite prepared to take zero percent, but what they want is to be treated like partners in the management of this province. What they want is to be treated with fairness and respect, and that is what they are not getting from this government.

Madam Deputy Speaker, was there a need for restraint? Is there a need for restraint? Absolutely. You know, we had a long discussion about this as we looked at the Estimates of the Civil Service. One of the things we talked about was how do you build a relationship with people who work for you? Do you do it by arbitrarily buying more or less of them by kicking people out when you no longer need some of them? Do you treat them like a commodity that you can spend or throw away when you do not need it, or do you treat them like a group of people

or a resource to your organization that you work with, that you develop, that you build, that you strengthen, because you know in doing so you strengthen all of us?

I quoted some very interesting research that was done out of Boston, looking at companies that had trouble during the last recession we were through. In fact, there was a study that was done that I had an opportunity to work on of four large companies: Mazda in Japan; Telefunken in Germany; Chrysler in the U.S.; and British Leyland.

What happened, going into the last recession was all four of them were running very serious deficits. All four of them were in great difficulty. All four of them went to their governments and said we need help to get through this. All four of them made promises to maintain their labour force in doing so. All four of them received that support and all four of them survived the recession and have emerged as stronger and better companies as a result.

In two cases, British Leyland and Chrysler, they laid off thousands of people and greatly downsized their corporations. In the other two cases, the German and the Japanese model, neither did. They reassigned, they regrouped, they used people in different ways, they retrained people, but they emerged from that recession stronger, better companies, with their labour force intact.

When we examined why that was, it was an attitudinal difference. It was an attitude that said, the people who work with us are important too, and we cannot treat them like a commodity. We cannot simply throw away the ones we do not want. We have to respect them if we want them to respect us.

That is a principle that this government needs to learn because it has not shown that, and nobody exemplifies that more than the Minister of Family Services (Mr. Gilleshammer) who stands up in this House and treats the people in this province with great disdain, treats the people whom he wants to deliver services to children and families in this province with absolutely disgusting abandon, and then wants them to go and act in a caring, respectful manner with the people they deal with. That is the attitude that must be rooted out of this government. That is the attitude that this province cannot afford.

I think the Free Press captured it fairly well, as they talked about: "Premier Gary Filmon's government is suffering from delusions of grandeur. It is a disease that strikes governments from time to

time. They usually recover, but the odd one destroys itself. Mr. Filmon should take firm steps to root out the disease before it destroys his relations with the Manitoba public."

I would suggest, Madam Deputy Speaker, he has ruined his relations with the Manitoba public. He certainly ruined his relations with those people who believed they were acting on behalf of senior citizens, the actions relative to Rotary Pines and their willingness to support their own but not to deal with the legitimate needs in the community.

The actions of the Finance minister relative to the employees of this province, the people we rely on to deliver the services, have done nothing to inspire any confidence and simply extend the kind of arrogant disdain with which he treats people in this province.

* (1650)

The actions of the Minister of Family Services (Mr. Gilleshammer) are all of a kind. You know, I think they put it very well when they say that:

The first victim was Urban Affairs Minister Jim Ernst. Large numbers of Winnipeggers with no private interest at stake told him again and again that the Rotary Pines strip mall and apartment building development is a big mistake. The Winnipeg Chamber of Commerce and the management of the airport fear that encroaching development around the airport must in time lead to demands for curtailment of traffic at the airport, robbing Winnipeg of one of its few attractions for investors.

The disease spread quickly through cabinet ranks. Finance Minister Clayton Manness, honestly worried about the cost of labor contracts the province must pay for, concluded he must suspend collective bargaining and use the law-making power to set Civil Service employment terms for this year. Since other governments have been forced into similar action and since bargaining with the government is always faintly unreal, it was a policy that could be defended.

But Mr. Manness let the power go to his head. He reached back in time and wiped out labor contracts that unions had sought and bargained for and the government had already accepted. That was unfair and unnecessary. It was the kind of thing governments and

ministers do when they start getting too big for their britches.

Natural Resources Minister Harry Enns, despite his long years of political experience, also caught the virus. He decided that the Ducks Unlimited office building and tourist attraction at Oak Hammock Marsh is a good project and will go ahead whatever anyone else thinks. People who believe in preserving wildlife habitat are showing that the project is on balance a destruction and not a preservation of habitat.

But Mr. Enns has visibly stopped listening. He will not hear of any review or discussion. He alone will decide what land uses in the marsh are permitted

Family Services Minister Harold Gilleshammer fell victim more recently. He got it into his head that he and a few close associates could design the perfect child welfare system for Winnipeg without consulting others and then impose it in one dramatic gesture.

"Mr. Gilleshammer forgot that he is no smarter"—in fact, I would argue to the opposite—

than the rest of mankind. He is at least as prone to error as his predecessor in office, New Democrat Muriel Smith, whose child welfare structure he believes is a disaster. He has no superhuman gift that makes him a better builder than she.

"He forgot also"—and this is the important part of this -(interjection)-

(Mr. Speaker in the Chair)

Mr. Speaker, might you call the Minister of Health (Mr. Orchard) to order, please. I am having a little difficulty.

An Honourable Member: How about the member for Flin Flon (Mr. Storie)?

Mr. Alcock: I have not heard him.

Mr. Speaker, the Free Press went on to say that the Minister of Family Services (Mr. Gilleshammer) forgot that:

a child welfare system needs the confidence and co-operation of the people operating it and the families it serves. By his dictatorial manner of launching it, he has ensured that his new agency comes to bat with two strikes against it. That is not just arrogant; that is self-defeating.

Mr. Speaker, that is the problem that this government has. It is so arrogant, it has forgotten the need to work with the community to build. It is an odd kind of circumstance because today we have the Minister of Rural Development (Mr. Downey) standing up and talking about a very creative way of working with people, building a strategic partnership. The minister understands it. He understands that it is possible to work with people to build strength. It is a shame that the rest of his cabinet—I should not say the rest, but a number of his cabinet colleagues do not believe in that also.

The Minister of Health (Mr. Orchard) races on to destroy our health care system all on his own, imbued with his own wisdom and his own belief in his own invincibility. The Minister of Family Services does exactly the same thing. Twenty-five years I have worked in Family Services, I have worked in child welfare in this province, and I have never seen a more incompetent minister in my life. Mr. Speaker, we are seeing a government that is not acting in the best interests of the people whom it is elected to serve. We are seeing a government that is working against the interests of the people whom it is elected to serve.

Bill 70 is just more of the same, a government that is so full of its own righteousness that it has forgotten that there are a bunch of people out there who are quite willing to work with it, and it is treating them with the same disdain that the Minister of Family Services has chosen to treat the children of this province. I cannot support Bill 70. I cannot support the actions of this government when this government works so vehemently and so directly against the best interests of the people of this province.

You know, Mr. Speaker, I have talked at great length with people throughout my constituency and in fact throughout most of the city about the need for restraint. I have a number of unions that sit within the boundaries of my riding and certainly a large number of civil servants. Not one of them has phoned me to complain about the wage freeze, not one of them. They have phoned me to complain about the actions of the government, the disdain with which they are treated, the outrage they feel at being treated with such absolute disregard. Lots of them have phoned me about that, and the anger and the hatred that is building out there against this government is absolutely unbelievable.

The feeling of rage that people have about the actions of this government in a variety of areas is unbelievable. I have had senior citizens phoning me on The Pines issue. I have had an unbelievable number of phone calls, obviously, on Family Services, because that is an area that I know people in very well. The fact remains that a government that is prepared to treat the people in this province with the kind of disdain and disregard that this government is does not deserve the support of this Legislature. It certainly does not have the support of this community, and I am not prepared to vote for legislation that is brought forward by such a heartless, cruel and incompetent government.

Mr. Conrad Santos (Broadway): Mr. Speaker, this bill is an undesirable piece of legislation because it tries to destroy a basic doctrine that is accepted in our industrial society, and this is the doctrine of free collective bargaining.

Free collective bargaining, in essence, means the freedom of the contracting parties to shape the employer-employee relationship through a process of negotiation, a process of mutual accommodation, so that the representatives of the worker or the employees and the representatives of management or the employer can formulate rules that will govern the wage rate, the working conditions, the hours of work, other terms and conditions of employment.

It is based on the principle of volunteerism grounded on freedom to contract. That is, it is the parties themselves and no one else who should determine the outcome of their negotiations to the greatest extent possible. It is the government's function to merely act as an umpire, an impartial arbiter, in order to settle these differences between the workers and the owners of capital. It implies noninterference by the government and, at the most, if regulation be necessary, it implies minimum government interference.

The government as an umpire, as an impartial arbiter, had enacted The Manitoba Industrial Relations Act in order to promote a harmonious relationship between labour and management. Now what happens when the government itself, which is supposed to play the role of an arbiter, becomes itself a party to the bargaining and to the negotiation because it is an employer?

When the government becomes a party to the collective bargaining because it is now an employer—and the government is the greatest

employer in our society—by definition, the government should live up to the rules that govern the bargaining process itself. When the bargaining agreement is reached, when the outcome of the negotiations is settled, it must be honoured and it must be obeyed.

What happened is when this government failed to achieve its objective through the normal bargaining process, it resorted to the use of the powers of the state as the sole repository of the ultimate force of coercion in order to impose its will upon the settled agreement.

The government is supposed to encourage the practice and procedure of collective bargaining. However, this bill is trying to destroy that very process which is one of the foundations of our industrial society, to foster industrial peace and productivity.

The government is supposed to, under the Manitoba Labour Industrial Relations Act, foster the selection of the union as the freely designated representative of the employee, but by passing of this legislation it is ignoring whatever settlement had been reached and destroying the collective bargaining process itself. A negotiated agreement must be honoured. It is the outcome of the negotiation process.

This government had promised during election time that it would support and sustain the freedom to bargain collectively. I think there is something wrong in our political system. It seems that there is only one group of individuals who can make promises, breach those promises and not be liable. Only politicians can make promises during election time. It seems that no one can complain when later on they breach their promise and do exactly the opposite of what they promised to do.

* (1700)

Like any other society, Manitoba seems to like to be a land of promises, but only during election time. The citizens are poised in such a manner that they have to select the candidate who makes the most promises. Any candidate who outpromises the other may sometimes be elected to positions of power. When they have achieved what they have set out to do and are elected to positions of power and responsibility and then break their promises, there is no remedy. What we need probably is a statute that will allow citizens to sue politicians who

make promises and then break their word and not live up to their promises.

Cynically then, some people have said that politics is a very promising career, promising in the sense that you can make promises, but promises that cannot be kept because of the exigencies of the situation. Promises are very easy to make. They are like money. You can make money so easily, but it is very difficult to keep money. The same with promises, you make them easily, but it is so difficult to keep them. Sometimes a political promise during election time may mean some more taxes and tax measures the second time around.

However, if we are to live up to the expectations of our citizens, if we are to counteract the growing cynicism about politicians, about political life and about political leaders, we should be careful about making promises. Maybe the best policy for any candidate is not to make any promise at all if he has no intention of keeping it. That is the safest way to do it, because then you have to break nothing because you make no promises. If a person breaks his word, that person is not merely breaking his promise. He is breaking his own integrity. He is breaking his own honesty. He is breaking his own dependability as an individual. As a person, he cannot be depended upon again. Promises once broken cannot be mended. It is like a mirror. Once you break a mirror, it cannot be put together again.

In the olden days—there is an island in Greece called Crete, the Island of Crete. There is a saying in the olden days that all Cretans are liars. The logic of the system is exposed by the principle of deductive reasoning when, for example, if you start with the premise that all Cretans are liars and you said that X is a Cretan, then you can make the conclusion that X is a liar. If what the cynical public had come to believe that all politicians are like that, like Cretans, and if anyone becomes a politician, then anybody can easily come to the conclusion that he will probably turn out to a lying person. That should not be the case.

The art of politics is the noblest of all professions. It is ultimately based on the choice of the base of the highest values in our society. Individuals who are saddled with the responsibility, with the fate and destiny of human lives, human property and human fate must strongly be governed by principles of morality, honesty and virtue. If politics is to have any basis at all in society for its legitimacy as the ultimate source of the ultimate power to make a

choice for society and for its people, then it must be based on integrity, it must be based on honesty, it must be based on promises that must be kept at all costs.

When a Cretan starts telling you that he is telling you the truth, would you believe him then? When a politician starts making claims of telling the truth to the public and to the citizens, who can believe them if they break their own promises?

Working through life in modern society implies that you have to belong to some kind of organization to protect your rights as an individual. Before society recognized the right to organize, the right to bargain collectively, the right to strike, to withhold one's services in order to improve one's conditions of work, individual workers have been at the mercy of their employer, they had been exploited. Children had been exploited in the past until we came up with some enlightened policy about child labour laws.

Collective bargaining has a definite place in our industrial civilization. It is due to collective bargaining that we can achieve efficiency in our economic production, in our economic endeavours. Management has a role to play as well in the production of goods and services for the needs of society. Whether it be a specific good or a specific service that is being produced, it is ultimately an outcome of co-operation between labour and management.

Governments can sometimes play two roles. Not only is the government the umpire and the arbiter of all the industrial conflicts in society—because when the government itself becomes an employer, then it becomes a party to that collective agreement. When the government cannot have its desire through the normal collective bargaining processes, and the government ceases to play the game and says, oh, now I am going to turn over and invoke the power of the state, and now invalidate all the agreement that has been reached, there is no fairness. There is no justice at all to the system.

It means that in the middle of the game, because you are now in the guise of the government, you can revoke all the rules, change all the rules so that you can predetermine the outcome. That is no longer fair in our system, and it is reprehensible if it is done by the very government itself who is supposed to be the ultimate repository of legitimacy, the ultimate

repository of justice, the ultimate repository of fairness.

It seems that the government, in this particular case, is using Machiavellian philosophy, that if the end is desirable they can use whatever means that are necessary in order to achieve their end. They have set their end to save money and in so doing they were saying that they can use any means whatsoever in order to save money at all costs, even at the cost of depriving the senior citizens of their essential increase in their limited allowance of 55-Plus, even in the case of depriving the students of their opportunity for education. By any means, they are trying to destroy those groups in the society that are not favourable to their ideology.

What do they do with the money at their disposal? They give the money to the corporations in the forms of tax breaks. They give money to the private school system that does not need the money because they are well endowed. They are making decisions of giving increases to executives who already make hundreds of thousands—more than thousands—of dollars salary, and yet will deprive a recipient of social services who needs the money for mere survival and existence.

* (1710)

Machiavelli stated that men in general are judged more by the eyes than by the hand. Everyone can see, but very few can feel. Everybody sees what you appear to be; few feel what you are. Those few will not dare to pose themselves to the many who have the majesty of the state to defend them. In the actions of man, especially of princes, the end justifies the means.

Is that their philosophy? They want to destroy all those groups in society that in the past, by experience, have never supported their cause and their set of values and their beliefs. They want to bust the union, they want to destroy the power of organized labour because unions had opposed them in the past, and they changed the rules of the game in order to achieve these purposes. They no longer play by the rules of polite society in terms of negotiation, in terms of election.

When you resort to breaking your word, your political promises, and renege on commitments that had been made before all the wars, it becomes an example of the breach of human honour and human dignity.

There is a basic and settled principle in our society that agreements must be -(interjection)- No, I am just giving a chance to people who want to talk.

An Honourable Member: I am sorry, Mr. Speaker, I was talking about the scales of justice being like this.

Mr. Santos: There is a basic and settled principle in our society that agreements must be kept. A contract is a contract, whether it is done at the private, individual level or at the collective level of collective agreements. An agreement is an agreement. Once you agree to it, you give your consent; you are bound by the agreement. There is a meeting of the minds, and it has the force of the law.

Now, if there is a settled collective bargaining agreement about some settlements, whatever they arrive at, the outcome, it is agreed to by both parties, and it is done by following all the rules of collective bargaining and negotiation and processes. The outcome of that agreement is a sacred agreement. It should not be broken. When the government invoked the ultimate coercive power of the state by invoking the power to legislate and overrule the private agreement, then the statute and the law itself is breaching that basic, settled law of the land. That agreement must be kept; that cannot be justified at all.

Because the power of the state is based on the ultimate welfare of everyone in society, the one that justifies the use of coercion, in the ultimate analysis, is the promotion and advancement of the welfare of everyone. The welfare of everyone will be advanced and promoted only when there is justice, only when there is fairness, only when agreements are kept. These are all settled values in our civilized society.

It is going back to the primitive times when strength and might is right. This is what the government is trying to portray by invoking the powers of the state and destroying all those settled agreements in the private sector. This is what we meant by being Machiavellian in their approach to the solution of societal problems.

When we try to earn our living by going to work, sometimes because of the very structuring in our society, we work because we want to eat. We work because we want to lead our life with the minimum needs that we need to satisfy, but above all, more than the need to survive, we work because it is a

natural human need for us to maintain our self-respect and to achieve something in our life.

It has been said that it is in toil that we shall eat the fruit of the land. It is by the sweat of our face that we should eat bread. When we work in the workplace, we become a participant not only in a technical system of work activities, because the workplace does not merely consist of a set of responsibilities and duties, a set of activities that need to be performed, a set of tasks that need to be done. The workplace is also a social system of human beings who are interacting with one another and is a place where there is a need for interaction among groups and of individuals among individuals themselves.

In the place of work, we find human satisfaction if we are free to determine, through the established processes and procedures that are already in place in society, what kind of conditions there shall be in the place of work.

We have done that in the past by the process of negotiation, not individual by individual but through group negotiation of a group contract called a collective agreement. That is the institutional way in order to settle the question of what kind of work conditions shall be obtained in the workplace. It is supposed to be done through the representation of all the workers by some organized group of people called the unions, and the union leadership is supposed to be elected by the membership through the democratic process.

So we have established, in our society, some institutional way of proceeding how to circle the nature of conditions of work in the workplace. Through the democratic process, the union membership will elect their leaders in the union, and their leaders will negotiate for the kind of conditions that should be obtained in the workplace: The hours of work, the wage level, the peace, the security requirements, safety requirements and all other requirements in the workplace.

This will be negotiated through the use of the individual's freedom to contract, to make an agreement through voluntary mutual accommodation and negotiation of the worker. This is done through pain. When there is a failure of that negotiation, sometimes it resorts to a stoppage of work, either because of a strike or because of lockout. We have protective legislation sometimes needed to remedy impasses and deadlocks like this.

When negotiations are already achieved, the outcome is already accomplished and agreements have already been made and when one of the parties, especially in the form of the government as an employer, turns around and invokes the power of the state to destroy the very agreement that had been settled already, then it is setting an example which is itself unfair and ultimately based on pure naked power and arbitrariness to impose their will over the consent of others, especially when it is arrived at through collective negotiation.

There is a constitutional limit to the exercise of the powers of government, and the constitutional limit is that those who govern should never be oppressive in the exercise of their public power. If they become oppressive, they have lost their legitimacy to exercise that power. Therefore, all kinds of government should be forewarned that, if they become oppressive and they oppress, especially those helpless citizens, that segment of the population who no longer can defend themselves, they have lost their legitimacy, they have no right to be returned to the power of government. That is the wisdom and the justice of our democratic system.

* (1720)

Why is democracy, freedom of contract and voluntary bargaining—why are these essential values that we must preserve. Because it is a—even the workplace is a subsystem of our society. If we claim our society to be a democratic society that is governed by the wishes, ultimately, of the citizens that compose it, then we should respect these values.

Our chances, our hope for progress, for civilized existence is based on the respect for the settled and established practices in our society, regardless of whether those established processes are working against us sometimes, or working for us at other times. If we have by experience already come to the conclusion that these are essential for civilized existence, then we must preserve these values.

If, because of ultimate or temporary drunkenness in being the majority government, you try to destroy the very values that preserve our system, then there is a danger that lurks behind. It makes our exercise of political power illegitimate, unfair and unjust in the eyes of citizens and in the eyes of the world. When we overreach, when we exploit, when we make the miserable more miserable, then we have lost the

right to exercise public power for the public good. We have lost the power to govern.

I do not tend to imply that some organizations in society should remain uncurbed if they exceed their powers. Labour organizations, organizations of employers, Chambers of Commerce, all groups in society, they are possessed, whenever they are collectively organized, with some measure of social and political power. Sometimes they use this power very well. Sometimes they act in a self-interested manner. Sometimes they use this power to favour others, sometimes to favour themselves.

If any organization becomes so powerful in society, they become powerful either for good or for evil, and when any organization whatsoever becomes sufficiently powerful, it is the obligation of the collective body of citizens to regulate the effective use of that social power in order to preserve the general public good.

What happens when it is the government itself that is abusing its power by destroying negotiated contracts? What has happened? What kind of honour can we speak about if those who are supposed to govern with legitimacy are now imposing their arbitrary will and destroying the consent to the negotiated contract already settled and already agreed upon, by the consent of the parties? We are destroying the very foundation of our civilization, the sanctity of consent and the basic value at the core of our democratic society.

As the manager of the economy, the government, of course, is in charge of monetary and fiscal policy. Sometimes it is within the control of government, sometimes it is outside the control of government, because all the economies in the world are interdependent, and especially in our economic system here in North America. We are not alone in the world. Other developments outside of our society are affecting our economic system because of this interdependency among nations.

When the government is pursuing some monetary and fiscal policy that will make the worsening economic condition worse, such as, for example, high interest rates at a time when what is required is a moderating of those interest rates; when government fails as managers of monetary and fiscal policy and then they try to put the blame on other groups in society like the workers, like the unions, as if they were the ones who were causing all these economic problems; then there is an

unfairness to it. It is not fair to put the blame on other people when the blame lies on our very hand as the manager of the economic system.

So who shall we blame for economic recession? The managers of the economy. They are not helping the economy by increasing unemployment, by depriving people of their work and their jobs. That is making it worse and worse to the society and to the community at large. The government cannot escape its responsibility if it fails as manager and then fires people left and right simply because it wants to balance the budget and have a sound fiscal basis for the next time around.

The management of the economy is in the hands of the federal and provincial governments. They are the directing, the supervising, the monitoring agent of activities, not only within the public sector, but also in the private sector through the regulatory process. Corporations need to be regulated by some rules, taxes have to be collected, reports have to be filed, and there are other requirements by which the government, acting as managers of the economy, can influence the economic activity even in the private sector.

When they can no longer perform the task efficiently and the economy is in trouble, and when we have some problem in our economic system, then they should be able to accept the responsibility and not put the blame on other groups in society.

What this bill is doing is to put a freeze on salary wages for one year, but in the very legislation itself there is a provision, that the freeze can be extended by cabinet decision, by fiat, by legislative fiat. This is dangerous unless it is written explicitly into the legislation itself, that the freeze will be for one year only and no more, because even groups that are exempted from the freeze at the present time can, by the same legislative fiat in the recesses of cabinet decision making, be subjected to the freeze. This is arbitrariness, this is power not confined within limits. This is power that has run amuck and need to be checked, and the only check that can come about is when the election time comes again.

I do not dispute the power of the state to resort to the ultimate source of political power which is a legitimate question, but it must be used all the time. It can only be justified when it is done for the benefit of the general public interest at large. The ultimate power of society can only be invoked for legitimate purposes to promote the general welfare and

well-being of all the citizens. That is the only justification for the existence the theory of the power of government and the power of the state.

* (1730)

The uniting of workers in organized form such as the bond of the union is perhaps one of the strongest bonds of unity outside of the family, but the organization of the union is also an institution in our society to help the individual worker improve his economic condition. It is supposed to help in the achievement of conditions of industrial relations, peaceful, orderly way, so that people can pursue their economic activities according to the existing institutional rules in our society. That is the reason why we have passed industrial relations laws and labour legislations in order to promote the peaceful and orderly settlement of industrial disputes.

The government is under obligation to see to it that there be peaceful, orderly processes in the settlement of industrial conflicts in our society so that we can maintain the kind of society that we have always liked to have in our society. But when the government itself is destroying that peaceful relationship, and it is promoting confrontation, and it is promoting conflict, and it is causing unemployment and are oppressing people, that is the sign that this government has forgotten its mandate to govern for the public good of our society.

Our employer-employee relationship in our province after the passage of the Manitoba Labour Relations Act is trying to establish and create an institutional system and processes where there is mutual trust when there is good faith. Indeed good faith is being enforced by the labour laws as a requirement in the process of collective bargaining. As the honourable member from St. James (Mr. Edwards) has so eloquently enunciated in this Chamber, when there is no longer good faith because there is a breach of one's promise and one's word, after they have made it in a public forum that they will respect the collective bargaining process, then that is the very violation of the industrial relation itself. There is no more good faith, even in the hands of government. That is the worst thing that could happen in any political system, including our provincial system of industrial relations in our society. I grieve and fear for the worst unless we try to respect the established institution and established processes in our industrial relations system. Thank you, Mr. Speaker.

Mrs. Sharon Carstairs (Leader of the Second Opposition): I have spoken at a number of bills this session, and at each one, I have been able to get up and say that it is a privilege to speak to this bill, but on Bill 70, it is not a privilege to speak to the bill. It is not a privilege to speak to the bill because there is a smoke-and-mirrors game going on in this Legislature. The government of the day would have us believe that this bill is about a wage freeze. This bill is not about a wage freeze. That is an incidental part of what this bill will do. What this bill is fundamentally about is the abrogation of collective bargaining. That is what this bill is all about.

Mr. Speaker, on January 20, 1961, John F. Kennedy was sworn in as the President of the United States. These words were used. They said: "The woods are lovely, dark and deep/ But I have promises to keep/ And miles to go before I sleep"—they were written in 1923 by Robert Frost. It became at that particular moment almost a promise of the presidency, but it should, I think, be not only a promise of an American presidency, it should be the promise of every politician when they assume elective office because, before they achieve that, they have made promises. That is part of campaigns in this country and in the country south of the border.

We stand up at public events throughout a 35- to 50-day campaign, and we make promises to the people of a province or to a nation. I would suggest to you, Mr. Speaker, that as the Premier of this province was paddling down his river in his borrowed canoe, he was presumably going through some of those woods that are lovely, dark and deep. I cannot understand why he has repudiated the promises that he made during that election campaign. He has repudiated them over and over again since this government formed a majority in this House. Nowhere is that repudiation more evident than in Bill 70.

The Premier (Mr. Filmon) of this province has consistently said, both when he was the opposition leader and now as the Premier, that he believes in collective bargaining; he is committed to the principle of collective bargaining. But he has repudiated that principle in this legislation.

The Winnipeg Free Press has been quoted, and I think appropriately, by the member for Osborne (Mr. Alcock). He said that Mr. Manness let the power go to his head. He reached back in time and wiped out labour contracts that unions had sought

and bargained for and the government had already accepted. That was unfair and unnecessary. That is what this bill has done. It has reached back and has repudiated collective bargaining. It has in essence said, we no longer support collective bargaining, which is the repudiation of the campaign promises of this Premier.

I think when we are talking about labour legislation, it is very important that we reach back into history, because those who do not know their history are, in fact, doomed to repeat the accidents of that history. In order to prepare myself for this speech, I decided to review some of my Canadian history with respect to the growth of labour unions and the growth of collective bargaining in this nation.

I think it may come as a bit of a shock to some of the people in this room to learn that in 1816, not only were unions frequently illegal, the Province of Nova Scotia had actually prohibited workers from bargaining for better hours or wages and provided prison terms as a penalty for those who would seek to do that lobbying on behalf of their fellow workers—prison terms.

No one wants to return to those days. Everybody wants to believe that we have moved forward, but in this piece of legislation, Mr. Speaker, we are moving backward, we are not moving forward. We are looking to a 19th-Century attitude toward labour and the collective bargaining process and not to a 20th-Century concept. More tragically, we are not moving to a 21st-Century concept of negotiations within the province of Manitoba.

* (1740)

I want to talk briefly about the rationale provided by the Minister of Finance (Mr. Manness) when he indicated the necessity of introducing this legislation. He tried to justify this legislation according to a number of criteria. First of all, he said, well, if we do not pass this legislation, we are going to have to lay off workers. Mr. Speaker, the reality was, they had already laid off 958 workers, 958 employees of the Civil Service.

They said, in the same justification, that they were going to have to increase taxes. Well, Mr. Speaker, by offloading their responsibilities for education, by offloading their responsibilities for the municipalities, they had increased taxes. Taxes have been increased in every single municipality in this province that has imposed them to this point in

1991. Every single one of them have had to increase taxes. So taxes have increased.

The last thing he said was, we have to impose a wage freeze. We have to impose the wage freeze because not to do so would force us to do those other two things. Mr. Speaker, this legislation does not just impose a wage freeze. A wage freeze has been negotiated in the past with members of the Manitoba Government Employees' Association. They have accepted wage freezes in the past, but they have accepted them when they have been negotiated with in good faith, and that has been the critical missing point with the Minister of Finance (Mr. Manness). That is where he has had his blinkers on from the very beginning of this process because he has not negotiated in good faith.

A wage freeze in tough recessionary times, where there is some guarantee of job protection, may well have been accepted by members of the Manitoba Government Employees' Association, but did the Minister of Finance try that type of negotiations? No. He said there will be 958 fewer jobs in the province of Manitoba. We have decided we are going to do that right off the bat.

Did he, for example, do what Bill Davis had done in a time of recession early on in this decade or the previous decade in 1982 where he said, all right, this is the wage package? Perhaps we have to look at those at upper levels of the Civil Service, those whose salaries and benefits are considerably higher than those at lower benefits. Bill Davis indicated that that was a more fair way of dealing with those who are under pressure to pay their basic bills. Did he look at that? Did he offer that kind of a scenario? No. That was not one that he participated in genuine negotiation with either.

So there were alternatives. He did not choose to access any of those alternatives. He said, this is the law according to me. This is the law you will fulfill, and if you do not do that, then I will legislate it anyway, so be good little negotiators and do exactly what I tell you to do. Mr. Speaker, that is not bargaining in good faith. That is not part of the collective bargaining process.

What has tragically happened in this province is a lack of good faith between the employer, the government and the employee. That lack of good faith has displayed itself in a number of ways. I was dismayed to be on the steps of the Legislature the other day and to listen to the language directed

towards the Minister of Finance (Mr. Finance). We can have open and public debate, but language used by individuals, albeit frustrated with the system, against the Minister of Finance is unacceptable. If they will not apologize to him, I will apologize for even being there and listening to that language directed to him because I think it is an affront. It has nothing to do with democracy, and it has nothing to do with collective bargaining. It is the release of venom in a nasty way. It is wrong and it should not happen, but that should not affect the way we deal with people. That should not in any way influence our attitudes.

I said quite publicly that I was appalled when the doctors of this province put the Premier's (Mr. Filmon) private home number on bulletin boards. The Premier of this province should not be subjected to that, and particularly his family should not be subjected to that. That is not decency. That is not an honourable way to treat one another, but because other people act in a dishonourable way, that does not justify our taking actions which are also dishonourable.

Tragically enough, I think Bill 69, which in many ways along with Bill 70 reflects the attitudes of this government, has been motivated because of behaviour which they thought was unacceptable. Well, behaviour may be unacceptable, but as a government, we should be above those kind of behavioural patterns. We should be willing to look at the equity of the issues and not the actions of a few individuals.

In the final offer selection debate, Mr. Speaker, we heard the Premier of this province go on with some eloquence about the need for collective bargaining. We heard the Minister of Labour (Mr. Praznik) with the same kind of eloquence, and the member for St. James (Mr. Edwards) has put many of those direct quotations on the Hansard of today's debate, and I would encourage the Minister of Finance (Mr. Manness) to read those quotations because his action in introducing this bill is a repudiation of the words of those two fellow cabinet members of his.

What we saw last year was perhaps the ultimate cynicism. The Liberal Party along with the Progressive Conservative Party were opposed to final offer selection. We were opposed because we thought it was unfair and unbalanced, that it did not provide equity for both labour and management, and

that is what good labour-management legislation should be.

So we voted against it, but, Mr. Speaker, we were prepared to have that piece of legislation be given Royal Assent immediately. Was it? No. The government decided that it, for its own political agenda, wanted to enter into a deal with the NDP. So they did that. In order to quicken up the end of the session, they said, we will not use our right to invoke this legislation until the 31st of March, 1991. At that point they entered into an agreement. They said in the clearest possible terms that legislation should be on the book, should be capable to being used by any party who chooses to use it until March 31, 1991. We did not like that, but the rule of law says that has to be abided by, that it has to be agreed.

What have they done? Well, they have basically said that agreements made in that period of time are not to be fulfilled. They are not to be followed. It does not matter whether the final offer selector gave wage increases to certain groups, many of whom had been on strike for long periods of time before they had accessed final offer selection. Those people believed—and they had a right to believe—that the government when it signed the deal with the NDP was acting in good faith.

Well, Mr. Speaker, when you act in good faith, even when you find out sometime down the road that perhaps you should not have done what you did, you still accept your signature on the document. Good faith ensures that when you have told the public that you are prepared to accept a process until a certain date, then you are prepared to accept that process.

This government did not do that. This government signed an agreement, got themselves out of the Legislature, gave themselves their vacation time, gave themselves the time to prepare their budget, and then repudiated the agreement.

It is no wonder that when I meet with citizens on the streets of Manitoba today and they say to me, what is wrong with that government, why are they acting in the way that they are acting, I have a sense of unease. Many of them cannot put specific reasons for this sense of unease, but they have a sense of unease, and they have that sense of unease because they believe that the government has become arrogant, that this government has repudiated the things they stood for in the 1990 election campaign.

* (1750)

Mr. Speaker, I want to speak today about a particular group of people who will be, I believe, disproportionately affected by this legislation, and I would call upon the Minister of Co-operative, Consumer and Corporate Affairs (Mrs. McIntosh), the Minister of Citizenship (Mrs. Mitchelson), the members for Fort Garry (Mrs. Vodrey), St. Vital (Mrs. Render) and Seine River (Mrs. Dacquay), and ask them to learn first-hand how this will affect the women who work in the public sector in this province.

I did a few comparisons. A senior employee in the province, the last figure I could find, is paid some \$108,000. If that individual received a 4 percent increase and that individual happens to be a male, they would receive \$4,320 in a wage increase. Even with taxes at a rate of 52 percent, which it is unlikely they would pay, but I maximized that rate, they would see themselves taking home \$172 more a month.

Contrast that with the average female employee of the Civil Service making some \$28,000 a year who would end up taking \$67 a month after taxes in that same 4 percent increase. With that \$67 a month, this individual would pay the increased cost of groceries that have gone up by some 6 percent in the past year. They would pay an increase on their Hydro bill of 3.1 percent. They would pay an increase on their municipal taxes of 4.78 percent. They would pay 1.5 cents per litre extra on their fuel. They would pay 4.5 percent if Manitoba Telephone System gets its way. They will pay an additional 7 percent on all the goods and services that they purchase in the province of Manitoba, and they will pay an additional 5.5 percent on their Manitoba Public Insurance Corporation premiums. There will not be much left of that \$67, and that would be if they were given a 4 percent wage increase.

If they are given a zero percent wage increase, we all know they are going to have significantly less in their pockets, less in their pockets because when you earn \$28,000 a year, you do not have a lot of disposable income. You do not have money to save, because \$28,000 a year basically keeps you going.

These are the people who have been targeted by this government, and these are the people who may well have said, we can accept a wage freeze if we know we are guaranteed our jobs, if we know we are going to be treated with equity, if we know we are

going to be treated in good faith, if we know we are not going to be separated from our husbands when they are transferred to Winkler and we are transferred to Thompson. We can accept that wage freeze if we know that we do not have to watch our husbands move to Gimli, as I heard one tragedy this weekend; then having moved to Gimli, having had the other member of the family commute back and forth to Winnipeg for her Civil Service position, find out the husband who has moved to Gimli is fired with the budget of April of 1991. They may have been able to accept all kinds of things negotiated in good faith, but there was no negotiation in good faith, and that is the tragedy of Bill 70.

Mr. Speaker, the Minister of Finance (Mr. Manness) has indicated on a number of occasions that the reason why they had to use this draconian measure was because everybody had gone to arbitration. That is simply not true. Many of the Crown corporations, in fact, all of them, do not have that ability.

They were going through the legitimate collective bargaining process, a process, the government says, it supports. They were working their way gradually through that collective bargaining process, and all of a sudden, down comes the full force of Bill 70, and they find out that their collective bargaining process which the government says it is committed to has come to a dead halt—a total halt. Why? Because the government did not trust the arbitration process that they had entered into with the Manitoba Government Employees' Association.

Why did they not trust that process? Well, they did not trust it because their arguments were not very solid. Their arguments were not very good, apparently, because if their arguments had been good, if they had been able to prove the case for the government that there simply was no more money, that there simply had to be a recognition of the economic difficulties facing the government, then they should not have feared the arbitration award. But they did fear the arbitration award.

Well, you know the Minister of Finance (Mr. Manness) has various selective quotes he likes to use. You know, different arbitrators take different positions on different issues. There are arbitrators who have clearly indicated what the government's capacity is and what is the ability to pay, and they have taken that into consideration.

Obviously, for some reason or other, the Minister of Finance agreed to an arbitrator who did not share

his political philosophy about ability to pay. Well, whose fault was that? He had input into the selection of the arbitrator. The ability to pay is indeed a subjective concept. If the Minister of Finance wanted to take his own argument about ability to pay, then one suggests that he somehow came up magically with a deficit which is not in the ability of the government to pay. But he created a deficit. He submitted a budget with a deficit.

I mean, if you submit a budget with a deficit, you obviously have made, at some point in the cabinet room, a decision that the ability to pay cannot be the only factor, because if ability to pay was the only factor, Mr. Speaker, there would be no deficit. Thankfully for the services to those desperately in need, at the cabinet table they made a decision that ability to pay cannot be the only factor. There have to be other factors. They made it in the cabinet room with regard to his budget, but they could not make it in the cabinet room with respect to the Manitoba Government Employees' Association.

There they decided that they had to act like little children, who, when they do not get their way, take their bat and their ball and they go home. Mr. Speaker, that is not the way in which legitimate negotiations should take place in the province of Manitoba. That is not the way we should show respect for those who work for us. That is not the way we should show respect to all the citizens in the province of Manitoba.

Mr. Speaker, I am dismayed that to this point in time, only one member of the government has chosen to speak to this bill. I hope there will be more, because if you cannot defend it, you have to vote against it.

Mr. Speaker: Is the House ready for the question?

Mr. Lamoureux: Mr. Speaker, it is with pleasure, to some degree, that I get to speak to this bill.

We are very disappointed in the Liberal Party that the -(interjection)- Let me try this again, Mr. Speaker. We in the Liberal Party are very disappointed that the government has brought forward—

Mr. Speaker: Order, please. When this matter is again before the House, the honourable member for Inkster will have 39 minutes remaining.

The hour being 6 p.m., this House is now adjourned and stands adjourned until 10 a.m. tomorrow (Friday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, July 4, 1991

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