



Fourth Session - Thirty-Fifth Legislature  
of the  
**Legislative Assembly of Manitoba**

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**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

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42 Elizabeth II

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**VOL. XLII No. 75 - 1:30 p.m., WEDNESDAY, JUNE 2, 1993**

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fifth Legislature**

**Members, Constituencies and Political Affiliation**

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, June 2, 1993

The House met at 1:30 p.m.

## PRAYERS

## ROUTINE PROCEEDINGS

## PRESENTING PETITIONS

**Mr. Jim Maloway (Elmwood):** Mr. Speaker, I beg to present the petition of Ian McDougall, Lawrence Manoakesick, Phyllis Wood and others requesting the Premier (Mr. Filmon) to consider making as a major priority the establishment of a solvent abuse treatment facility in northern Manitoba.

**Mr. Gregory Dewar (Selkirk):** Mr. Speaker, I beg to present the petition of Laurie Taylor, Emelia Taylor, Maggie Manoakesick and others requesting the Premier (Mr. Filmon) to consider making as a major priority the establishment of a solvent abuse treatment facility in northern Manitoba.

\* \* \*

**Ms. Jean Friesen (Wolseley):** Mr. Speaker, I beg to present the petition of Linda Taylor, Rita Smith, Annette St. Hilaire and others requesting the Minister of Family Services (Mr. Gilleshammer) to consider restoring funding of the Student Social Allowances Program.

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**Mr. Cliff Evans (Interlake):** Mr. Speaker, I beg to present the petition of Samuel Harper, Abel Mason, William T. Manoakesick and others requesting the Premier (Mr. Filmon) to consider making as a major priority the establishment of a solvent abuse treatment facility in northern Manitoba.

## READING AND RECEIVING PETITIONS

**Mr. Speaker:** I have reviewed the petition of the honourable member (Mr. Dewar). It complies with the privileges and the practices of the House and complies with the rules. Is it the will of the House to have the petition read? [agreed]

**Mr. Clerk (William Remnant):** The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:

WHEREAS there is a very serious solvent abuse problem in northern Manitoba; and

WHEREAS according to the RCMP over 100 crimes in Thompson alone in 1992 were linked to solvent abuse; and

WHEREAS there are no facilities to deal with solvent abuse victims in northern Manitoba; and

WHEREAS for over three years, the provincial government failed to proclaim the private member's anti-sniff bill passed by the Legislature and is now proposing to criminalize minors buying solvents even though there are no treatment facilities in northern Manitoba; and

WHEREAS for nine years, the 25 Chiefs who comprise the Manitoba Keewatinowi Okimakanak, supported by medical officials, police and the area Member of Parliament, have proposed a pilot treatment project known as the Native Youth Medicine Lodge; and

WHEREAS successive federal Ministers of Health have failed to respond to this issue with a commitment; and

WHEREAS the Manitoba provincial government has a responsibility to ensure that there is adequate treatment for solvent abuse.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to request the Premier to consider making as a major priority, the establishment of a solvent abuse treatment facility in northern Manitoba.

**Mr. Speaker:** I have reviewed the petition of the honourable member (Mr. Ashton). It complies with the privileges and the practices of the House and complies with the rules (by leave). Is it the will of the House to have the petition read? [agreed]

**Mr. Clerk:** The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:

WHEREAS there is a very serious solvent abuse problem in northern Manitoba; and

WHEREAS according to the RCMP over 100 crimes in Thompson alone in 1992 were linked to solvent abuse; and

WHEREAS there are no facilities to deal with solvent abuse victims in northern Manitoba; and

WHEREAS for over three years, the provincial government failed to proclaim the private member's anti-sniff bill passed by the Legislature and is now proposing to criminalize minors buying solvents even though there are no treatment facilities in northern Manitoba; and

WHEREAS for nine years, the 25 Chiefs who comprise the Manitoba Keewatinowi Okimakanak, supported by medical officials, police and the area Member of Parliament, have proposed a pilot treatment project known as the Native Youth Medicine Lodge; and

WHEREAS successive federal Ministers of Health have failed to respond to this issue with a commitment; and

WHEREAS the Manitoba provincial government has a responsibility to ensure that there is adequate treatment for solvent abuse.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to request the Premier to consider making as a major priority, the establishment of a solvent abuse treatment facility in northern Manitoba.

\* (1335)

#### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**Mrs. Louise Dacquay (Chairperson of Committees):** Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the honourable member for Sturgeon Creek (Mr. McAlpine), that the report of the committee be received.

**Motion agreed to.**

#### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, may I direct the attention of honourable members to the Speaker's Gallery, where we have with us this afternoon Mr. Gabor Horvath, who is from the Hungarian Embassy.

On behalf of all honourable members, I would like to welcome you here this afternoon, sir.

Also with us this afternoon, we have from the Bannatyne School fifty Grade 6 students under the direction of Ms. Monique Renaud. This school is

located in the constituency of the honourable member for Sturgeon Creek (Mr. McAlpine).

On behalf of all honourable members, I would like to welcome you here this afternoon.

#### ORAL QUESTION PERIOD

##### Bison Fund Sheraton Hotel

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, my question is to the Deputy Premier (Mr. Downey).

In dealing with the Crewson report, Section 2, page 17, it is indicated that the \$2.2-million investment in the Sheraton Hotel now appears to be worthless, based upon the receivership from the bank. We also noted there was no follow-up documentation on the files regarding the accountability and utilization for these funds.

When the Sheraton Hotel went into receivership, the minister indicated that the provincial government had approved funds from Bison being utilized for the Lakeview investment in Sheraton.

Can the minister indicate, what date did they approve that decision?

**Hon. Eric Stefanson (Minister of Industry, Trade and Tourism):** Mr. Speaker, the Leader of the Opposition is correct in that the investment followed the process that we have outlined in this House on many occasions whereby syndicated fund investments come to the provincial government to determine the merits of them based on economic benefits to Manitoba.

I also outlined back in December to this House that job maintenance and retention is a qualifying criteria within the federal-provincial guidelines. It was on that basis that this investment was approved some time ago. I do not have the exact date before me today. I will certainly provide that to the honourable member as soon as I can.

**Mr. Doer:** On March 26, 1991, the minister told the public of Manitoba that all Immigrant Investor Funds in the province of Manitoba would be investigated by the provincial government through an internal investigation.

Mr. Speaker, the funds that I have raised just now in terms of the Sheraton Hotel flowed, according to the Crewson report, in January 1992.

I would like to ask the minister: Was the approval given to the Bison Fund to fund the Sheraton Hotel—was that decision approved by the provincial government after March 26 when the minister told us that they would be having an internal review of all of those investments?

**Mr. Stefanson:** Mr. Speaker, I outlined to the Leader of the Opposition that I will obtain the exact date that he is inquiring about. I have also outlined for him on many occasions—he keeps referring to the government in terms of approval and so on. He knows how the approval process works. He knows that it was done at an administrative level within the Department of Industry, Trade and Tourism. He knows full well the process, because it is the same process that was in place starting in 1986 when he was part of a government that was in place when the program first was implemented in Manitoba.

I will get him the exact date. He refers to the internal review. I have indicated on previous occasions in this House that the review back in March of '91 indicated that basically funds were abiding by the guidelines that exist.

I also indicated in this House that I subsequently wrote the federal minister in March of 1991 outlining what our role is in the Immigrant Investor Program. I have explained it for the Leader of the Opposition many times. He seems to occasionally have difficulty understanding the role of the provincial government.

We underlined what the role of the federal government is, what their role should be. We have consistently worked towards that by dealing with an auditor's report in 1992, and we continue to press the government to do what they should be doing—the federal government, Mr. Speaker.

\* (1340)

### **Immigrant Investor Fund Internal Review**

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, on April 29, 1991, I asked the Premier (Mr. Filmon) questions on the same matter of the investigation, the so-called investigation of all the Immigrant Investor Funds in Manitoba. The Premier indicated that the minister would report publicly on his findings which, of course, never took place. He further went on to say that we have some of the best records with respect to ensuring the proper investments in the Immigrant Investor Funds in the province of Manitoba.

Later on in tab 3, page 29 of the brief, it becomes clear that the provincial government granted some of these approvals through verbal agreement, and later on goes on to say that sometimes the funds and the fund approvals from the provincial government were not always in the files, a file was not always maintained.

Did the minister investigate or was he alerted to the fact that the files and information were not adequate in his own department, from the inquiry that he ordered on March 26, 1991? Why were we not aware at that date, not only of the inadequacies of the investments and the inadequacies of the files and information—why did we just proceed with business as usual with the many approvals that this government gave to many of these funds?

**Hon. Eric Stefanson (Minister of Industry, Trade and Tourism):** Mr. Speaker, I, too, have read the questions of the Leader of the Opposition back in April of '91, and his questions basically revolve around maximizing participation in the fund. He talks about economic opportunities and so on through the fund. As I outlined yesterday, nowhere does he ask about compliance mechanisms. Nowhere does he ask about monitoring. Nowhere does he ask about investor protection, any of the issues that have come to light during 1992. He never asked about those issues. He asked about maximizing employment opportunities and utilization of the fund.

I have indicated that we did an audit starting in August of 1992 and made a series of recommendations. We support those recommendations in terms of building compliance and the monitoring and the proper protections around the fund. We will continue to press the federal government to put those in place, Mr. Speaker.

The review done in March of 1991 did not bring to light internally any of the concerns that we subsequently saw in August of 1992 in terms of documentation. We have taken steps to address that internally, as I have outlined to this House on many occasions before.

### **Arni Thorsteinson CMHC Agreement**

**Mr. Jim Maloway (Elmwood):** Mr. Speaker, my question is to the Minister of Housing.

Things are, once again, coming up roses for Arni Thorsteinson. After the province spent untold money for closing on the properties at 393 Kennedy

and 368, 374 Edmonton Street, while letting Mr. Thorsteinson keep the \$50,000 a month rents, we learned that he has an arrangement now where he can keep the buildings and the rents for a further five years.

I would like to ask the minister: Will the minister release the details of the secret deal that has been struck with Mr. Thorsteinson? What were the conditions that he agreed to?

**Hon. Jim Ernst (Minister of Housing):** Mr. Speaker, I know not of what the member speaks.

**Mr. Maloway:** Mr. Speaker, well, the person in question himself made a statement quoted in the Free Press stating that in exchange for the extension, he agreed to certain conditions.

### Legal Action

**Mr. Jim Maloway (Elmwood):** Since this minister is supposedly in charge of the housing in this province, I would like to ask the minister why it took so long for the province to move on legal action in this case.

**Hon. Jim Ernst (Minister of Housing):** Mr. Speaker, as we have indicated in the past—and no doubt the auditor when she has completed her report will indicate—we have acted at the direction of our insurers, the Canada Mortgage and Housing Corporation. We have letters on file from them giving us comfort to the fact that we should not be proceeding, we should hold off because they had other issues they were dealing with directly with the owner of the property in an attempt to find a workout. We have two or three of those letters of comfort on file, which the auditor will be provided, and which will be reported on in due course.

The fact of the matter is, Mr. Speaker, we were pressing CMHC to foreclose. CMHC asked us not to and asked us to hold off, pending other issues related to a workout that they were trying to do with Shelter Corporation.

That was indicated in past discussions in the House in this regard. It is not something that is new.

Nonetheless, Mr. Speaker, we are acting at the direction of CMHC, who is the insurer. They told us, finally, in November of 1992, to proceed with foreclosure. We did. We in turn took the rents then as mortgagee in possession.

### CMHC Agreement

**Mr. Jim Maloway (Elmwood):** Mr. Speaker, my final supplementary to the same minister is: Would he endeavour to produce the details of this agreement, and could he also check to find out whether there are any more deals of this type involving this person?

**Hon. Jim Ernst (Minister of Housing):** Mr. Speaker, if the member for Elmwood has facts, let him table those facts in the House here today. Let him not make innuendoes and suggestions about something that I—[interjection] With respect to those two buildings, Manitoba Housing is mortgagee in possession. We are collecting the rents at the direction of CMHC. CMHC will pay every single cent that is owed to us under their insurance program for those two buildings.

\* (1345)

### Sexual Abuse Mental Health Care Patients

**Mr. Gulzar Cheema (The Maples):** Mr. Speaker, my question is for the Minister of Health.

Mr. Speaker, the Canadian Mental Health Association has released a report this morning which documents many cases of sexual abuse. It is a clear violation of the abuse of power and trust. There are a number of horror stories in this report, and I am sure the minister has reviewed some of them.

Can the minister tell this House whether he has seen some of the recommendations? Will he comply with some of the very important recommendations to make sure these patients are not being abused in the future?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I received the same report my honourable friend is referring to. We take the survey and the response to that survey very seriously.

Mr. Speaker, I think it is fair to say that the survey was stimulated because of a reported abuse of a patient in a mental health facility approximately two and a half or three years ago, and following investigation of that circumstance, appropriate action I believe was taken at the time.

Subsequent to that and more important to that, Sir, in September of 1991, we distributed to all of our mental health facilities, protocols and guidelines in which they would be guided within their institution to

prevent, to every degree possible, a reoccurrence of the unfortunate circumstance that became a subject of media reports and subsequent action at the facility.

Mr. Speaker, I think it is fair to say that a number of the recommendations that were made in the report that was tabled today are in part or in whole contained in the September abuse guidelines that were circulated in 1991.

**Mr. Cheema:** Mr. Speaker, it is very clear from this report some of those guidelines are not functioning. That is why we have this problem.

Can the minister now make a commitment to have some of the new guidelines put in place to make sure that any person with a mental illness who is being abused, whether physically or sexually, has recourse to go and have a special independent body to make sure their views are heard?

**Mr. Orchard:** Mr. Speaker, I do not have the ability to conclude, as my honourable friend did in his preamble, that some of the guidelines are not working according to the results of the survey, and that, of course, is information that we are very anxious to receive in further discussions with the Canadian Mental Health Association.

My honourable friend will be aware that some of those individuals who reported abuse—those circumstances, as I understand it in a preliminary briefing of the report, go back as far as 30 years ago.

To conclude that some of the guidelines are currently not being adhered to, I am not certain that we can conclude from that, but we are very anxious to determine that so that we can take whatever action would be seen as appropriate to prevent that kind of very, very inappropriate violation of a trust relationship that one seeking assistance for mental illness would not expect to receive from professional caregivers.

### **Sexual Abuse Mental Health Care Patients**

**Mr. Gulzar Cheema (The Maples):** Mr. Speaker, the basic question here is that abuse of the power has occurred and the trust has been taken advantage of.

Mr. Speaker, can the Minister of Justice tell us, or can he make a commitment, that he will refer this matter to the Manitoba Law Reform Commission for review, because that is one of the recommendations

of this report and that will help many victims of this abuse?

**Hon. James McCrae (Minister of Justice and Attorney General):** It is not clear to me, Mr. Speaker, that the Law Reform Commission is in a position to do anything or use the resources it has to shed any further light on this matter as it is not an investigative agency but a law reform and monitoring agency.

However, I can tell the honourable member that should police authorities be made aware of any allegations of this type, my department would certainly do everything it could to ensure that these matters are investigated thoroughly, and should it be possible, prosecutions would go forward.

\* (1350)

### **Arni Thorsteinson Resignation Request—Manitoba Hydro**

**Mr. Steve Ashton (Thompson):** Mr. Speaker, in recent weeks we have seen growing evidence of the business, personal and political connections between a number of chief Tory fundraisers and the federal and provincial Conservative governments.

In fact, the activities of Arni Thorsteinson, the president of the PC Manitoba Fund, have led to the federal Minister of Public Works, Elmer MacKay, asking for his resignation from the Bank of Canada. The minister indicated, under all the circumstances it seems appropriate that Mr. Thorsteinson tender his resignation.

Mr. Speaker, I have a question for the Minister responsible for Manitoba Hydro. Will the Minister responsible for Manitoba Hydro also ask for Mr. Thorsteinson to withdraw from the Manitoba Hydro Board so that the same protection of the integrity of Manitoba Hydro can be offered that is now going to be in place for the Bank of Canada?

**Hon. James Downey (Minister responsible for The Manitoba Hydro Act):** Mr. Speaker, it is my understanding that the individual who is referred to, on his own inclination offered his resignation to the Bank of Canada for the position which he held. At this point I have no reason to entertain or believe that the same thing should happen in Manitoba. My understanding is the individual will be able to carry out a very meaningful role in the capacity of board member for Manitoba Hydro.

**Mr. Ashton:** The federal Conservatives are not exactly known for their great ethics when it comes

to patronage. This government will not even do what the federal Tories are doing.

I would like to ask the minister: Why is it that the federal minister has asked for the resignation of Mr. Thorsteinson, but this minister and this government will not ask for the same resignation, for the same withdrawal from Manitoba Hydro that has already taken place with the Bank of Canada?

**Mr. Downey:** Mr. Speaker, I do not think this government needs to take a lecture from the member opposite, a government that paid one Mr. Messer and his associates to try and find a potash mine, some \$1 million in a contract, during their term of office, without tender, a direct hand to one of their political buddies from Saskatchewan of close to a million dollars and still no development of a potash mine.

Mr. Speaker, as far as the capacity of Mr. Thorsteinson as a director of the Manitoba Hydro Board, if the member has some evidence as to why that individual should not sit in that capacity, then let him be person enough to table it.

**Mr. Ashton:** Mr. Speaker, will the minister listen to the words of the federal minister, who said, under all the circumstances it seems appropriate that Mr. Thorsteinson tender his resignation?

Why will this government not do the same thing? Why will it not break the web of inside contacts with Tory fundraisers with this government, and ask for a clean slate by asking Mr. Thorsteinson to do the same thing with Manitoba Hydro that he has done with the Bank of Canada, that is, resign?

**Mr. Downey:** Mr. Speaker, do I have to repeat for the member opposite, who certainly does not have any knowledge—we do not have any greater capacity than he did when it came to political patronage, and I certainly point out an indication.

Mr. Speaker, as I said to the member, if he can table some reason why the individual should resign from the Manitoba Hydro Board, then I am sure the member would consider it, but at this particular point I have no knowledge of any conflict or any reason why the individual should be asked to step down from the Manitoba Hydro Board.

### **Assiniboine River Diversion Environmental Information**

**Ms. Marianne CerlIII (Radlsson):** Mr. Speaker, the federal Environment Assessment division has

written with harsh criticism about the inadequate information provided in the environmental impact statement for the Assiniboine diversion. They have indicated clearly that this information must be supplied before the assessment could proceed.

I would ask the Minister of Natural Resources how his department has responded to this and what assurances can he give that the information requested by the federal agencies will be available before the assessment goes ahead.

**Hon. Harry Enns (Minister of Natural Resources):** Mr. Speaker, to answer directly to the question that the member for Radisson poses, my department and indeed the proponents have responded to the very lengthy and detailed requirements put forward, (a) in the first instance, by the Department of Environment, and (b) in the second instance, by the Environment Commission itself, a lengthy and detailed information package that was requested under our law by the appropriate agencies here in Manitoba.

I can indicate to the honourable member that in addition to that, I do not know whether it is by practice or by any regulation, the chairman of the Clean Environment Commission requested that information coming from my department be made available some 14 days in advance so that it could be in the hands of other interested parties appearing before that commission.

Mr. Speaker, all that is being done, all that is being complied with as required under Manitoba law.

\* (1355)

**Ms. CerlIII:** Mr. Speaker, how can this government justify setting hearing dates for this project when all of the information requested has not been made available and all the issues have not been addressed as outlined by the federal agencies?

**Mr. Enns:** Mr. Speaker, I simply refuse to get into a debate with the honourable member on the merits of that particular document, a document that suggests that the progressive communities of Morden, Carman, Winkler and Altona are not a growth area in Manitoba, by some faceless bureaucrat in Ottawa—I could take issue with. The suggestion that we have a water shortage in that area, I take no issue with. That is the reason why, for the last 25, 30 years, some solution, some resolution to this issue has been raised.



Now the proponents have put the issue before the Clean Environment Commission and that is where the matter will be debated, Mr. Speaker.

**Ms. Cerilli:** Mr. Speaker, the issue is why is this government pushing through with this project based on conceptual information only when the federal agencies are saying there is no point in dealing with an assessment on a conceptual proposal?

**Mr. Enns:** Mr. Speaker, let us be very clear, with all due respect to whomever it is in Ottawa, but it is not Ottawa's concern with respect to providing a long-needed resolution to chronic water shortage problems to Manitoba towns and Manitoba citizens. First and foremost, that is the responsibility of this government.

A proposal has been put forward, Mr. Speaker. The comments made by the environmental people out of Ottawa, the environmental people in Manitoba, the proponents, the present users of water from the Assiniboine, all will have an opportunity to make their various views known, whether they think there are shortcomings in the information provided or not. That, I expect, will take place through the well-advertised public hearings that are about to begin, I believe, in mid-June.

### **Sexual Abuse Mental Health Care Patients**

**Ms. Avls Gray (Crescentwood):** Mr. Speaker, we have asked some questions this afternoon on Women's Voices Shall Be Heard. I was pleased that the Minister of Health had an opportunity to read some of the recommendations in this report.

Perhaps the Minister of Health could tell us—he has indicated that he had protocols put in place within his department dealing with abuse guidelines. Can the minister tell this House, since those protocols have been put in place, what statistics does he have about the number of complaints of potential abuse cases within his department, within institutions, et cetera? Does he have those statistics today?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, no, I do not have the specifics. They may be available but I do not have them. I will certainly make that inquiry and provide the answer to my honourable friend tomorrow, but appreciate that is why the division of Mental Health in my department established those protocols for circulation in 1991. Secondly, I might add, to my honourable friend in

anticipation of her next question, I believe that we will shortly have similar protocols available for those community-based mental health workers, so that we have a consistent policy of assuring that any incidents of abuse are reported and dealt with expeditiously.

**Ms. Gray:** Mr. Speaker, I am actually surprised that the minister does not have those statistics. One would think that with a report of this kind indicating statistics, he would want to, first thing, find out what is going on in his department.

With a supplementary question to the Minister of Justice (Mr. McCrae)—the minister responded today in response to a question from my colleague that, should police authorities be made aware, then something will be done in each case.

Can the Minister of Justice tell us: Is he prepared to be proactive and take leadership within his department to actually look at these recommendations, and if the Law Reform Commission is not the appropriate venue, what will he do as the Minister of Justice to deal with these very serious allegations in the report?

\* (1400)

**Mr. Orchard:** Mr. Speaker, I want to answer this question, because that is one of the items that we are attempting to clarify in discussions with the Canadian Mental Health Association, because one of the very serious allegations—and it is my understanding that the surveys were filled in approximately 50 weeks ago. They were to be returned in June of 1992.

The report indicates that three individuals who replied in the survey indicated that they were currently being abused. What we are trying to determine is whether the Canadian Mental Health Association, in the construct of that survey, knows the identity of those individuals so they can forward those names on to us so we can expedite an appropriate course of action. I am unable to indicate to my honourable friend if that kind of information is available so we can take immediate action, Sir.

### **Sexual Abuse Mental Health Care Patients**

**Ms. Avls Gray (Crescentwood):** Mr. Speaker, I have a final supplementary question.

The literature in this report not only deals with specific cases in Manitoba but talks about the fact that this is a widespread problem in North America.

My supplementary question is to the Minister responsible for the Status of Women: Can she, as minister, take a leadership role to ensure that a number of her ministerial colleagues get together to look at this report and develop a plan of action, rather than having her colleagues perhaps spend a lot of time picking holes in this report?

**Hon. Bonnie Mitchelson (Minister responsible for the Status of Women):** Mr. Speaker, indeed any statistics that indicate that women throughout Manitoba are being abused in any way are not acceptable to this government and I am sure not acceptable to any member of this Legislature. There are protocols that are in place, not only in the Department of Health, but I know in the Department of Family Services also there are some protocols.

We will continue to work expeditiously. We would want to know, in fact, if there are any cases that are not being addressed and are prepared to work with the Canadian Mental Health Association or any other advocacy group that deals with mental illness and abuse to ensure that there is a very prompt response to any serious allegations that have been made.

### Sunday Shopping Economic Results

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, the last few days in this House where questions have been raised about the relationship between the government and party fundraisers I think have raised a lot of eyebrows not only in the city of Winnipeg but in rural Manitoba, but they are not surprised because this government continues to listen only to its very close friends. Nowhere is that more evident than in the area of wide-open Sunday shopping.

Can the Minister of Industry, Trade and Tourism tell us why, when he introduced this legislation back in the December 1 version of this legislation, he said Sunday shopping could provide some positive stimulation to keep our economy growing—can the minister explain then why Eaton's downtown and The Bay employees are now telling us that as of June 20, this month, they are going to be closed on Sundays?

**Hon. Eric Stefanson (Minister of Industry, Trade and Tourism):** Mr. Speaker, that clearly is a part of the process that any individual will have the opportunity to make, to make the choice of whether or not they want to open their business on a Sunday or whether or not they do not want to open their business. Consumers will have the choice whether or not they want to shop on a Sunday or not shop on a Sunday or do other things.

Mr. Speaker, that is clearly a part of the process. They are being given the opportunity to do that. The decisions that will dictate that will be their level of sales over the course of the week, their cost of doing business, consumer interest and demand and other initiatives.

We never suggested that each and every business that has the opportunity to open, will open. In fact, Mr. Speaker, we have made it so that under lease arrangements in different shopping centres and so on, businesses cannot be forced to open, that businesses will have the individual choice to decide and consumers will have the individual choice to decide whether or not to shop.

**Mr. Storie:** Mr. Speaker, the only rational explanation that this government offered was that this was going to create economic stimulation. It has failed. The latest statistics from Stats Canada show a decline in retail sales in Manitoba. We have not seen any growth in employment.

Mr. Speaker, my question to the Minister of Industry, Trade and Tourism: Given that even the economic rationale is not working, will the Minister of Industry, Trade and Tourism now concede that the wishes of the Manitoba Chamber of Commerce and small businesses should take precedence over his Tory friends?

**Mr. Stefanson:** Mr. Speaker, as usual, the member for Flin Flon is totally inaccurate with his preamble and with his statements in at least two areas.

He suggested economic reasons were the only reasons. They never were the only reasons. We have had debates in this House about the kinds of reasons why Sunday shopping should potentially be allowed in Manitoba, reasons like retailer choice, whether or not a retailer wants to open, reasons like consumer choice, consumer preference, whether consumers want to shop on Sunday—a whole range of issues affecting why Sunday shopping should potentially be allowed wide open in this province.

As usual, he is totally inaccurate. I do not know where he gets his statistics, because the retail sales statistics were just released for the month of March a few days ago, and Manitoba retail sales rose 5.7 percent on an actual basis in March '93 compared to March 1992, the second highest growth in all of Canada. If you look at the period from September '92 to March of '93, again, we had the second highest growth rate in retail sales in all of Canada. So where is he getting his economic numbers?—I do not know, as usual.

**Mr. Storle:** It is rather amusing that the minister is so accurate with his dates when it comes to Sunday shopping information, but he cannot find the immigrant investor dates.

**Mr. Speaker,** my question is: If this has been such an unqualified success, why are small businesses, communities from across rural Manitoba still opposing this legislation? Why are The Bay and Eaton's, which should have been contributing to the amenities available to tourism, closing on Sunday if it is such a success?

**Mr. Stefanson:** Mr. Speaker, again, as usual, the member for Flin Flon—I am not sure he listens to Manitobans, pays attention to what is happening in our province. We have always acknowledged, we have been a party that has always acknowledged that this is an issue that does not have unanimous support of Manitobans. We recognize that difference.

Surveys that have been done by a range of organizations have recognized that. Different organizations have had debates on it. The Winnipeg Chamber supports it. The Manitoba Chamber originally came out strongly against it. At the recent annual meeting, they had a vote of eight to seven against, showing that there has been some shift in their support. We are in discussions with organizations like the Manitoba Chamber, the Winnipeg Chamber, Union of Manitoba Municipalities, Manitoba Association of Urban Municipalities, on and on.

There are various opinions on Sunday shopping, we recognize that. The kind of system we put in place or are recommending, Mr. Speaker, is one that is virtually identical to every province in western Canada. It gives municipalities the opportunity to choose whether or not to open. It gives consumers the opportunity to choose whether or not to shop,

and it gives retailers the opportunity to choose whether or not to open.

### **Sexual Abuse Mental Health Care Patients**

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, the Canadian mental health committee of the Canadian Mental Health Association, Manitoba Division ought to be complimented for the report that was released concerning abuse of women, in particular. Anyone who reads this report cannot help but be moved by some of the recommendations and stories in the report.

My concern, Mr. Speaker, in the report, is that of the women who report in the report, only 25 percent actually reported the abuse. Of the 25 percent who reported the abuse, only less than 4 percent actually received satisfaction as a result of the reported abuse.

My question to the Minister of Health is: Can the minister advise this House whether or not protocols can be immediately entered into, not just at health centres, but with all the professional bodies who are charged with the responsibility of dealing with and reporting these cases of abuse?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I do not know whether my honourable friend heard my first response to the second series of questions from the second official opposition, but I indicated to him at that time that we were having a second set of protocols, which we hope will be ready for distribution very shortly to all community-based mental health workers. Despite that, which will, in part, answer his question, all professional organizations have very, very strict internal protocols guiding professional practice. That is not a new event. I think that has been there well in advance of even the earlier reported incident approximately three years ago.

**Mr. Chomiak:** Mr. Speaker, that still does not answer the question of why less than 25 percent of women actually reported it and less than 4 percent received satisfaction with respect to those protocols that are in place.

My supplementary to the minister is: Will the minister immediately consider the setting up of perhaps a co-ordinator or an 800-line or some other body or organization that would allow women and all those out there who feel they are being abused, to have one central body, one central agency to go

to, Mr. Speaker, prior to having to go through the other hoops that they have to go through concerning abuse?

**Mr. Orchard:** Mr. Speaker, my honourable friend might be aware—it was pointed out to me in terms of the survey that was sent out some year and a half ago—that they included a list of resource information, and one resource information was the provincial free, province-wide crisis line and phone number.

\* (1410)

**Mr. Chomlak:** Mr. Speaker, I think that also misses the point in that there is no particular body or agency they can refer specifically to this.

In my final supplementary to the minister: Will the minister consider the recommendation of the Canadian Mental Health division with respect to the establishment of a separate study or separate body to provide advocacy for these individuals who are involved in this situation, Mr. Speaker, considering the widespread abuse that, obviously, this report indicates, or it can potentially prevent?

**Mr. Orchard:** Mr. Speaker, I want to offer a caution to my honourable friend. This is a very serious matter, but already some of the impressions one would have following the release of this report is that 82 percent of women who receive assistance for mental illness are sexually abused. Sir, that is not accurate. Not even this report indicates that. What the report indicated is that out of 111 women who responded, some 89 responded indicating sexual abuse to varying degrees. Now that is 89 too many incidents, as I will fully acknowledge.

Mr. Speaker, to leave the impression that my honourable friend just did, that this kind of abuse is rampant and widespread amongst caregivers, professional caregivers, does a disservice to those individuals who work tirelessly and on behalf of those ill Manitobans. I would caution my honourable friend not to try and create a circumstance that is not there.

There are a number of sources of assistance that are in place. Those are constantly being added to and advanced in terms of the mental health reform process, and we will continue to do that.

## Government Departments Service Co-ordination

**Ms. Becky Barrett (Wellington):** Mr. Speaker, in June of 1991, the Manitoba Association of School Trustees, the Manitoba Teachers' Society, Manitoba Association of School Superintendents and the Association of School Business Officials presented a report to the government of Manitoba entitled *Re-examining the Delivery of Services to Children* in which they recommend that the province undertake a comprehensive investigation to determine how services to children, provided by departments and agencies of government, can be improved by the effective co-ordination and reallocation of financial and human resources and that the province develop by December '91 an action plan identifying specific projects and initiatives to achieve those goals.

I would like to ask if the Ministers of Health (Mr. Orchard), Education (Mrs. Vodrey), Family Services (Mr. Gilleshammer) and Justice (Mr. McCrae) have undertaken this comprehensive investigation, and will the government table today the action plan which outlines each department's projects and initiatives to deal with this situation?

**Hon. Rosemary Vodrey (Minister of Education and Training):** Yes, the ministries involved and the ministers involved have taken this very seriously. I have explained over the process of Estimates that a steering committee was set up. That steering committee involved our deputy ministers. It then moved on to a working group. The working group has completed its work. The report has gone to the deputy ministers. The ministers will be considering the report.

## Youth Violence City of Winnipeg Consultations

**Ms. Becky Barrett (Wellington):** Mr. Speaker, can the government state which specific co-ordination of services, other than steering committees, working groups and focus groups, has been undertaken between the city and the province to deal with the increasingly widespread problem of youth gangs now facing not only the inner city of Winnipeg, but also middle-class and even affluent suburbs in our city?

**Hon. Harold Gilleshammer (Minister of Family Services):** We are in regular contact with the Child and Family Services agency in the city of Winnipeg

and the collateral groups which they work with. We have also had discussions with other ministries within government to look at what appears to be an emerging problem.

### Child and Family Services

**Ms. Becky Barrett (Wellington):** Can the Minister of Family Services explain to this House how the Child and Family Services agencies of Winnipeg, which have a 14 percent increase in their caseload with a 4 percent reduction in staffing with no regular services provided on Friday, can deal with this "emerging problem"?

**Hon. Harold Gilleshammer (Minister of Family Services):** The primary role of the Child and Family Services agency is to protect children that are at risk, but they also have community outreach programs and work with collateral agencies like Rossbrook House, Pritchard Place and other groups that work with young people who are away from their home and are getting into difficulties, and this work is ongoing.

**Mr. Speaker:** Time for Oral Questions has expired.

### ORDERS OF THE DAY

**Hon. Darren Praznik (Deputy Government House Leader):** Mr. Speaker, first of all, I would ask if you would canvass the House to see if there is a willingness to waive private members' hour.

**Mr. Speaker:** Is there a will of the House to waive private members' hour? No, leave is denied.

**Mr. Praznik:** Mr. Speaker, I would ask if you could please call for second reading of Bill 38 as well as Bill 41. I will have further announcements on House Business following the completion of these two second readings.

### SECOND READINGS

#### Bill 38—The City of Winnipeg Amendment, Municipal Amendment, Planning Amendment and Summary Convictions Amendment Act

**Hon. Jim Ernst (Minister of Urban Affairs):** Mr. Speaker, I move, seconded by the Minister of Industry, Trade and Tourism (Mr. Stefanson), that Bill 38, The City of Winnipeg Amendment, Municipal Amendment, Planning Amendment and Summary Convictions Amendment Act; Loi modifiant la Loi sur la Ville de Winnipeg, la Loi sur les municipalités, la

Loi sur l'aménagement du territoire et la Loi sur les poursuites sommaires, be now read a second time and be referred to a committee of this House.

#### Motion presented.

**Mr. Ernst:** Mr. Speaker, I am pleased to introduce for second reading Bill 38 to amend The City of Winnipeg Act, The Municipal Act, The Planning Act and The Summary Convictions Act.

The most significant components of Bill 38 are firstly amendments regarding airport vicinity protection areas and, as well, amendments regarding the collection of outstanding municipal parking fines.

This bill also contains substantive amendments with respect to correcting errors in the legal description of municipal boundaries, procurement of goods and services by the City of Winnipeg, phasing in the City of Winnipeg business tax, the city's penalty and properties redeemed from a tax sale, the definition of a public utility operated by the city.

\* (1420)

Mr. Speaker, the remaining amendments in Bill 38 are generally of a housekeeping nature.

I would like now to take a few minutes to describe each of the substantive amendments that I have outlined.

Firstly, with respect to airport vicinity protection areas, in 1989 the government of Manitoba became concerned that certain proposed developments near Winnipeg's International Airport might jeopardize the operation of this airport facility. Subsequently, the former Minister of Urban Affairs, the now Minister of Government Services, the Honourable Gerald Ducharme, and the present Minister of Highways and Transportation, the Honourable Albert Driedger, established an advisory committee to report on the ways in which to protect against potentially incompatible land uses in the area surrounding Winnipeg's airport.

In July of 1990, the Advisory Committee for the Protection of the Winnipeg International Airport submitted its report and recommendations. Among its recommendations the advisory committee suggested the need for land use controls in the vicinity of the airport and the need for provincial legislation to provide the appropriate framework. Since the advisory committee submitted its report, the province has been discussing the protection of Winnipeg's airport vicinity with the City of Winnipeg

and the federal government and who has the jurisdiction to regulate for the safe and efficient operation of airports in this country.

The objectives of the airport protection amendments in this bill are to ensure that Winnipeg's airport continues to function as a 24-hour operation, something vitally important to our economy. To protect it, Mr. Speaker, Winnipeg's airport as an economic asset and as a catalyst, and to ensure development control measures are in place to limit or to prohibit noise sensitive land uses, or to mitigate aircraft noise impacts on new development in the airport's vicinity.

Essentially the legislation will require the City of Winnipeg to undertake two steps. Firstly, to amend Plan Winnipeg, that is the city's development plan in order to define the boundaries of an area to be known as the airport vicinity and to adopt Plan Winnipeg policies which will ensure that land uses and development in the vicinity of the airport do not jeopardize the operation of the airport.

Mr. Speaker, No. 2, to adopt development by-laws or zoning provisions, if you like, to regulate land uses in the airport vicinity in terms of the types of development that are to be permitted, their height, orientation, noise attenuation standards and so forth must be addressed.

All of the existing procedures for amending Plan Winnipeg would apply, that is, public input through a public meeting and then the referral of those amendments to the province for approval by the Minister of Urban Affairs. With respect to development by-laws to protect the airport vicinity, here again, public input would be sought through the public meeting process as outlined under Part 20 of The City of Winnipeg Act.

Since the Winnipeg International Airport serves the province as a whole and protection of the airport is a matter of federal interest, the amendments contain recourse to appeal a secondary plan, a development by-law or a proposed plan of subdivision to the Municipal Board. The Municipal Board would hear appeals on these planning matters only if an objection is made by the federal government, the provincial government, a district planning board or municipality abutting the airport vicinity.

After holding a public hearing on objections made with respect to a proposed by-law or a plan of subdivision in the airport vicinity, the Municipal

Board would submit its recommendations to Winnipeg City Council to make a final decision. In the final analysis, Mr. Speaker, it will be up to the City Council to decide if it wants to reject, approve or approve with conditions, a proposed by-law or a plan of subdivision. However, a decision to approve a planning matter must conform to the recommendations of the Municipal Board. With respect to other objectors, council could, if it wished, refer these to their board of adjustment for a recommendation back to council.

Winnipeg's airport and lands immediately surrounding the airport fall under the jurisdiction of Winnipeg and also under the Rural Municipality of Rosser. Therefore, amendments, comparable to the ones I just described, are to be made to The Planning Act and are included in this bill. By amending both The City of Winnipeg Act and The Planning Act, we can ensure the co-ordination of development in the vicinity of airports which fall within more than one municipality or more than one district planning board.

Amendments under The Planning Act will ensure that the South Interlake Planning District, of which the R.M. of Rosser is a member, amends this development plan and zoning by-laws in order to protect the vicinity of Winnipeg's airport. They will also enable the Minister of Rural Development (Mr. Derkach) to designate other airports for which airport vicinity protection is to be provided by local government through development plan amendments and zoning controls.

In addition to Rosser, the Minister of Rural Development plans to request St. Andrews and Selkirk, both in the Winnipeg region, to adopt compatible airport vicinity protection measures.

Under the proposed amendments, the province may issue regulations as required to guide local governments in formulating airport vicinity protection measures.

For example, regulations may be considered necessary to assist municipalities in defining the boundaries of an airport vicinity. The amendments on airport vicinity protection are designed to achieve balance between local government responsibilities and provincial responsibilities.

Municipalities are to prepare and adopt land use objectives and zoning by-laws, while the province's role is to review and approve the policy framework in development plans and to issue regulations if

necessary to guide municipalities in their undertaking.

As described, the legislation on airport vicinity protection will allow the public, affected landowners and affected agencies in governments to have input into the formulation of development plan policies and zoning regulations.

The City of Winnipeg supports the legislation on airport vicinity protection. In March of 1992, Winnipeg City Council wrote to me in support of provincial legislation to provide a process for ensuring land uses in the vicinity of the airport are compatible with the airport's operation.

Affected municipalities in the Winnipeg region, that is Rosser, St. Andrews and the town of Selkirk have been notified of these amendments and consider them long overdue.

Mr. Speaker, the collection of outstanding municipal parking fines is another major amendment proposed in this bill. Winnipeg and other Manitoba municipalities have approached the province to assist them in finding a solution which would reduce the number of unpaid municipal parking fines.

Some examples of the magnitude of these outstanding fines are in Winnipeg where there is an estimated \$4 million in unpaid parking fines since 1988. Brandon has approximately \$90,000 in unpaid parking fines; Portage la Prairie, \$70,000 in unpaid parking fines. These are significant amounts of money, Mr. Speaker, by people who are flaunting the law.

Now municipalities have suggested to the province in the past that renewal of a driver's licence or renewal of a vehicle registration be withheld until outstanding municipal parking fines are paid. While these approaches appear to be straightforward to implement, in fact, there would be significant administrative cost to the province and the Manitoba Public Insurance Corporation were that the case.

Insurance brokers also would have to assume a new responsibility in administering a program to refuse renewals or vehicle registrations when outstanding parking fines were on record.

An alternative solution is being put forward in this bill. Under the proposed amendments, the City of Winnipeg and any other municipality will be empowered to tow, impound and ultimately sell the vehicle in order to recover unpaid parking fines.

The main features are as follows: Firstly, the process for seizure and sale of a vehicle can only begin if a parking fine remains outstanding after a second notice of the fine is sent. That is a default notice under The Summary Convictions Act, and the time period for contesting the fine before a judge has expired. After the expiry of the time period, given in a default notice, the municipality may register in The Personal Property Registry of the province a claim of lien against all or any vehicle of the owner for the amount of the unpaid parking fine. So, Mr. Speaker, it may not just be the vehicle that caused the parking fine, but any vehicle owned by that person.

So if it was, Mr. Speaker, an Eaton's van, it conceivably could be against all Eaton's vans that the province could move—[interjection] That too. Once a lien on a vehicle is registered in The Personal Property Registry, a municipality would advise the vehicle owner that a lien has been placed on the vehicle for the amount of the outstanding fine, and that the vehicle henceforward is liable to be seized and sold in order for the municipality to collect the unpaid parking fine. After giving notice of the registration of a lien, the vehicle owner still fails to pay the parking fine, the municipality would at that point be able to seize any vehicle owned by that owner, wherever they may be found, and could sell them.

\* (1430)

Municipal liens on vehicles for unpaid parking fines take priority over other liens, Mr. Speaker, and interest in the vehicle with three exceptions. The first exception is a lien under The Payment of Wages Act which has been registered in The Personal Property Registry, I think is reasonable; an interest in the vehicle, secondly, that is registered in The Personal Property Registry and that secures the purchase price of a vehicle for the purchase of the vehicle, otherwise known, Mr. Speaker, as a purchase money security interest; thirdly, lien under The Garage Keepers Act.

So that it is not intended to wipe out the rights of other lienholders against the vehicle with some limitation, but at the same time allow municipalities to have an opportunity, at least, to be able collect their outstanding parking fines. These three interests must be satisfied in any sale of a vehicle. In other words, a municipality cannot sell a vehicle unless the sale price is expected to cover the lien or interest which take priority over the municipal fine.

Subject to fulfilling the liens or interests identified earlier, Mr. Speaker, the proceeds from the sale of the vehicle by a municipality would be applied consecutively to the following: Firstly, expenses for seizing, storing and disposing of the vehicle and the municipalities' municipal costs, the administrative costs; secondly, recovering the unpaid parking fine; and thirdly, satisfying subordinate liens or interests under The Personal Property Registry, and any other persons with an interest if their claim is made in writing to the municipality before the distribution of the proceeds is completed.

Any surplus, Mr. Speaker, left over after that would be paid to the owner, obviously, of the car. Municipalities would pass a by-law establishing their administrative costs associated with operating this new method of collection of unpaid parking fines. These costs would be payable by a vehicle owner along with the parking fines in order to discharge the lien, or by any other person who discharges the lien and takes possession of the vehicle, for example, a financier of a loan on a vehicle. If a vehicle owner with outstanding parking fines sells the vehicle before paying off the fines that have been registered as a lien on the vehicle, the lien remains in effect.

Mr. Speaker, a question was raised as to the timing associated with this process, and how long it would take. So with your indulgence, I would like to point out to members of the House that it would take 30 days to pay a parking ticket that was left on a vehicle's windshield. They have 30 days to pay the parking ticket, a further 30 days given in a default notice.

In the case of Winnipeg, under The Summary Convictions Act, a default notice must give vehicle owners 15 days or such other period of time as specified on the notice, and I believe it is 15 days, to pay the fine or request a hearing to plead not guilty before a justice.

The total time period before a lien can be registered against a vehicle then is 78 days in the case of the city of Winnipeg. So from the time the original notification of a parking ticket occurs until the time action can be taken by the filing of a lien is 78 days in the case of the city of Winnipeg. It could be different in other municipalities.

If the vehicle owner has failed to take action under the above, 18 days are allotted for issuing, mailing and receiving a default notice, then notice of registering the lien is sent to the vehicle owner. If

they do not pay the fine in 15 days after that, then the vehicle may be seized and appropriate action taken.

The registration of a lien on a vehicle, the seizure and the disposition of the vehicle that I have described, Mr. Speaker, will take place pursuant to the provisions of The Personal Property Security Act. Therefore, many elements of the process I have just described you will not find in Bill 38, because a number of the applicable provisions already exist in The Personal Property Security Act. For instance, Bill 38 makes no reference to municipalities being empowered to seize vehicles or sell them or the manner in which the seizure and sale may take place, because The Personal Property Security Act contains all of these provisions.

What Bill 38 does is enable municipalities to implement a collection scheme for unpaid parking fines pursuant to the remedies in The Personal Property Security Act and for dealing with vehicle owners in default of paying parking fines.

Mr. Speaker, one of the advantages of requiring the registration of a municipal lien for outstanding parking fines is that it protects potential vehicle purchasers from buying a car against which there is an accumulated debt. The Personal Property Registry is available for all to view.

Legislation for towing and impounding for unpaid parking fines was discussed previously with the Winnipeg City Council. The council expressed its general support in writing in October of 1992.

Amendments dealing with the collection of outstanding municipal fines were also discussed with several other municipalities, among them Brandon, Portage la Prairie, Dauphin and Flin Flon. These municipalities also support the plan to provide a mechanism through which local governments can increase collection of unpaid parking fines without having to go through the court process.

The proposed amendments provide municipalities with a local solution to a local problem and I would like to remind members that the scheme is not mandatory. It is enabling legislation for municipalities to use if they so choose.

While I have focused my comments on the collection of unpaid parking fines for municipalities, the proposed amendments in Bill 38 would also apply to provincial parking fines.

Another of the amendments, Mr. Speaker, in the bill is the correction of errors in the legal description



of municipal boundaries, not particularly an exciting topic except if you happen to be in the disputed area. However, legislation on municipal boundaries provides a process by which boundary adjustments may be initiated.

We talked not an insignificant amount last session about changes in municipal boundaries. However, we did talk about this a great deal with respect to the issue of Headingley and the change of municipal boundaries, and all of the dire things that the members of the opposition and particularly the member for Wolseley (Ms. Friesen) were predicting were going to occur as soon as this bill was passed interestingly enough have not.

However, there is no recourse in that legislation for correcting ambiguities or errors in legal descriptions which may inadvertently arise. Amendments are therefore necessary to The City of Winnipeg Act and The Municipal Act to provide a simple process through which ambiguities can be clarified.

The need for this type of provision has become apparent in trying to correct an error in the boundaries of Winnipeg and the Rural Municipality of Ritchot. A small parcel of 45 acres of land east and west of Highway 59 and north of the Red River Floodway was included in the legal description of both the City of Winnipeg and the Rural Municipality of Ritchot in 1971 when The City of Winnipeg Act was introduced.

There is a proposed subdivision application now coming forward on this property which cannot be processed in either municipality until it is determined which municipality has jurisdiction. In the case of this particular property, Mr. Speaker, no one lives on that 45 acres of property, so no individual resident is affected, although the owners of the property would be affected.

Before taking any action on clarifying the jurisdiction of the 45 acres in question, however, the government referred this matter to the Municipal Board who met with all of the affected parties before submitting recommendations. The Municipal Board recommended that the appropriate way to correct the boundary overlap is to retain the lands in Winnipeg.

Two critical factors led to the board's recommendation. First of all, all of the Rural Municipality of Ritchot, except for this 45 acres, is located south of the floodway. Therefore, the floodway forms a

natural demarcation between what is Ritchot oriented and what is Winnipeg oriented.

\* (1440)

Two, Mr. Speaker, directly abutting the vacant land, where a 12 lot subdivision is proposed, there is an existing residential community serviced by the City of Winnipeg. It would, therefore, be impractical and inefficient to have Ritchot service one side of the street and Winnipeg the other side of the street, particularly when the nearest residential community in Ritchot is some 12 kilometres distant.

As a transitional measure, the Municipal Board also recommended that Ritchot retain the 1993 municipal property taxes for the lands in question. The government agrees with this recommendation, and the amendments in Bill 38 will also enable the Lieutenant-Governor-in-Council to attach any conditions such as the condition recommended with respect to 1993 taxes which are considered necessary to effect the boundary correction.

The existing legislation under The City of Winnipeg Act contemplates tendering as the only procedure for the supply of materials and services to the City of Winnipeg. So no matter what the City of Winnipeg wishes to buy, the act contemplates only having it tendered. No other process would be appropriate.

The City of Winnipeg has requested that the legislation be changed as it is too restrictive and inflexible in today's day and age. The amendments in this bill replace the tendering provisions with procurement provisions which will require City Council to establish a procurement policy for the City of Winnipeg.

Under the proposed legislation, the city's procurement policy must cover a number of aspects, among which are the forms of contract and when they are required or permitted to be used and also the procedure for soliciting procurements by competitive bids, competitive proposals or requests for quotations.

Mr. Speaker, the City of Winnipeg's business tax has been a matter of some considerable discussion over the past few years. The City of Winnipeg Act gives City Council until 1993 to shift from a system of multiple differential rates of business tax to a single rate of business tax. To assist in the transition from differential tax rates to a uniform rate, The City of Winnipeg Act gives council the authority to phase

in the impact of business tax increases due to implementation of a single rate of business tax.

After undertaking a general reassessment of business premises in 1991, the first reassessment in some 17 years, council has been trying to increase the business tax yield to its former level in the 1970s.

During the 1970s, business tax as a percentage of total realty and business tax was 16 percent. By 1990, business tax had dropped drastically to approximately 11 percent of combined taxes.

In order to be able to maintain modest annual increases in the business tax yield, council needs to be able to phase in taxing decreases which will occur as a result of switching to a uniform rate of business tax. Therefore, council has requested an amendment to the existing legislation to also permit phasing in of business tax decreases. They already have the right to phase in increases; they now wish to phase in decreases as a result of the changes being made.

Without the authority to phase in business tax decreases, the city would forfeit approximately \$6 million in business tax at the current rate of tax of 10.5 percent. The amendments to the existing legislation of phasing in business taxes will also permit council in future to phase in tax decreases which occur due to a general reassessment. At this time, council only has the authority to limit tax increases due to reassessment.

Another amendment, Mr. Speaker, is the penalty on property to be redeemed from a tax sale. The City of Winnipeg has requested an amendment which would allow them to determine by by-law the penalty rate to be charged on properties redeemed from tax sales after one year from the date of tax sale. Enabling council to establish the penalties by by-law gives council the opportunity to set penalties which reflect interest rates of the day.

There is a precedent in the act for this amendment. First, council may set the interest rate charged on tax sale purchases within one year of nonpayment of taxes. Second, council can determine by by-law the rate of interest charged against property taxes due. This proposed amendment would therefore be consistent with the flexibility given the city under other similar provisions. Moreover, The Municipal Act gives councils the authority to set penalties for the redemption of property.

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

The city has also asked for a related amendment to clarify that the fee charged by the Land Titles Office for redemptions would be payable by the person who is buying back the property rather than deducting it from the amount of taxes to be recovered by the city. This amendment would enable the city to fully recover all of its costs associated with the tax sale of a property. This is also the current practice in the rest of Manitoba.

The city has also requested a definition to be contained in the act with respect to a public utility. This request is to include the collection and disposal of solid waste and refuse under the definition of a public utility. The intent of the amendment is to enable the city, if it so wishes, to operate solid waste and refuse services as a public utility.

The intent of the amendment is to enable the city, if it so wishes, to operate solid waste and refuse services as a public utility. Right now the definition of public utility includes the delivery of water, electricity, natural gas and collection of sewage. The city's utilities function as independent financial entities within the civic structure.

Utilities are run like a business and levy their required revenues directly from their customers, not through the property tax. Existing utilities like water and electricity are also not financially subsidized by the City of Winnipeg.

Madam Deputy Speaker, in conclusion, I have described, I hope, for members of the House, the main features of the seven substantive amendments contained in Bill 38. The remaining amendments in Bill 38 are generally minor and technical in nature and serve to clarify the original intent of legislation or to correct small errors that have occurred in the past.

In conclusion, I would recommend Bill 38 to the honourable members of the Legislature for their consideration and adoption.

**Mr. Daryl Reid (Transcona):** I move, seconded by the member for Elmwood (Mr. Maloway), that debate be adjourned.

**Motion agreed to.**

### House Business

**Hon. Darren Praznik (Deputy Government House Leader):** Madam Deputy Speaker, on

further House business, first of all, I would like to announce on behalf of the House leader (Mr. Manness) that the Standing Committee on Economic Development will meet on Tuesday, June 8, 1993, at 10 a.m., to consider the 1992 Annual Report of Moose Lake Loggers.

I would also like to ask if you could seek the required approval of the House for the House to sit tomorrow, Thursday, June 3, at 10 a.m. until 2:30 p.m., and for the House not to sit on Friday, June 4.

**Madam Deputy Speaker:** Is it the will of the House to not sit Friday, June 4? [agreed]

Is it the will of the House to sit tomorrow, the hours being 10 a.m. to 2:30 p.m.? [agreed]

**Mr. Praznik:** Yes, further to government business, I would ask if you would, as I asked before, to call Bill 41 for second reading, and then follow for debate on continuation of debate on second reading in this order: Bills 16, 18, 13. We will have, perhaps, some additional House business to announce later.

### **Bill 41—The Provincial Parks and Consequential Amendments Act**

**Hon. Harry Enns (Minister of Natural Resources):** Madam Deputy Speaker, I am pleased to move, seconded by the Minister of Education (Mrs. Vodrey), that Bill 41, The Provincial Parks and Consequential Amendments Act (Loi concernant les parcs provinciaux et apportant des modifications corrélatives à d'autres lois), be now read a second time and be referred to a committee of this House.

**Motion presented.**

\* (1450)

**Mr. Enns:** Madam Deputy Speaker, this is a new act and bears little resemblance to the old act. It is a contemporary piece of legislation designed to meet both the resource and financial management challenges facing Manitoba parks.

Last fall, the government undertook to consult extensively with Manitobans on what they wanted to see in a new parks act. The Manitoba round table on Environment and Economy developed a workbook on natural lands and special places. Twenty-four public meetings were held throughout the province and the response to this process was conveyed to participants in a, what you told us, Natural Lands and Special Places booklet and the Park Lands Act Review summary publication.

In large part, the rewrite of this act was guided by the direction received from this public consultation process. The principal reasons for undertaking the rewrite of The Provincial Parks Act were to clarify resource and land-use policies, to meet our stated commitment to the Endangered Spaces Campaign, and to improve our ability to manage financial issues arising out of cottage subdivisions within our parks.

The Preamble to this act reflects this government's commitment to sustainable development in a manner that recognizes parks' role as special places. A number of sections within the act reflect the principles of sustainable development.

There is now a binding commitment in legislation to not only develop an overall systems plan for the management of parks but also to prepare a park management plan for each park in the system. A new park classification system is introduced that condenses the existing 12 classes into four easily recognizable classes with their main purposes embraced within the body of the act.

As well, a new concept utilizing land-use categories will aid in further describing the broad range of activities, developments and uses permitted in each class of park. The land-use categories will be identified at the time of park designation and will provide a much needed tool to guide park management.

The World Wildlife Fund and its Endangered Spaces Campaign is promoting the protection of habitat by setting aside a target of some 12 percent of each ecosystem in Canada to be protected from logging, mining, hydroelectric development and other activities which could significantly affect habitat. Manitoba was one of the first jurisdictions to commit to supporting this initiative. I am pleased to advise that this commitment is reflected in this act. The wilderness class of park and major portions of parks categorized as either "wilderness" or "back country" will prohibit industrial resource extraction activities.

Madam Deputy Speaker and honourable members will and should know that it was just yesterday that we announced a very significant further initiative in this Endangered Spaces Program by publicly proclaiming the regulation that sets aside hundreds of thousands of acres, indeed, I believe, it is in excess of a million acres of land that for all time will be set aside for future generations to

enjoy in its pristine wilderness with no commercial resource extraction permitted from that particular area. I am of course referring to the Cape Churchill proposed new national park.

Madam Deputy Speaker, I mention that only because it was a noteworthy and an important event happening in this particular area of activity in Manitoba. Regrettably, Manitobans would of course not know that. The executive director from the World Wildlife Fund, flew down specifically from Toronto, Mr. Monte Hummel, who is the chairman of the Endangered Species Program, because he knew it was noteworthy and so indicated at a press conference yesterday morning.

Some of my prominent friends from the Manitoba Naturalists Society and the wilderness caucuses were present at the press conference. I do not, as a rule, get all too many accolades from those groups of Manitobans concerned with the environment, but they certainly recognized the importance of setting aside that land for that purpose, and acknowledged it to be an important occasion.

To carry on, Madam Deputy Speaker, with a brief description of the bill before the House. Manitoba parks have traditionally been managed as multiple-use parks, where local communities and associated industries have depended on accessing resources from within provincial parks. The new act recognizes this dependence by permitting, in certain classes of parks, existing or planned resource extract activities to occur in a resource management land use category.

The resource development or extraction activity must be conducted in a manner that does not compromise the main purpose of the park classification. The desire, expressed by participants during the Natural Lands and Special Places discussions, to provide for public, stakeholder, local government, user group, First Nations, labour, and business participation in park establishment and designation, has resulted in a provision for public consultation being included in the main body of this act.

Public consultation is focused on park classes and categories, where the purpose of strategic management direction for parks is determined. The act provides for a linkage between the parks act and The Environment Act, so that a development proposal will receive public review that integrates the requirements of both acts.

The establishment of parks districts provides an administrative framework for the recovery of the costs of services to cottage subdivisions. During the Natural Lands and Special Places strategy, cottagers expressed a desire to have more involvement in determining the type and level of municipal services provided in cottage subdivisions. Upon establishment of a park district, there will be an opportunity for cottagers to participate in developing the budget for that park district. As well, there is a provision for maintaining financial statements of the operations of each park district.

A recent trend has seen more cottages being used as a chief place of residence. Since cottagers in provincial parks are not subject to assessment in taxation, specifically education in taxes, a provision has been added to charge a chief place of residence levy.

The Provincial Auditor, in a recent report, identified the problem of collecting outstanding fees from landowners within parks, that is, private landowners within parks. We have taken steps to address this problem by strengthening the provision to collect the arrears by registering a lien against the property title.

The regulation-making authority has been clarified between the Lieutenant-Governor-in-Council regulations and ministerial regulations. The L-G-in-C regulations address park designation. In other words, those are the fundamental designation determinations made as to the type of park it is to be, that is, O/C, by Lieutenant-Governor-in-Council, not simply a ministerial regulation.

Strategic directions and ecosystem protection, the occupation of land and any financial matters are covered under the same Lieutenant-Governor-in-Council regulatory authority. Ministerial regulations address the day-to-day management activities such as public safety, unruly behaviour, use of roads, trails, issuance of permits, fire management, cottage subdivision management and the protection and management of resources within the framework of the park classification.

I would like to stress that the process outlined in legislation for designating parks provides and in fact builds a sense of security for those who are concerned about setting aside areas for future generations, as well as those Manitobans who depend on access to resources within the parks for their livelihood.

\* (1500)

Madam Deputy Speaker, I do not wish to, in any way, understate the significance of that particular portion within this act. There are those people who will view, with some concern, this aspect of the act which specifically and clearly indicates that there will be some continued resource extraction allowable within parks, only after appropriate designation has taken place in those areas that make that possible. There will be other areas and significant areas of our parks set aside where that will not be permitted, and where that is the case, those will fit into the higher protected category of such programs as the Endangered Spaces Program.

Madam Deputy Speaker, in closing, I would like to emphasize that this new parks act legislation clearly demonstrates this government's view that provincial parks are considered special places and play an important role in the protection of natural lands and the quality of life of all Manitobans. Thank you.

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

**Motion agreed to.**

## DEBATE ON SECOND READINGS

### Bill 16—The Public Schools Amendment Act

**Madam Deputy Speaker:** To resume debate on second reading Bill 16 (The Public Schools Amendment Act; Loi modifiant la Loi sur les écoles publiques), on the proposed motion of the honourable Minister of Education and Training (Mrs. Vodrey), standing in the name of the honourable member for Selkirk (Mr. Dewar).

Is there leave to permit the bill to remain standing?

**An Honourable Member:** No.

**Madam Deputy Speaker:** Okay. Leave has been denied.

**Mr. John Plohman (Dauphin):** Bill 16, an amendment to The Public Schools Act has been before this House now for a couple of months, Madam Deputy Speaker, and our members have stood one after another in this House over the last couple of months to debate this bill and have risen to oppose, not only the principle of the bill which we find offensive, but the substance of this bill and the

way that it has been handled and has been brought in to this Legislature.

Unfortunately, it is typical of the approach used by this government. When major decisions are made, they are made behind closed doors. There is no such a thing as consultation. When they know not what to do, then they say they are consulting and they are going out to the so-called Partners in Education that we have heard the Minister of Education (Mrs. Vodrey) mention so often in this House during the Estimates debate to a point where we find it quite nauseous, Madam Deputy Speaker.

We oppose this bill because it is an attack on the public school system in this province and on the quality of educational opportunities in this province. It is certainly one that intrudes on long-standing principles of local autonomy and local decision making.

We oppose this massive intrusion into local decision making, into local autonomy. We oppose it in the strongest terms, Madam Deputy Speaker.

We will vote against this bill at every opportunity. We hope that this government and these members will listen to reason, have listened to reason as it has been brought forward by our members in this Legislature. We hope that the government members will reconsider what they are doing with this bill and that they will understand the widespread implications, in many instances the damage that it is causing to the public education system, will rethink their actions and withdraw the bill that is before this House.

Because this bill must be placed in context, Madam Deputy Speaker, I want to go back over the chain of events that has led to this action by the government, to put them in context with all of the other actions and show how the government has become bolder and bolder with regard to its treatment of the public education system as the months have passed in this House and while they have been in government.

We look back over the last five years when the member for Roblin-Russell (Mr. Derkach) was the Minister of Education. Over that period of time, as we have described to the minister, the increases in support to the public education system have consistently fallen behind inflation in this province. In other words, the quality of education has fallen as a result of underfunding by the provincial government during that period of time.

I brought that information to the House, that total funding that was approved by this government over that five-year period was about 14.2 percent while inflation was running at 18 percent. Of course this placed a squeeze on the local school boards at that time, on local schools, because in fact school boards had to raise money locally to offset the underfunding by the provincial government. They were able to do that through the mandate they have in The Public Schools Act, through the powers and responsibilities they have historically under The Public Schools Act to raise money from local property tax owners in the province.

Over the past five years, we have seen underfunding by this government. The interesting point that we have made, Madam Deputy Speaker, is that at the same time, the private school system has been receiving rather massive increases up to and approaching \$25 million in this province over the five-year period, an increase of some 150 percent over the period of time that the public schools have seen an approval of only 14 percent—more than tenfold.

**Mr. Steve Ashton (Thompson):** That is not what the Premier (Mr. Filmon) said on the steps of the Legislature. He did not tell the kids that were protesting—

**Mr. Plohman:** The member for Thompson reminds me, when the Premier spoke he conveniently ignored the fact that his government has funded the private school system and with them the elite exclusionary schools like St. John's-Ravenscourt to the tune of 10 times the rate of inflation and 10 times and more that they funded the public education system. He ignored that. He said, oh, I can assure you that the private schools are going to be frozen this year too; they are not getting any more.

That comes after a 150 percent increase over the last five years. Particularly, it comes after elite schools, as I said, exclusionary schools, who do not allow every student to attend. They will not take the ones that do not have sufficient academic standing to make the grade, so they cull those out with an entrance exam, and they make sure that the ones that do not measure up are not included. Academically they are not quite the ones they want there, and they say, I will take you but not you, now, we will take you over there. They go through this process of elimination before they arrive at a student body for their schools.

The public school system on the other hand, Madam Deputy Speaker, has to take all students, as we know, and they will do the best they can to educate and bring those students along to the extent that they can be to realize their full potential. That is the aim of the public school system, but that is not the aim of the private school system that this government and this Minister of Highways (Mr. Driedger) have been a part of in funding massive increases there to create a two-tiered education system: one for the wealthy and the other system for the rest of us. That is what we see from this government, and that will be part of their legacy, let there be no mistake.

Everyone will understand this in the next election campaign and into the future. They will understand it very clearly as they are getting to understand it even now, and as every day passes I am sure there is a greater understanding of the role this government has played in the funding of the elite schools and exclusionary schools in this province. Students are hearing about it as they participate in demonstrations. Teachers are hearing about it when they participate in demonstrations, demonstrations that should be, surely, Madam Deputy Speaker, an embarrassment for this government.

They have caused so much havoc to the public school system through their actions that people are coming to the Legislative steps in unprecedented numbers on issues that never before brought them before this Legislature. It is a shame. It is a black mark on this government, and they will be held accountable for those decisions in the public school system.

\* (1510)

During this time that they were funding private schools by 10 times the rate that they were funding the public school system, they were at the same time offloading their responsibilities onto local property taxes. Local property taxpayers were having to pick up the bill even if they were not able to to the same extent in some areas as they were in other areas. So we had poorer school divisions falling further behind because they did not have the comparative wealth within their boundaries. They had to raise their mill rates to offset the underfunding by the provincial government.

Over the last five years we called this the GFT, the Gary Filmon tax, which sounds very much,

coincidentally, like the GST which is the Brian Mulroney tax. So we had a Brian Mulroney tax, GST, and we had the Filmon tax, the GFT, and we know that over those years while the members sat back comfortably and said, who us? We raise taxes? We would not raise taxes! But we know what they did during that period of time. They were causing through their cuts and offloading the municipalities to have to do the dirty work for them. So there were tremendous increases in taxation at the local level.

The Minister of Highways (Mr. Driedger) smiles away because he knows he was one of the most guilty ministers of that. He threw 2,000 kilometres, or was it 2,000 miles, of roads onto the backs of the municipalities and said, now municipalities you can pick up, your local taxpayers can pick up, the maintenance and the upgrading of those roads. That is why the Minister of Highways knows, because this rings very true for him. It rings home very well for this Minister of Highways. He knows exactly about which we speak when we talk about offloading. This happened, Madam Deputy Speaker, in Education. It happened—[interjection] Well, the Minister of Natural Resources (Mr. Enns) may note that it happened in Natural Resources, as all kinds of services were cut in his department and offloaded onto the municipalities. Of course, we saw it in Highways. We saw it in almost every department of government.

So during that time, we saw massive offloading onto the municipalities, over those five years. We also, during that time, as I have said, have seen an undermining of the public school system. It was the crowning blow this year when they brought in Bill 16, which followed an announcement by the minister which was about a month later than the normal period of time for the announcement of funding for public schools, in mid-February instead of mid-January. So they made the school divisions wait an extra month for the bad news. Then they told them that they would be receiving, on average, 2 percent less than the previous year for the funding of the public school system. This was the crowning blow on top of all of the cumulative cuts, in fact, over the last five years.

They said that 2 percent would manifest itself in terms of 3 percent in some divisions, 4 percent, 5 percent, as high as 9 percent in some divisions, cut in funding in the public school system. That was the announcement that school boards got in mid-February.

It was a bombshell, along with the other bombshells that came later, which put greater pressure on the school boards, the clinicians being cut, and the school boards being told they had to hire these specialists themselves. We saw the Diagnostic Centre being eliminated, Distance Education cuts and so on, all cuts that would put greater pressure on local school boards.

Then, after that announcement, they introduced Bill 16. Bill 16 is the bill that we have before this House which is the crowning blow for school divisions because it removes the ability of school divisions to make independent decisions about the priorities in their school division. It removes that power from school boards and puts that power in the hands of one super trustee, the Premier (Mr. Filmon) of the Province of Manitoba, who knows best. In his wisdom, he now will make the decisions, along with his sidekick sitting over on the other benches, about how much money school boards can raise and how much money can be spent on the quality of education in the school divisions in this province.

That is the principle that we oppose so vehemently and which the Manitoba Association of School Trustees, MAST, and the rank-and-file trustees in school boards across this province oppose so vehemently, because they do not want to see an historic relationship disturbed and undermined in this way. It leads to the question: Where will this government go next? What step will they next take to undermine the trustees in this province—

**An Honourable Member:** You just wait and see, John.

**Mr. Plohman:** The minister of Natural Resources (Mr. Enns) says, you just wait and see—a veiled threat, Madam Deputy Speaker, about where this government is contemplating to go next—well, not even so veiled.

**An Honourable Member:** That is not a threat; that is a promise.

**Mr. Plohman:** This minister says, that is a promise. Well, we will see. We can only hope, Madam Deputy Speaker, that before they can keep that promise, one which I am sure they will not make during an election campaign, before they can keep that promise, they are no longer in a position to wreak havoc on the school system in this province, because they will no longer be in charge. We know they are temporary custodians at best and they are

doing a very bad job of their custodial work in this province of Manitoba.

So, Madam Deputy Speaker, they brought in Bill 16 and, at that particular time, they achieved three objectives in my mind. They achieved three objectives that they wanted to accomplish in one fell swoop.

The first one was that they wanted to get at teachers. They wanted to cut teachers down to size. They wanted to reduce their funding, their salaries.

The second one, they undermined the public education system while they are lifting up the private school system so that they created a two-tiered system, part of their agenda, elitist agenda.

Thirdly, they intruded on local autonomy and local decision making. That third principle was so they could have complete control in their hands. The Premier (Mr. Filmon), the Minister of Finance (Mr. Manness) wanted to have all of the control within their hands so they could make the decisions as the supreme politicians in the province, those who were elected with all power to make all decisions.

They ignored the fact that it was a democratic process through democratic elections that have historically put trustees in place in this province to make educational decisions, even educational financial decisions.

That was what they were elected to do. They were elected on an education platform, Madam Deputy Speaker. They were not elected on all kinds of other things that the Premier found himself elected on in the last election. They were elected on an educational agenda to offer and protect the public education system, to offer the best possible education that could be offered for all children in this province. That was what they were elected for.

The province has decided, in its wisdom, through no mandate, through no mandate to do this, that they are superior to trustees in terms of the mandate that they were given and, therefore, they should remove those powers, undermine those historic relationships that had developed and been built up.

Now, members opposite have been trustees in the past. They know what is involved in the responsibilities. They know that they do the best that they can to offer quality education, that they are responsible people. Why then has this government decided that they are superior and that they could not trust trustees to do the job, that they had to undermine that local decision making and authority?

I think it was because they wanted to accomplish other agendas, as I said earlier.

One of those agendas that they had was, those hidden agendas that have become quite open now, as I said earlier, their hit on the teachers. They were willing to do this even if it meant sacrificing the quality of education across this province. The quality of education of this province has been affected regardless of what the Minister of Education (Mrs. Vodrey) and the Premier (Mr. Filmon) have said.

It has been undermined by this broad rush approach in an effort to get at the teachers by reducing the funding to public education and putting a squeeze on, a cap on the ability of school boards to make decisions by Bill 16, because then they could force school boards to make the decisions that they wanted them to make within that narrow mandate that they had left, that narrow mandate of decision making that would remain within local school boards.

Of course, and—

**An Honourable Member:** You might say we did this because of our unquenchable lust for power.

\* (1520)

**Mr. Plohman:** Well, the Minister of Natural Resources (Mr. Enns) puts it very well when he says that the government has done this because of their unquestionable lust for power. I think that sums it up very well. I think the Minister of Natural Resources sometimes comes up with these truths that are not spoken by the vast majority of the members.

You would think the member for Portage (Mr. Pallister) would want to speak on this and speak those evident truths to the Legislature. He has done that and he has been rewarded with a trip to Cypress I understand now as well through the parliamentary association, but they would rather not have him in this House, Madam Deputy Speaker. They would not want to have him in this House when he is speaking against the Assiniboine diversion and the government's actions there.

I would hope that the member for Portage (Mr. Pallister) would join with his colleague the Minister of Natural Resources (Mr. Enns) in describing this measure for what it is—a punitive act imposing their will on elected people, the local school boards, the local trustees.



The final blow in this series of events, Madam Deputy Speaker, that took place over the last five years and in this year particularly was the introduction of Bill 22. It was one of the major agenda items introduced to get at the teachers, as I said earlier, which is partly the goal and the objective of Bill 16. We know that.

So Bill 16 and Bill 22, when taken in concert with the 2 percent cut in education, are designed to achieve their goal of undermining the teaching profession, undermining educators in this province, even if it meant taking the students down with them, even if it meant undermining the quality of education in this province during that time.

In some ways I look at what this right-wing government is doing in this province and they are more right by way of their agenda. As we see the true agenda coming out, they are guided by right-wing principles, even to the right of the Bennett Social Credit government that was in place in British Columbia for far too long.

As a matter of fact, it reminds me of the early 1980s, when the Bennett government in British Columbia was taking the same kinds of actions against the public education system as this government is doing now in Manitoba—breaking collective agreements, no respect for collective bargaining that took place, intervening in existing contracts and rolling back wages, cutting back on the amount of money that was available to the public school system and to local school boards, and then firing school boards that did not co-operate with the government's agenda in British Columbia. Under the Bennett government that was done.

I think this government has read up on the Bennett process in the early '80s and is following in their footsteps, and they are proud to do so. They would easily gloat over the ability to be as right-wing and draconian in their actions as the Bennett government was in British Columbia.

We see that agenda now as Bill 16 unfolds and Bill 22 brought into this House, which is another piece of legislation but which is clearly as draconian as this one, if not more so, and which indicates even less respect for other partners that are involved in the process of government.

Now the main reasons, Madam Deputy Speaker, that they gave for doing this kind of thing to the school boards, for bringing in Bill 16 is that they were concerned about taxes, they were going to keep

taxes down, they were going to keep property taxes down. They just did not want to see those taxes go up.

Is that not interesting because in the same budget, within a month of their saying this, they introduce a budget that increases property taxes for every home owner in the province of Manitoba by a minimum of \$75? That is what they did while they said they want to keep property taxes down. I mean, who on earth would believe that hollow argument? Who would believe it? I hope that the members opposite are not going out to public meetings or making statements in the media that this is the reason they wanted to introduce Bill 16, to keep taxes down, because they will get laughed at. People will think that is absurd after the actions they have taken, and you consider the thousands more who have an increase of \$250 at least, because of the minimum that was put on this year for property taxes.

The Minister of Highways (Mr. Driedger) knows this. It hits a responsive chord with him, and he smiles. I can tell right away when it hits a responsive chord with the Minister of Highways because he gets a little grin on his face. He knows he has heard those arguments from his constituents the odd time when he talks to them. I know that he realizes that the \$250 increase when combined with the \$75 increase is totally unfair.

It indicates that this government does not even consider fairness, does not use reasonable decision-making processes when it does things such as it has done with Bill 16, and when it made its budgetary decisions this year. There was no desire to keep property taxes down. What there was, was a desire to intrude on decision making of another elected body. That is the reason, and they wanted to get at another agenda, to get at the teachers and make them pay because they were not having to pay—as the government would say, to do their fair share. So they had to put a special tax on teachers. Bill 16 helped them accomplish that.

Also, during this time, they ran up a deficit of \$862 million, the greatest deficit in the history of this province, presided over by this Minister of Finance (Mr. Manness) and these ministers and this government.

**An Honourable Member:** You want it higher.

**Mr. Plohman:** During that same time they cut taxes to corporations—the member for Portage (Mr.

Pallister) says I want it higher. Well, I will tell him I would not have cut the taxes to the corporate sector, about \$60 million a year minimum, some \$300 million over the last five years that could have been used for the public school system. They left the money on the table.

What did those corporations do back for this government? What did they do for the people of Manitoba? Did they create jobs? Did they bring this province out of the recession? No way. They took their profits and left, and that is precisely what they have been doing, and this government plays right into their agenda. Its failed economic policies over the last five years are the reasons why we are now having to say that they are cutting the public education system because they have no more money. It is their failed economic policies, their failed economic directions that have caused it.

We were first into the recession. We are going to be the last out of the recession under Tory government. We saw that under Sterling Lyon in the 1980s, and there are several ministers in this government who were there with Sterling Lyon during the long, dark years. There were only four years, but it seemed like it was many more, the long, dark years of the early 1980s and late '70s, when the Lyon government brought in the old phrase. We remember it well, do we not? The Minister of Natural Resources (Mr. Enns) remembers it well—acute protracted restraint. That was their catch phrase of the decade, and it lasted four years and resulted in them thrown out of government after four years.

The Minister of Natural Resources knows that did not catch on too well. I think the Minister of Natural Resources, I am sure, believes that he was only 10 years ahead of his time. He was only 10 years ahead of his time, because they are certainly practising acute, protracted restraint now, but they are not calling it that now.

While they are doing it, they are running up a record deficit in this province. The ministers chirp all over about deficits; they are the architects of the greatest deficits in the history of this province. What a legacy. What a shame for Conservatives, who say they manage. Well, we know they cannot manage. We see the results of it now. We saw the results of it during the Lyon government. We have seen the results of it in Saskatchewan under Grant Devine and at the federal level in Ottawa under Brian Mulroney, the failed economic policies that result in economic stagnation, no job creation, no tax

revenue coming from income tax because people are not working, rising unemployment and that disaster is the legacy that this government presides over at the present time.

Bill 16, Madam Deputy Speaker, tears down a history of trust and relationship between elected officials, those being trustees and school boards and the provincial government, the provincial Minister of Education (Mrs. Vodrey). A historical relationship that was based on trust and responsibility, joint responsibility. This government has moved in to grab that responsibility from those locally elected officials without any semblance of consultation or consideration about the impact that this has on that institution, part of the institution, part of the history of public institutions in this country. They say that they believe in tradition. They say they believe through the Conservative name of their party that they believe in coveting those historical institutions and traditions in this province, and yet they are undermining it and tearing it apart.

\* (1530)

I cannot understand how this government can think that they can get away with it. I believe that this is a large fight in their caucus. This bill is one of the large spikes in their coffin. It is not just a little nail or a tack, it is a major blow to this government. It is a start down the slippery slope to oblivion and that is where this government is going.

I say, Madam Deputy Speaker, what is next from this government? Get the economy moving again. You failed. You see I could not give a lecture to these members over here, it goes right over their heads. They do not listen and then finally they make statements that say tough. I just said your economic policies have failed. Your failure is manifested in your lack of revenues. That is why you do not have money to offer services. It is a failed economic policy. Get it through your head, think about it, read it, say it over and over. I will make a tape for you.

We can only say, what is next? Where will this government move next to undermine the decision-making powers of school boards and other elected officials? Will they decide to tell the trustees what the mill rate should be, the precise mill rate, or will they just abolish them altogether? Will they tell them how many teachers they can hire? Will they tell them how many teachers they should have in place in every school? What courses they can offer?

Where will they go next? That is what I think we have to ask this government. We have to ask, where are they going to go? Is this just a first step in the undermining of the school boards? It is a major one; it is a big one. It is certainly going to destroy a lot of their decision making. Are they going to go further with this and undermine the school boards further?

**Hon. Harry Enns (Minister of Natural Resources):** The hospital board is next.

**Mr. Plohman:** Certainly, the Minister of Natural Resources (Mr. Enns) says hospital boards are next. I do not doubt that they are going to be, that they are on the drawing board right now for being eliminated—[interjection].

**An Honourable Member:** Who says that?

**Mr. Plohman:** The Minister of Natural Resources.

Now I think that the Minister of Natural Resources is probably on the final leg of his provincial political career. Who knows, he might be a senator in two years. We thought maybe it was going to be a couple of weeks ago, but he has got another life because there is a retirement coming in Manitoba within the next couple of years, and I think—[interjection]

**An Honourable Member:** He will be here a lot longer than you will, John.

The Bank of Canada . . .

**Mr. Plohman:** Well, now there is another suggestion from across the way. It seems to me that perhaps he will be appointed to the Bank of Canada to replace Arnie there. Now that is a possibility. We know that there will be a place, but it is possible that this Minister of Natural Resources, knowing that he spent over 25 years in this House, finds it now appropriate to reveal some of the secrets of decision making in that government. So he will come forward with statements that say school boards are next on the chopping block. I mean, it is entirely possible with this government that hospital boards are next on the chopping block. I think the Minister of Natural Resources has identified that today.

Now I ask, will this government ever consider in their undermining of school boards, as they go down this path, will they at least consider equality of opportunity in education in this province? They certainly did not do it with this bill. They entrenched the inequities that are already there. We saw that when we had representatives come forward, delegations come forward to talk to us from Transcona, for example, who showed how the

inequities and inequalities in the system were entrenched. They could not get out of that rut. They were not able to make decisions to enhance the level of education to a level that would at least allow them to offer what is offered in most school divisions in this province.

They were not able to do that because of Bill 16. It prevents them from ever getting out of that situation that they find themselves in at the present time through no fault of their own. So I am just saying to these ministers, if they are going to remove the authority of school boards, which it seems they are bent on doing, then ensure they are willing—this super trustee, this Premier (Mr. Filmon), this colleague the Minister of Education (Mrs. Vodrey) and the Minister of Finance (Mr. Manness), will they at least ensure that public education is offered equally across the whole province? That is the challenge that is not being met by this government at the present time. It is one that they must meet, if they are going to overcome the supreme criticism that they are going to receive over the next number of years as we move towards the next election because of the actions they have taken with Bill 16.

There is no equality there. They refuse to even listen to the arguments about equality. They refuse to listen and act on the pleas from school divisions across this province who are asking the minister to please look at the situations they find themselves in in their school divisions in providing education to their children. They are saying, look at our situation, provide some method of amelioration so we will not have to make the cuts in this division that will undermine our quality of education further. They are asking the minister for this. They are just totally ignored. They get a nodding of the head and a smile and that is it.

There is no action by this minister, by this government. I know that the minister is very proud of her ability to avoid answering questions directly, to talk in circles, to talk about concepts and principles and processes, but she does not have any plan. She talks about plans. There are no definitive plans. When you probe these statements and ask for specifics, you do not get them because they do not exist. They have no plan. They have no plan for reform. We have asked about dates, when they are planning to do certain things and what we can expect to see in terms of scope of reform even, and she has no idea, no idea whatsoever.

I can say, Madam Deputy Speaker, that that is what is so telling about this government minister. There is no real agenda. It is an effort to delude, to create an illusion that something is happening and hope that they can get past another election. Well, they are well on their way through this one, but it is falling apart.

The public education system is, as one of my colleagues said, imploding upon itself as a result of this government's decisions. It will also explode in the face of this minister as she sees the unprecedented delegations coming before the Legislature: students concerned about their future, teachers concerned about their future, teachers and parents, students concerned about the future.

How many thousands came before this Legislature when New Democratic governments were in place in this province? No students from the public education system, no teachers and parents.

Now, let me just say that we are experiencing a crisis in the public education system as a result of neglect and underfunding by this government while the private school system is elevated in this province. We will not stand for that. We will not stand for the creation of a two-tiered education system in this province. We will not stand for the neglect of the public education system. That is why we are fighting this bill. That is why we will get the message out to the public. That is why this bill will be a major part of the demise of this government in the next election.

This bill affects two full school years. Enough damage has been done already this year because school boards have acted on the basis of what is in this bill in anticipation of it being passed. There is an opportunity now for this government to stop this action halfway. They could withdraw this bill. They could let it die here and they would be able to say, well, they were able to cut the costs this year, but they found it too damaging.

\* (1540)

The public came forward and said, we will not stand for that. We made a mistake. We miscalculated. We are prepared to admit that mistake and we are prepared to say, we do not want to wreak further havoc on the public school system in this province. We see the damage it is doing. We have not done enough focus testing with our groups. We did not understand this. So it has come upon us with some surprise, but now that we know it, we are

prepared to pull back because we are a responsive government.

Responsive? Has this government ever been responsive? Have we seen any examples in education where they have been responsive? No. That is why I do not think they will do the wise thing here today. I do not think they are prepared to admit that they have made a mistake.

I am asking, Madam Deputy Speaker, that they do give this consideration, those who are here today, that they have listened to my colleagues and that they will take another look and step back from this—just as the Minister of Natural Resources (Mr. Enns) did with his park legislation, the charges that he was going to put in place a year ago and he withdrew that measure.

We say that is at least some indication of responsiveness and we will hope that they will do that this time. We want to say that they, this government, must be responsive to the public, to the school boards who were elected to make educational decisions in this province. If they are prepared to do that, they will let this bill die on the Order Paper here today and they will vote with the opposition and hopefully with the Liberals, with the third party in this House, to kill this bill.

Kill this bill and do the wise thing for the children of Manitoba and the public education system and everyone in the future will remember you as making a wise decision. You want to make a wise decision, make that decision now.

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

The question before the House is second reading of Bill 16. Is it the pleasure of the House to adopt the motion?

All those in favour, please say yea.

**Some Honourable Members:** Yea.

**Madam Deputy Speaker:** All those opposed, please say nay.

**Some Honourable Members:** Nay.

**Madam Deputy Speaker:** In my opinion, the Yeas have it.

**Mr. Doug Martindale (Burrows):** Madam Deputy Speaker, I would request a recorded vote.

**Madam Deputy Speaker:** A recorded vote has been requested. Call in the members.

(Mr. Speaker in the Chair)

**A STANDING VOTE** was taken, the result being as follows:

### Yeas

Dacquay, Derkach, Downey, Driedger, Ducharme, Enns, Ernst, Findlay, Gilleshammer, Helwer, Laurendeau, McAlpine, McCrae, McIntosh, Mitchelson, Orchard, Pallister, Penner, Praznik, Reimer, Render, Rose, Stefanson, Sveinson, Vodrey.

### Nays

Alcock, Ashton, Barrett, Cerilli, Cheema, Chomiak, Dewar, Doer, Evans (Interlake), Evans (Brandon East), Friesen, Gaudry, Gray, Maloway, Martindale, Plohman, Reid, Santos, Storie, Wasylycia-Leis, Wowchuk.

**Mr. Clerk (William Remnant):** Yeas 25, Nays 21.

**Mr. Speaker:** The motion is accordingly carried.

### Bill 18—The Corporations Amendment Act

**Mr. Speaker:** On the proposed motion of the honourable Minister of Consumer and Corporate Affairs (Mrs. McIntosh) Bill 18, The Corporations Amendment Act; Loi modifiant la Loi sur les corporations, standing in the name of the honourable member for Burrows.

**Mr. Doug Martindale (Burrows):** I move, seconded by the member for Swan River (Ms. Wowchuk), debate be adjourned.

**Mr. Speaker:** Is there leave that this matter remain standing in the name of the honourable member for Burrows?

**Mr. Martindale:** I move, seconded by the member for Swan River (Ms. Wowchuk), that this bill stand.

**Mr. Speaker:** Is there leave that this matter remain standing in the name of the honourable member for Burrows? Leave? [agreed]

### Bill 13—The Manitoba Employee Ownership Fund Corporation Amendment Act

**Mr. Speaker:** On the proposed motion of the honourable Minister of Industry, Trade and Tourism (Mr. Stefanson), Bill 13, The Manitoba Employee Ownership Fund Corporation Amendment Act; Loi modifiant la Loi constituant en corporation le Fonds de participation des travailleurs du Manitoba,

standing in the name of the honourable member for St. Boniface. (Mr. Gaudry)

**An Honourable Member:** Stand.

**Mr. Speaker:** Is there leave that that matter remain standing? [agreed]

**Mr. Doug Martindale (Burrows):** Mr. Speaker, I am pleased to stand and speak on Bill 13, The Manitoba Employee Ownership Fund Corporation Amendment Act. This bill has a very long history since this began under the administration of the Pawley NDP government when we began negotiating with the Manitoba Federation of Labour to establish the Crocus Fund.

Regrettably, it took five years for this Conservative government to actually set up the Crocus Fund, an inordinately long period of time. However, during that time, the government took considerable credit for this and repeatedly announced it in their throne speeches, and yet it took many, many budgets to set up the fund.

I believe that this is actually one of the few positive things in the economic front that this government has done. We know that, in spite of the Crocus Fund, there is no economic plan by this government, with the exception of many announcements, press conferences and press releases on potential jobs, on projected jobs and on promised jobs, but in many instances we have failed to see these jobs actually be produced. Just to mention a couple of those announcements, one would be the MacLeod-Stedman announcement, and the other would be the Royal Trust announcement. A third would be the Repap jobs that were announced.

In every case, in spite of promises that were made at press conferences, the jobs that were promised did not materialize. In fact, what we have actually seen in terms of the economy of Manitoba is a continuing loss of jobs and, regrettably, the jobs that are being lost are the good-paying jobs, particularly in the manufacturing sector. We are seeing a decline in the number of people in Manitoba employed in manufacturing jobs. Where the jobs are being created, what few jobs are being created, are in part-time work or in low-paying jobs, particularly in the service industry.

This is a downward trend for Manitoba, a regrettable trend for Manitoba, and one that we hope will not continue. We hope that sometime between now and the end of their mandate this government will discover that there is a role for job creation and

that they can do something meaningful in terms of creating jobs.

Unfortunately, what they are doing is the opposite. This government is eliminating jobs, and part of this is coming through their budget decisions. For example, when this government eliminated the grant to 56 organizations, the result was that many of those organizations were forced to lay off staff.

We know that, in their budgetary decisions around child daycare, the result has been and will continue to be staff layoffs. There are very clear reasons for this. When they ask parents to contribute—in fact, that is one of the government's favourite expressions, that it is a contribution—it is a tax or a fee increase. The result is that parents who cannot afford the \$1.40 a day—many parents on social assistance are being forced to withdraw their children from child care, and, in many cases, the reason that the children are there in the first place is because the parents have a job. Some of the parents are forced, because of the fee increase, to withdraw their children from child care and to withdraw from the labour market. That is very regrettable indeed. I have talked to some of those parents, and they do not want to quit their jobs, but they feel forced to.

\* (1630)

Similarly, this government, through its budget decisions in the Department of Family Services, reduced the number of weeks that parents could search for a job. They reduced it from eight weeks to two weeks. I have had many, many phone calls from university students and others saying that two weeks is not a realistic length of time in which to search for a job. The result is that they will be pulling their children out of child care. The result of this is that staff are and will be laid off.

I know that the Manitoba Child Care Association is gathering statistics on this and will be sharing those statistics with me. I know that many, many parents in the child care system and board members are writing letters and phoning me. I know that they are contacting their MLAs, including, I am sure, backbenchers on the government side and telling them about the effects of this government's decision. I know what I say to these parents and board members. It would be very interesting to know what back-bench members, in particular on the government side, are saying to these parents and

what they say in defending their government's budget decisions.

I asked the Minister of Family Services (Mr. Gilleshammer) many, many questions about how they came up with these decisions before they made them. I asked the Minister of Family Services if their research staff did any research, if they even made one phone call to Canada Employment Centres, and the minister would not tell me. The minister could not tell me, in fact. I was the one who was informing the minister things like statistics from Statistics Canada which say that the average person in Manitoba is on unemployment insurance, is looking for work before they find employment on average for 23 weeks.

Did the Minister of Family Services take this into consideration when he changed the policy? Well, of course, he would not tell me. He would not admit that the staff had even phoned a Canada Employment Centre or Statistics Canada or done any research before they made this decision. The result is that parents who cannot find work in two weeks, which is totally unrealistic, are being forced to pull their children out of child care and in fact will not be able to participate in the labour market. So we believe that this is a bad economic decision and a bad budgetary decision on the part of this government.

Right now, the Minister of Urban Affairs (Mr. Ernst) has a job creation proposal on his desk from the City of Winnipeg, a very good proposal. I was actually encouraged by something that the Minister of Urban Affairs said, I believe it was, in the Free Press. He said that if on the one hand there are people who genuinely want to work and on the other hand there is infrastructure that needs to be renewed in the city of Winnipeg, if there is a way of marrying the two, he would be in favour of that. I was actually pleasantly surprised to hear the minister say this and, of course, will be waiting for him to actually do it.

On the other hand, one of his colleagues in cabinet the Minister of Family Services, when he is asked about job creation, always talks about the NDP's job creation programs during the Pawley years and has absolutely no interest and no desire to create jobs for Manitobans. In spite of that, what they do is they budget millions and millions of dollars more for social assistance, because this government would rather pay people to stay home and collect social assistance than to pay people to

work. We know that there are many, many benefits to having people in the paid workforce as opposed to staying home.

So we are waiting, and we will hope that the government will do the right thing, that they will put social assistance recipients on the City of Winnipeg back to work. [interjection] Well, one of the backbenchers, the member for Niakwa (Mr. Reimer), says that his government always does the right thing. If they did the right thing, they would put people back to work. But they do not believe in it, philosophically; they do not believe that government should subsidize or put any money up to see people work, which is totally ironic, given that they are spending millions and millions of dollars more every year in social assistance payments.

One would think that people who, ideologically, are Conservatives as well as members of the Conservative Party, logically, would believe in having people work instead of collecting social assistance. It seems totally contradictory to me that they could support one and not the other. Does that strike the member for Osborne (Mr. Alcock) that way?

**Mr. Reg Alcock (Osborne):** That is very consistent with all the positions they have taken in the last five years.

**Mr. Martindale:** That reminds me of a quotation I found about the Conservative Party from Great Britain. Someone said, the Conservative Party is an organized hypocrisy. Next time I speak I will have to find the source of that quotation. I do not have that with me. Maybe we will get the member for Osborne to expound on it and explain it to the members opposite. [interjection]

Well, the member for Portage (Mr. Pallister) finally clued in and heard me. Since he never speaks in debate he is probably not going to rebut and try and explain his party's position on job creation or social assistance or on spending millions of dollars more every year on social assistance.

We hope this government will do the right thing, as the member for Niakwa says, since he believes that this government always does the right thing. Of course, we totally disagree. How can he believe that they do the right thing when they spend millions and millions of dollars more every year on social assistance and will not spend money on job creation, in spite of the fact that the benefits of job creation are many?

We know about the multiplier effect of investing money in the community. We know that we are going to have infrastructure, which is a capital asset for the City of Winnipeg and the Province of Manitoba, to say nothing of the pride and self-esteem of people who are employed instead of staying home unemployed, which is a very important factor.

In fact, I was going to mention later in my speech, I may as well say it now, what this government has done is deprive people of hope. If they were to give people some hope that there is a job there or there might even be a job there, then I think attitudes towards this government would be quite different, because right now what we have is an attitude of despair and hopelessness, and it is because of their economic policies or rather their lack of economic policies. We could hope that they might have hope, but there is no guarantee unless they can turn things around substantially and put large numbers of people to work. I think there are many, many factors inhibiting that.

The Deputy Premier (Mr. Downey), since he is actually listening to me, thinks that they are going to turn it around. Well, the Deputy Premier has an opportunity, since he is in cabinet—is he on Treasury Board? The Deputy Premier is not on Treasury Board, but I am sure that he is a very influential member of his cabinet. If he really wants to do something good for Manitobans and good for Winnipeggers, then he would push his cabinet colleagues and say, yes, we are going to do the right thing; we are going to take people off social assistance and put them back to work.

We will see, when the Minister of Urban Affairs (Mr. Ernst) finally makes a pronouncement on behalf of his government, if they ever do, whether they are going to accept or reject the City of Winnipeg's proposal.

This government also has a very sorry record when it comes to labour relations. For example, this government has raised the minimum wage, I believe, only once. I believe the Minister of Labour (Mr. Praznik) has only raised the minimum wage once since 1990. This is 1993, and the result is that instead of Manitoba being one of the highest-paid minimum wages, instead of being one of the leaders in Manitoba, now we are down near the bottom of the pack in terms of minimum wage. We hope that the Minister of Labour will do the right thing, to use the expression of the member for Niakwa (Mr.

Reimer), and raise the minimum wage so that people can be self-supporting and are not encouraged to quit work and go on social assistance because it pays more.

In fact, we know that historically the minimum wage is declining as a percentage of the average industrial wage and, therefore, the purchasing power of people who are earning minimum wage is constantly declining. That is why we have more and more people who are classified as being working poor who are living below the poverty line. We think that is deplorable. In fact, I believe it is in the province of Quebec where they actually tie the minimum wage to the average industrial wage. I think that would be a good way to go. In fact, that would be a nonpartisan way to go.

If this government were to say, we are going to make the minimum wage, just for an example, 50 percent of the average industrial wage, then they would not have to make a political decision every year about whether or not to raise it. Now there are problems with tying it. One is that, if the average industrial wage goes down, then the minimum wage would go down, and we would not be in favour of that. I think the decision is long overdue, and we will be waiting for an announcement on the part of the Minister of Labour and hoping that, as the member for Niakwa says, he will do the right thing.

\* (1640)

This government has another very antilabour policy; that is, they withdrew final offer selection. We believe that this was very helpful legislation when it was in place, and if it were in place today, it would probably have averted lockouts and strikes. For example, there is a lockout at Trailways and the employees there are not being allowed to work by their employer. Their employer, I believe I am told, was asking employees for a 24 percent rollback in wages.

Now under final offer selection, this probably would not have happened. Any decent arbitrator would have said, it is not realistic to ask for a 24 percent rollback and, in fact, the employer would not have asked for a 24 percent rollback. They would have asked for something that was much more realistic which is in fact what usually happened during final offer selection. Both sides put in their final offer and usually they were close together, and they were realistic and one of them was chosen. As far as I know in most cases, particularly employees

supported this kind of labour-management negotiation.

Another economic policy of this government, we believe it is going to be a failed economic policy that we have been opposed to, is Sunday working, another piece of antilabour legislation. This bill, in spite of the fact that it says that people will be able to opt out and not work on Sunday if they do not want to, we believe, is going to coerce many people to work because they know that if they do not accept working hours on Sunday that they will not get working hours during the week, or they will have their hours during the week cut back or reduced or in some way will be indirectly punished for not agreeing to work on Sunday.

It is going to be very interesting to listen to the debate this evening, to listen to the public presentations on the Sunday working bill. I understand there are 26 people who are registered to speak. Hopefully, it will have to continue again tomorrow after Question Period.

We are looking forward to the various kinds of presentations. We know that there is going to be a great variety, that there will not just be labour union people there and there will not just be church representatives there, but there will be employers. There will be business owners, and there will be people in rural Manitoba including business owners in rural Manitoba who are opposed to this legislation. In fact, the Manitoba Chamber of Commerce is opposed to this legislation. Almost everybody is opposed to this legislation except this government and their cronies and friends in the Winnipeg Chamber of Commerce driven by a couple of large employers. [interjection]

The member for Portage (Mr. Pallister) points out that the city of Portage la Prairie is in favour. It would be interesting to know who made that decision, how many people had input into that decision and whether anybody opposed will come from Portage la Prairie.

So, Mr. Speaker, we believe that this government does not have a coherent economic strategy. They have done many things which have caused people to be laid off. They have made many promises in terms of official announcements and pronouncements of news releases about potential jobs that they thought were going to be placed in Manitoba, but many of them did not materialize. Now they have a wonderful opportunity to take people off City of



Winnipeg social assistance and give them work, and to renew the infrastructure of the City of Winnipeg at the same time. They are sitting on the proposal. We hope that they will act on it, that they will not dilly-dally, that they will respond positively to this request from the City of Winnipeg.

The need in Winnipeg is very, very great. The City of Winnipeg has calculated the number of dollars that they need to spend every year just to maintain, let alone improve, streets and to maintain sewers and water mains. Right now they are spending nothing on back lane improvements. They know how much money they should be or could be spending on back lanes, but there is no money to do that.

We also know what the City of Winnipeg caseload is. I believe that there are 17,000 cases amounting to 30,000 people on City of Winnipeg social assistance. We know that this is directly tied to the recession. For example, Winnipeg Harvest food bank is putting out excellent statistics on the relationship between people moving off UI and onto City of Winnipeg social assistance. They have tracked this and they have put it in pie graphs. It is very vivid and visual and telling. It shows the relationship between people whose UI runs out and who go onto city social assistance and who find that social assistance is not adequate and they turn to organizations like Winnipeg Harvest food bank for assistance.

These are people who are deemed employable. These are people who want to work. These are people, many of whom have not been unemployed before until this particular recession. I mentioned in a previous speech that I went on a tour of a City of Winnipeg social assistance office, and they said they were paying mortgage payments of \$800 and \$900 a month for people that were going onto social assistance.

This government has taken care of that. They have put a cap on the amount of money they will pay in mortgage payments, which means that, I think, many of those people are going to be forced to sell their homes. They will no longer be able to afford to stay in them. I think this is a very little known change to social assistance regulations.

In conclusion, Mr. Speaker, I would like to finally comment on the fact that the Crocus Fund requires that 100 percent of funds be invested in Manitoba. We believe that that is a good thing. It is certainly

quite different than the pattern we have seen with the federal Conservative government which these Conservative members no doubt support, and that is they do not care where investment money comes from or where it goes, with the result that they dismantled the Foreign Investment Review Agency, and the result is that we have increasing American ownership of Canadian business and industry. Therefore, we have billions of dollars leaving Canada every year in interest and dividends to Americans and foreign corporations.

We believe that that is not helpful to the Canadian economy. So, therefore, we are pleased to see that 100 percent of the Crocus Fund monies will be invested in Manitoba. We hope and trust that that will create jobs in Manitoba. We hope and trust that that government shows no interest in doing, even though they have made many announcements. Many of those have not come true. Also, they have the opportunity to do so because the City of Winnipeg has a proposal before them, but they have not responded. We are waiting for them to do something about job creation, at least in the city of Winnipeg. Thank you, Mr. Speaker.

**Mr. Nell Gaudry (St. Boniface):** Oui, Monsieur le président, il me fait plaisir de pouvoir—

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

The House had previously agreed to allow this matter to remain standing in the name of the honourable member for St. Boniface.

Is there leave of the House to allow the honourable member for St. Boniface now to take his place in this debate? [agreed]

**Mr. Gaudry:** Mr. Speaker, just a few comments to say that we have had three members that have spoken on this bill and have spoken in favour of the bill. We are prepared to let it go to committee as soon as possible so that it can be debated. That will be the comments for today because the three members of the Liberal Party that have spoken have spoken in favour. Thank you very much.

**Mr. Speaker:** Is the House ready for the question? The question before the House is second reading of Bill 13, The Manitoba Employee Ownership Fund Corporation Amendment Act; Loi modifiant la Loi constituant en corporation le Fonds de participation des travailleurs du Manitoba.

Is it the pleasure of the House to adopt the motion?

**An Honourable Member:** Agreed.

**Mr. Speaker:** Agreed and so ordered.

### House Business

**Hon. Darren Praznik (Deputy Government House Leader):** Mr. Speaker, further to arrangements for the House, I would ask if you could canvass the House to determine if there is unanimous consent to set aside the Estimates of the Environment department and of the Sustainable Development Innovations Fund being considered in the Chamber for the purposes of tomorrow, Thursday's session, and to replace them with the Estimates of the Department of Health for that day only. We would then return to the regular Estimates.

**Mr. Speaker:** Is there leave of the House to alter the sequence of the Estimates process? [agreed]

So we are going to alter it by setting aside the Environment and the Innovations Fund, I believe it is? Right. We are going to replace that with Health in the Chamber for tomorrow only. [agreed]

**Mr. Praznik:** Further on House Business, I would also ask you to please canvass the House to determine two things: one, if we could amend the sitting hours for the Committee of Economic Development, which is scheduled for tomorrow at 10 a.m., we would ask if that could be moved to 11 a.m. If consent is not required, then I would make that announcement.

I would also ask you to canvass the House for consent to have this standing committee of the House sitting while the House is also sitting.

**Mr. Speaker:** Is there leave of the House to, as previously has been indicated, that the Economic Development committee would be meeting at 11, now I believe they would like to meet at 10 a.m.?

**An Honourable Member:** The other way around.

\* (1650)

**Mr. Speaker:** The other way around? Okay. They were supposed to meet at 10; now they would like to meet at 11. Is there agreement? [agreed]

Also is there leave of the House to have a third committee sitting? [agreed]

Do we need agreement for that because the House will be sitting? Now we need agreement for a committee to sit at the same time. [agreed]

Now the honourable member for Gimli with his committee changes.

### Committee Changes

**Mr. Edward Helwer (Gimli):** I move, seconded by the member for St. Vital (Mrs. Render), that the composition of the Standing Committee for Economic Development for the 11 a.m. Thursday sitting be amended as follows: the member for Gimli for the member for Seine River (Mrs. Dacquay); the member for St. Vital (Mrs. Render) for the member for St. Norbert (Mr. Laurendeau).

**Motion agreed to.**

**Mr. Praznik:** Mr. Speaker, I would ask for Bill 22 to be called.

### Bill 22—The Public Sector Reduced Work Week and Compensation Management Act

**Mr. Speaker:** On the proposed motion of the honourable Minister of Finance (Mr. Manness), Bill 22, The Public Sector Reduced Work Week and Compensation Management Act; Loi sur la réduction de la semaine de travail et la gestion des salaires dans le secteur public, standing in the name of the honourable member for Transcona (Mr. Reid).

**An Honourable Member:** Stand.

**Mr. Speaker:** Stand? Is there leave that matter remain standing? [agreed]

Also, standing in the name of the honourable member for The Pas (Mr. Lathlin) who has 32 minutes remaining.

**An Honourable Member:** Stand.

**Mr. Speaker:** Stand? Is there leave that matter remain standing? [agreed]

The honourable member for Broadway (Mr. Santos), who has 17 minutes remaining.

**Mr. Conrad Santos (Broadway):** Mr. Speaker, Bill 22 enables the provincial government to mandate that Crown agencies and other public sector employees may be able to cut the working days of the public service in two consecutive 12-month periods commencing no earlier than April 1, 1993, regardless of the terms and conditions of any collective bargaining agreement that might be in effect during that period.

In other words, this proposed legislation reduces the number of paid working days and systematically eats away the scope of the public service activities in this province. This is consistent with the Conservative philosophy of reducing the area of

public services and correspondingly increasing the area of public sector activities that affect the general public.

This direction is contrary to what we should be doing. Because of the increasing complexity of public policymaking and the advancing technology in our society and the growing importance of information in our technologically advanced and informational society, the public sector should be broadened. Otherwise, there will be less and less areas for equality among all the various groups of citizens.

Indeed, the public policymaker of all levels of government should take a longer time horizon in visualizing the future condition in which they want the society to go forward to. No longer should we give any kind of program of government to the electoral cycle of four years because the consequences will effect a longer time duration.

Whatever policy any one geographical unit in our country may adopt will have consequences that extend to the citizens of other provinces, even to citizens of other countries in the world. The effect of any kind of public policy that any level of government adopts sometimes extends beyond the jurisdiction of the geographical unit which adopts such level of policy.

There have been so many interdependencies now in this global village that any activity or action on the part of any one government will certainly have impact on other citizens as well as at other times. For example, whatever we do with our pension system, the unfunded, liable government will, of course, effect the future generations of people.

There is not only geographic interconnectedness. If we convert, for example, any of our forest into orange groves in order to raise new products, this will be good for the growers, but not for the environmentalist. The conversion, for example, of the Brazilian jungle into arable land will be bad news for environmentalists and bad news for those people who are affected by the ozone layer. The interdependencies in our biosphere affect everyone. The destruction of the ancient rain forests, the destruction of our prairie grasslands, the destruction of all our natural resources affect the people of this world in the sense that it will be detrimental to the future security not only for the present but for the future generation. In other words, the past is

interconnected with the present, and the present is interconnected with the future.

Therefore, the diminution of the public sector will affect essential services, such as education, health and other basic programs of government, where only the poor can share in these areas. The rich, of course, can always afford whatever they want to do for their children, but those that are dependent in our public sector education, with the diminution of these essential public services, will have less and less opportunity. Therefore, there will be more and more of this hierarchical elitism and less and less of this egalitarian principle by which everyone will have access to the essential public services. This is bad policy.

This is consistent with the other events that are happening in this province. For example, we have already eliminated in this province the child dental program, which is mainly available to the low-income people in rural Manitoba. We have abolished the funding for the Indian and Metis centres which had delivered valuable services to the low-income people, to the vulnerable people in our society. We have increased the regressive taxes by cutting the property tax credit and by imposing a \$250 minimum property tax on lower income home owners. We doubled the fee for low-income users of child care services and cut millions of dollars from the budget of already overburdened welfare agencies. We even impose some user fees on essential medical supplies like crutches and colostomy bags and extend the regressive sales tax to even schoolbooks and baby supplies. We capped the student social program, which keeps our young people from welfare and trains them in school that they may become valuable resources for our future. We cut payments to our foster parents. We cut funding to the Manitoba Anti-Poverty Organization. We cut the dental, optical and pharmaceutical benefit to welfare recipients. We cut all these essential public services. What does this mean?

On the other hand, the same government had extended the number of business exemptions from business units, from the payroll tax. At the same time, they freeze the corporate taxes so that, indirectly, their corporate friends are benefiting. They once again fail to introduce the surtax on 2 percent of Manitobans who are earning in excess of \$70,000 per annum.

In other words, whatever changes are happening now are good for the higher income people but bad

for the lower income people. They are out to destroy the lower element of society who are least able to defend themselves because this element of society is not voting the right way. This is precisely ruthlessness in a political sense. What kind of consequences can we expect out of these hopeless, despondent people?

**An Honourable Member:** That is what they are banking on.

**Mr. Santos:** They are banking on that they will be powerless, but they will be antagonizing this small group until the small group will be able to realize what is going on and that if they cannot persuade this government to change its own mind, then they will have to change the government—

**Mr. Speaker:** Order, please. When this matter is again before the House, the honourable member for Broadway (Mr. Santos) will have eight minutes remaining.

### House Business

**Hon. Darren Praznik (Deputy Government House Leader):** Mr. Speaker, I would like to just advise the House that the Committee on Economic Development to sit at 11 a.m. tomorrow will meet now in Room 254 rather than Room 255 as previously announced.

**Mr. Speaker:** I would like to thank the honourable deputy government House leader for that information.

\* (1700)

### PRIVATE MEMBERS' BUSINESS

**Mr. Speaker:** The hour being 5 p.m., time for Private Members' Business.

### PROPOSED RESOLUTIONS

#### Res. 30—Mining Community Development Fund

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, I move, seconded by the member for Dauphin (Mr. Plohman), that

WHEREAS mining is a billion dollar industry in Manitoba; and

WHEREAS many northern communities are directly and indirectly dependent on the future of mining for their economic survival; and

WHEREAS mining taxes and related sales and payroll taxes contribute hundreds of millions of dollars annually to the province's economy; and

WHEREAS three mining communities have collapsed since the Filmon government took office in 1988; and

WHEREAS the government has refused to utilize the Mining Reserve Fund to adequately support communities and miners in northern Manitoba.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the government to consider the creation of the Mining Community Development Fund, as proposed in the 1988 NDP budget; and

BE IT FURTHER RESOLVED that this Assembly urge the government to consider ensuring that this fund is governed by a board made up of representatives from northern communities, northern mining companies, as well as mining unions and the employees they represent.

#### Motion presented.

**Mr. Storie:** Mr. Speaker, I honestly wish that I would not have had to present this resolution to the House today. I wish, as do many northerners and many northern communities, that the government had taken the opportunity in 1988, when this proposal was part of the budget, to continue to implement the concept of a mining community development fund.

Mr. Speaker, there exists in the province, already, a Mining Reserve Fund. That fund has been available for many decades, and as a matter of record, that fund is supported by contributions that come from mining taxes paid by mining corporations in the province of Manitoba. The way that fund operates, I believe, is that through the Minister of Finance's (Mr. Manness) office, approximately 3 percent of mining taxes paid to the Province of Manitoba can be moved from general revenue of the Province of Manitoba into the Mining Reserve Fund. The Mining Reserve Fund has been used on many occasions over the past 20 years to support mining communities.

In the 1988-89 budget that was proposed in March of 1988, the intention was to create a new broader fund which could be used by mining communities when they experienced downsizing, when they experienced changes in technology, when they required support. The proposal was, at that time, that instead of the allowable 3 percent

being transferred from mining taxes into the Mining Reserve Fund, the government be required to transfer on an annual basis some 5 percent of mining tax revenue into the Mining Community Development Fund. This development fund would have been a broader-based fund that could have been utilized by government to do any number of things to support mining activity in the province of Manitoba, to support mining communities and, in the event of downsizing or closure of mines, to support individual workers and their families.

The purpose of the Mining Community Development Fund was to ensure that there was money available from the government, through good times and bad times, to support mining communities and miners and mining families who have invested their life savings sometimes in the development of our resources and have made significant contributions to our economic development and to the coffers of government, quite frankly.

Mr. Speaker, since 1988, the Province of Manitoba has collected some \$400 million approximately in mining taxes. If the province had, in 1988, implemented this kind of fund, there would be today, as a separate entity, a minimum of approximately \$20 million that would be available for the government to utilize in support of mining communities and mining families, whether it was to support innovation in mining technology, whether it was to support exploration, additional exploration activities apart from that already being supported through MMR, the Manitoba Mineral Resources corporation, or whether it was going to be used to support miners who were facing layoff as a result of mine closures or mill closures in our mining communities.

The government chose not to do that. The government, as well—although I am sure the Minister of Energy and Mines (Mr. Downey) is going to get up and tell us that the government has continued to support mining activity in the province of Manitoba. The fact of the matter is that since 1982, when the government first was privileged to open, with HBM&S, the Trout Lake Mine and Granges, Mr. Speaker, the government made a substantial contribution and is a partner in the Trout Lake Mine. Since that time the mining industry certainly has seen some difficult times. Despite that, since 1981, since the election of the government of which I was a part, mining has seen significant

growth. There were, during that period of time, five new mines, at least, opened. Three of those mines were gold mines.

However, since 1988, since this government and this minister assumed responsibility for mining in the province, we have seen three separate communities threatened by mine and mill closures. The community of Sherridon in 1989 was devastated by the closure of its only mine, the Puffy Lake Mine, which was a gold mine. Some months later, we saw the closure of the LynnGold Mine in Lynn Lake, undermining the employment opportunities for an entire community. Later, in 1990, we saw the closure of the Tartan Lake Gold Mine outside of Flin Flon, the loss of an additional 60 to 70 mining jobs.

Mr. Speaker, since that time we have seen the closure of the Spruce Point Mine and are facing the closure of the Namew Lake Mine as well as the Chisel Lake Mine in the community of Snow Lake.

Since this government took office we have lost more than 1,000 mining jobs—a devastating, catastrophic blow to our communities in northern Manitoba. Three communities in particular, Sherridon, Lynn Lake and Snow Lake, will take many years to recover, if they ever recover completely, from the events of the last two years.

\*(1710)

Mr. Speaker, we believe, and I believe firmly, and many of the communities in northern Manitoba believe, that the government could be doing a great deal more to support the activities and the communities and the individuals in northern Manitoba. I want to add that the government has had many opportunities to utilize funds that it has available to support mining communities and miners and their families.

In 1989 when LynnGold closed, the government had an opportunity certainly to offset some of the distress that was being caused to the LGD of Lynn Lake by utilizing some of the money it had in the Mining Reserve Fund. The government on at least two separate occasions had to be badgered, had to be cajoled into utilizing funds that they had at their disposal that would have added no additional cost to the government of Manitoba, that would not have added to the provincial deficit, would not have added to the obligations of individual departments, the Department of Energy and Mines or any other

department, because they had funds already available in the Mining Reserve Fund.

The government refused time after time after time the pleas of individuals and families, workers and community leaders, to get involved and to take some responsibility.

The latest example of that came only a few months ago when the community of Snow Lake, which is facing the virtual elimination of all HBM&S jobs in that community, requested that the government fund and support an education and training proposal. Mr. Speaker, the projected cost of that proposal was some \$257,000, I believe. That was the total cost for a package which would have supported the needs of many of those in the community. To this day, the government has not responded positively to that proposal. To this day, the community waits for some significant, not only financial support, but some departmental support in developing this proposal and seeing that the needed education and training opportunities are offered to people in the Snow Lake community.

The bottom line is that the government continues to withhold support, financial support, departmental support from communities in northern Manitoba at a time when they have the resources to lend that support. Mr. Speaker, the object of this particular proposal is to ensure that the government has not only the funds available through the Mining Community Development Fund, but that they also have the broadest possible mandate to support communities and individuals to ensure that there can be no discretionary power in the hands of a minister or the government to deny support.

There is a feeling amongst many in the communities of Snow Lake and Lynn Lake and Sherridon and Flin Flon as well, Mr. Speaker, that this government has not been forthcoming, that they have paid lip service to the problems that are faced in our communities in northern Manitoba, and that they have failed to keep their commitment to supporting the mining communities when they face these kinds of difficulty.

The member for Lakeside (Mr. Enns) says, down in my heart I know that is not true. Unfortunately, I know that quite the opposite is true. This government has had an opportunity to be supportive and it has failed. Mr. Speaker, only a few months ago, I had to stand in this Chamber and berate the Minister of Energy of Mines (Mr. Downey) and the

Minister of Rural Development (Mr. Derkach) for not responding to the community of Lynn Lake, to the municipality, to the Local Government District of Lynn Lake. The Local Government District had co-operated, had done everything it could possibly do to provide the information that was required, to demonstrate the need. I had to, in this Chamber, attack. I had to badger. I had to plead the case for the LGD of Lynn Lake in order to get the government to respond.

The government has neglected its duties. I know that the Minister of Energy and Mines is going to stand in his place and is going to suggest that somehow this government has done everything for the mining community.

When we left office there were more mines open. There were more employees in the mining field. The mining industry had become a billion-dollar industry. Since this government took office we have a thousand fewer miners. We have three mining communities that have been devastated. We have mine closures, an extensive list of mine closures, and we have communities that are in jeopardy because the government failed to act when it came to the request for modernization in a timely fashion. They failed to act in a timely fashion.

Mr. Speaker, on top of that this government continues to collect a 1.5 percent surtax on mining taxes that they implemented in 1988-89 as a "temporary measure." So if the minister is tempted to get up and say it was the tax regime imposed by the previous government that caused the crisis in mining today, let him not attempt to make that argument. This government has imposed additional taxes at the same time it has withheld support to mining communities, miners and their families in a time when that support was desperately required. If they will now stand and support the concept of a mining community development fund that will be funded directly from mining tax revenue in the Province of Manitoba, I think we can move a long way to making sure that the funds are available and that the broadest possible mandate to support our mining communities is available to whatever government happens to be in power at the moment.

Mr. Speaker, I look forward to the debate on this resolution. I hope that, as the member for Lakeside (Mr. Enns) did the other day, support is forthcoming from the government in an expeditious way. Thank you.

**Hon. James Downey (Minister of Energy and Mines):** I rise to speak on the resolution, Mr. Speaker, by the member for Flin Flon (Mr. Storie), and let me say at the outset it is my intention to amend it to improve the resolution to more adequately adapt to the current times in the province of Manitoba.

Normally, one would start a speech of this nature by being overly critical of the member, and I am not. My only comments would be as it relates; I have heard stronger presentations from the member, to start with. It was not one of his more invigorating speeches. It lacked a lot of commitment and conviction, and I am really surprised that he did not put more into this presentation today. It just almost seemed like it was something that he had to do, something that he was politically motivated to do, but did he really want to do it? That really was not in the spirit of the speech of the member for Flin Flon (Mr. Storie).

\* (1720)

Mr. Speaker, let me as well say, and I am not afraid anytime in this House to give credit where credit is due, the approach that the member for Flin Flon has presented to the House is a concept, at certain times, that probably is worthy of consideration, but I happen to believe that this is not the time to introduce such a concept. I say this because the mining industry in Manitoba is not undergoing difficulties because of what is happening currently in Manitoba. They are facing international competition, facing an international depression in prices, so the member is asking to put further taxation on an industry at this particular time. Basically that is what it boils down to, to an industry at this time, when in fact they cannot deal with it.

Mr. Speaker, as well, what he is advocating is that the provincial taxpayers add to the pot. [interjection] Well, he is saying again, coming out of mining taxes. Who pays the taxes? It is the mining companies. It is another form of taxation, which I said at this particular time is not able to be done.

Let me say a couple of things about where this particular member comes from, and his party. He makes the comments that this particular party has seen, during our term of office, the closing of a couple of mines. He well knows that the very day that a new mine opens is the first day that it starts to close, because there is a limited amount of ore to extract from the ground.

Because he and his government who were in office for 16 years discouraged the exploration of new mining activities in this province, that is the reason that mining towns have closed and there have not been the reserves to continue on with the towns and the communities.

So one has to ask the question: Are we doing a favour to a community by falsely believing them—for them to believe that there is a future for their town if there are not any orebodies. Is that a fair approach? Is that fair and honest leadership?

**An Honourable Member:** Everybody knows there are orebodies.

**Mr. Downey:** Everybody knows there are orebodies. Well, why did the members opposite in their term of office not encourage the industry to do it? In fact, you drove them out. Your philosophy and your economic policies drove the mines out.

Let me tell the member for Flin Flon (Mr. Storie) an experience that I had when I first became the Minister of Energy and Mines. I visited the mining industry, many of the heads of the mining sector. I visited them in Toronto. I visited them in Vancouver. I visited them in Manitoba—

**An Honourable Member:** The big shots.

**Mr. Downey:** The member for Flin Flon, here is what the member for Thompson (Mr. Ashton) says. He refers to the heads of the mining companies as "big shots," as if it is some big person who is some way lesser than the member for Thompson. Who does he think makes the decisions that keeps the very community that he represents alive? It is a condescending approach in which he approaches—

**An Honourable Member:** Condescending?

**Mr. Downey:** That is exactly what it was. It was a slander to the people who direct and operate the mines in this province. That is exactly the way it was taken.

**An Honourable Member:** It is a slander against them.

**Mr. Downey:** It certainly was, and on behalf of the mining sector, I will make sure that they get his comments.

**An Honourable Member:** Visit some of the workers.

**Mr. Downey:** I will make sure they get some of his comments, and yes, it is important that the workers be heard as well.

Here is the point I want to make. Upon the visiting of some of these people who are directors of mines and the people who make the decisions, here is what they said to me: We understand that in Manitoba, that during the NDP years, there was a law brought in that any mine that was opened or developed, the Province of Manitoba wanted to participate in 50 percent of that mine as they did in every oil well that was drilled.

Do you know what? [interjection] That was in the '70s during the Schreyer years, and there was another government since that time and another government since that time and another one. It is the third government since that time. But do you know what? The industry, once they got soured on Manitoba, said our weather vane turned away from Manitoba, and we never even looked back to any province that had that kind of a philosophy—'80s, '70s, '60s, once you tainted the economic climate in Manitoba, it lasted a long, long time.

I can point out many companies that gave me that very statement, that the NDP drove the mining companies out of Manitoba, and because of that we have seen a tremendous reduction in the amount of exploration activities that took place in Manitoba. The numbers show it.

Let me add another comment. Because the investments were driven out of Manitoba in the exploration field, we did not have the kind of discoveries that we need to keep these communities alive. There is nothing that this government would like better than to see new mining communities open up and the sustainability of those that are already there. That is our No. 1 desire, rather than to say, well, we will develop a fund that will cushion your blow and you can sit there and just be at low-level idle because someday somebody may come along and find another ore body.

We are saying that we are going to go out and aggressively introduce programs that will in fact—[interjection]

**Mr. Storle:** You never changed a thing . . .

**Mr. Downey:** The member for Flin Flon says we have not changed anything. Yes, we have, Mr. Speaker, we have changed many things. We have put \$55 million in the upgrading of the smelter in his backyard, something that he could not do as a minister of the Crown, could not get through his caucus or his cabinet. It took the Gary Filmon,

Progressive Conservative government to upgrade the smelter in his backyard—[interjection]

**An Honourable Member:** That is nonsense.

**Mr. Downey:** It is not nonsense. Just look at the proof, just look at what is happening. He could not deliver.

I will give you a list of other programs, Mr. Speaker, that have been introduced by this government, that have in fact—[interjection]

**An Honourable Member:** Tell us about your federal-provincial mining agreements now. Tell us where those are at.

**Mr. Downey:** I sure will. We have a federal-provincial agreement which is in place for five years—[interjection]

**An Honourable Member:** And what is the latest federal budget announcement? Your buddies in Ottawa, what are they doing?

**Mr. Downey:** We will have it for another three years—[interjection]

**An Honourable Member:** Oh, and then it is dead like the Northern Development . . .

**Mr. Downey:** Not necessarily dead, it was you who killed the mining industry in Manitoba, your policies.

What have we done? We have introduced a program for the average citizen who wants to go out and prospect, a \$7,500 grant to grubstake those individuals to go out and explore for minerals.

We have introduced a mining and mineral exploration incentive program which was introduced in 1993. Under this program, investors are offered a 25 percent grant on eligible investments. Grant incentives of \$10 million are available for metallic and nonmetallic mineral exploration and \$2.5 million for oil and gas exploration.

A mining tax exploration incentive was introduced in 1993 under this program. Mining companies, which significantly increase their mineral exploration activities in Manitoba, are entitled to a deductive equivalent to 150 percent of exploration expenditures in a given year that exceed the average of these expenditures in the previous three years—major incentives.

A mining tax holiday was implemented on January 1 of 1993—[interjection]

**Mr. Storle:** It is a joke.



**Mr. Downey:** Well, the member for Flin Flon says, it is a joke—[interjection]

**An Honourable Member:** How much did you spend? Not a nickel.

**Mr. Downey:** How much did you spend? You cannot spend it. You cannot spend it unless the mining companies put in their applications, and that is now happening.

But let me conclude on the incentives. A mining tax holiday was implemented on January 1—[interjection] He said nothing was done. A lot of things have been done. A mining tax holiday was implemented on January 1, 1993. Qualifying mining operators will not be required to pay the mining tax until their profits for mining tax purposes equal their capital outlays in opening a new mine.

Tell me that is not incentive for a new mine development in this province.

At the end of the tax holiday, operators will inherit the undepreciated balance of the book assets. The Marketing branch of Energy and Mines is aggressively searching for new opportunities to develop new mineral resources in Manitoba. Initiatives are underway in several fields with a view to establishing new mines in Manitoba.

That is where it is at, Mr. Speaker. We want to see development of new orebodies, and we will.

Mr. Speaker, I wonder if you could indicate how much time there is left—three and a half.

\* (1730)

As I indicated at the outset, I am not totally rejecting the concept which the member raises. I am not totally rejecting it, although Jim Walding rejected it when he defeated the budget which it was in, in 1988. Jim Walding, his own colleague, defeated it, so he had not done his own homework.

Mr. Speaker, I therefore move, seconded by the Minister of Natural Resources (Mr. Enns),

THAT Resolution 30 be amended by deleting all the words following the first WHEREAS and replaced with the following:

WHEREAS mining is a major industry in Manitoba, ranking second to agriculture in its contribution to the economy of Manitoba; and

WHEREAS the former NDP administration's unfavourable economic policies had a negative effect on the mining industry in Manitoba; and

WHEREAS the provincial government of Manitoba, under Premier Filmon, has implemented several programs, namely a Mineral Exploration Incentive Program, a Mining Tax Exploration Incentive Program, a Financial Assistance to Prospectors Program and a mining tax holiday for new mines aimed at stimulating and encouraging mineral exploration and the establishment of new mines through financial incentives.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba support the government's actions to improve the economic and political climate for continued and new mineral development as well as value-added job creation.

Thank you, Mr. Speaker. I would hope for support from all members on this very important amendment.

**Motion presented.**

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

**Mr. Steve Ashton (Thompson):** I realize that members opposite might try to get the House to adjourn early and not to hear the reality of what is happening in the North, but I think it is important that the rather bizarre comments that were just put on the record by the Minister of Northern Affairs (Mr. Downey) be corrected because, Madam Deputy Speaker, I cannot believe that this member—maybe I should believe it. Anything is believable with this particular member of the Legislature, but I am not sure—

**Madam Deputy Speaker:** Order, please.

### Point of Order

**Hon. Linda McIntosh (Minister of Consumer and Corporate Affairs):** The member for Flin Flon (Mr. Storie) has just indicated that the minister has placed false information on the record. I believe that is not allowed in the House.

**Mr. Reg Alcock (Osborne):** On the same point of order, Madam Deputy Speaker, I was listening carefully to the remarks of the member for Thompson (Mr. Ashton). I believe the word he used was "bizarre," not "dishonest."

**Mr. Ashton:** Madam Deputy Speaker, I am the member for Thompson. I am not sure who the minister is referring to. If she is referring to my comments she will see that there was nothing that was unparliamentary, and I made reference to the

fact the minister made some bizarre comments and was going to correct the record based on that.

So I think the minister once again is confused, and I suggest we help her out by saying there is no point of order and allowing me to pursue with my comments.

**Madam Deputy Speaker:** Order, please. The honourable minister does not have a point of order. It is a dispute over the facts.

\* \* \*

**Mr. Ashton:** Thank you, Madam Deputy Speaker, and I want to place the facts on the record because, you know, the Minister of Northern Affairs (Mr. Downey)—I am really not sure I would even call him the Minister of Energy and Mines in this context because he has demonstrated a complete and absolute failure to grasp what has been happening in terms of the mining industry in northern Manitoba.

He gets up in this House and says he has gone and visited the people in Toronto and Vancouver, the heads of some of the major mining companies, and he took offence when I said, the big shots. I will say on the record that I refer to those individuals as the big shots of the mining industry, to point out the contrast that the minister perhaps should spend some time talking to people who live in mining communities about this particular issue, because if he had he would have stood up and supported the amendment, the original, the unamended motion that was brought in by the member for Flin Flon (Mr. Storie).

In fact I think it is ironic, and I refer to him again as the Minister of Northern Affairs, that we just had the Northern Manitoba Economic Development Commission, of which the minister was supposed to be the sponsor, that has endorsed the proposal that was put forward by the member for Flin Flon.

It received a lot of positive feedback in the community meetings. In fact, it was repeated in the documents put out by the commission. It was put out in their newsletters, et cetera, it was one of the major ideas that was developed.

A lot of people said it was an excellent idea. If once again the minister had been listening to people living in the mining communities he would be standing today withdrawing this ridiculous amendment, this bizarre amendment, and would be getting back to the original intent of this particular motion.

The fact is, Madam Deputy Speaker, the original motion is very clear in its intent. The original motion is very clearly aimed at dealing with the situation in mining communities such as Snow Lake, such as Lynn Lake, such as is happening even currently in Flin Flon and Thompson, both of which are being downsized.

In my own community I have seen the community of Thompson go from a much higher population than is currently down to a low of about 11,000. In fact, the member opposite may remember that. He was part of the government at the time when Sterling Lyon, the then Premier, came to Thompson. He did not even know that there had been the major cutbacks in the mining industry, elimination of 600 positions, that the population of Thompson had gone down to 11,000. The same thing is happening again.

The minister has not seen what has been going on in the mining industry. To suggest that what happened in the '70s and the '80s and going to the '90s that somehow there was an NDP government that drove the mining industry out is completely ridiculous, Madam Deputy Speaker. Where did the Thompson open pit develop from? If the minister would open his ears as much as he is mouth currently, the Thompson open pit was developed in the 1980s. Also, Namew Lake was developed in the 1980s.

Under this government, we have seen mine closures. We have seen Lynn Lake close. We have seen Snow Lake close. We have seen a number of mines close under this government. Now, Madam Deputy Speaker, let us face the reality of what has happened. No one is even going to blame this government for all the factors in the world mining industry. I am not going to do that, but for this minister to get up and suggest that something that was discussed in the Schreyer period, 1976, has somehow influenced things since that time is absolutely absurd. It bears no reflection on the facts and I think is an embarrassment to someone who purports to be the Minister of Energy and Mines.

Well, I do not know who he met with in the mining industry. I do not know who he met with, who he is quoting as his source. It is interesting he did not do that, but if he was to talk to Inco, they could point out the development that took place during that period in the Thompson open pit. He might also point out that some of the items that are referenced in this particular amendment in terms of the programs, the

incentive programs, do not even apply to Inco and HBM&S. So I do not know who he was talking to, Madam Deputy Speaker. Maybe he was talking to Arni Thorsteinson, Bob Kozminski. God knows, maybe the Immigrant Investor Funds were involved in investing in the mining industry. Maybe that is the source of the business wisdom that this minister is imparting into this House.

\* (1740)

Well, Madam Deputy Speaker, I do not know where the sources are in terms of these comments he has put on the record, but they do not bear any reflection on the facts or any of the reality in northern Manitoba. That is what I want to deal with. The minister did not need to bring in a motion that attempts to take, in this particular case, a rather bizarre political pretext and then pat the government on the back again. For what? Pat them on the back for what? There is no reference of what happened in Lynn Lake, no reference in that particular case, or the difficult circumstances in Snow Lake, or the difficult circumstances of Flin Flon which is downsizing by 600 people, or Thompson that has just downsized once again and is looking at elimination of as much as 30-40 percent of the workforce over a period of the next number of years. It could be that significant.

You know, Madam Deputy Speaker, that should be the focus of this minister if he wants to talk about what is happening under this government. As I said, I am not blaming this government for the world market conditions in the mining industry, but what I do question, and I think this is a legitimate concern, is why now, given the chance to do something for the communities that are affected, why the minister in his rush to put on the record these rather bizarre comments about what people in the mining industry in Toronto and Vancouver say, why he does not refer to what people in this province in northern Manitoba are saying in the mining industry, the people who work in the mining industry, the people such as myself who live in mining communities that have seen the tough times and are seeing it in other communities right now.

The bottom line is one looks at the situation in Flin Flon currently. The member for Flin Flon (Mr. Storie) introduced this resolution I guess at the beginning of the session prior to the current discussions in terms of downsizing. Since that time, Flin Flon has learned that it is going to lose as many as 600-plus jobs, 500 to 600, in that range. The bottom line is

that is going to have a devastating impact on the community.

I know that, Madam Deputy Speaker, because I have seen what it did in Thompson when 600 positions were eliminated in 1977. [interjection]

If the Minister of Consumer and Corporate Affairs (Mrs. McIntosh) wishes to travel to Flin Flon, she might learn a lot about that community. It is a very tough time for people in those communities. The fact is, people are looking at what happens.

I will tell you what happened in 1977. I know because I lived in Thompson at the time. When the population plummeted to less than 11,000, what happened was, the first thing that happened, people who had money invested in businesses and in their homes lost substantially. Many people had to turn the keys over because they could not afford the mortgage.

By the way, they did not have the luxury of certain Tory fundraisers of being able to get an extension on their mortgage. CMHC did not give people in my community an opportunity to sit there and go and rent their house out and collect rents, not pay the mortgage, and then go and get an extension when it became a political issue. They did not get appointed to any boards afterwards either, at the Bank of Canada or Manitoba Hydro. They had to eat the loss. There were people walked away from \$10,000, \$20,000 and \$30,000.

**Mr. Daryl Reid (Transcona):** Sixty thousand dollars—we had one constituent living in Transcona.

**Mr. Ashton:** Well, indeed, as the member for Transcona points out, \$60,000 in the case of one of his constituents, up to \$60,000. People lost businesses. People lost houses. They lost pretty well their life savings. For many people, that was what it was about.

What does the member for Flin Flon's (Mr. Storie) original motion refer to? It refers to the need to build into place a system that means that the people—you listen to the Minister of Northern Affairs (Mr. Downey), it is not the corporate officials in Toronto and Vancouver who are the backbone of the mining industry, nor is it those corporate officials the ones who suffer when the mining industry goes down. It is the people who live in the mining communities who pay the price as they did in 1977 in Thompson and as they will again in Flin Flon, as they will again in Thompson, as they will again in Snow Lake, as

they will again in Lynn Lake, and as they already have over many years.

The fact is those are the people who pay the price, and what does the original motion refer to? The original motion is very clear in terms of dealing with those specific circumstances. The member talks about the need for dealing with the situation in the three mining communities where you have seen the complete collapse of mines in those communities and where the downsizing has taken place.

Dealing with the mine and reserve fund—and the minister talked about the Schreyer government—that was set up under the Schreyer government. The fact is we should be looking at enhancing that fund and developing the Mining Community Development Fund, as was proposed in 1988 by the then-NDP government. If the member says, oh, well, where are you going to get the money from, how about the money that has been coming out in terms of royalties? How about the money that went to this government and continues to flow, but particularly in the 1988-89 period? When we left government in '88 and during the fiscal year 1988-89, in fact, there was a surplus. One of the reasons was because of the money that was coming from mining communities. The bottom line is, Madam Deputy Speaker, we are not asking for handouts, but let us see some of those resources going back in the communities.

I will give the minister another suggestion, too. In terms of what is happening currently with Manitoba Hydro, there is another resource. Why could not that kind of resource, the kind of royalties that are going to be coming in from the Limestone sale, the NSP power sale that are clicking in, that are going to result in over a hundred million dollars a year in sales coming into Manitoba because of that export sale negotiated, by the way, by the then-NDP government—that money could be used for northern economic development?

Madam Deputy Speaker, we need two- and three-pronged approaches here. The fact, to the Minister of Northern Affairs (Mr. Downey), is that we need—[interjection] The member is talking about the Hydro Board. Is maybe now going to get up and acknowledge now that he is going to ask his Tory fundraiser to quit from the Hydro Board? Is that what he is going to do, because I am quite willing to give him that opportunity?

We need a number of things, Madam Deputy Speaker, in northern Manitoba. First of all, what we need is this kind of mining community fund. Second of all, what we need is not the pathetic complete failure of this minister who has allowed not only the Northern Development Agreement to go by the boards, but we are now seeing with the Mineral Development Agreement, which was already less than the agreement that was negotiated by the previous NDP government with the then-federal government, allowing that to fall by the boards, as his federal counterparts cut the ERDA funding, cut the mineral agreement funding that is in place. We need that kind of investment in northern Manitoba that is as much as important as any of the kind of tax breaks that the minister can talk about. That is the second thing we need.

The third thing we need—and once again the minister did not reference this once in his comments. He talked about mining officials in Toronto and Vancouver. How about the many people that went to the Northern Manitoba Economic Development Commission that said, mining communities need to be able to have diversification, Madam Deputy Speaker? I wonder if the minister will take the time to read some of the reports from the community meetings. Will he then implement some of the suggestions that were put in place into those reports that call for the kind of diversification that the member for Flin Flon (Mr. Storie) talked about? That is what has prevented Thompson from going through the cycle, the degree that it has. In the case of Thompson, since 1981, there was a great deal of diversification that took place in terms of the government sector, education and in terms of transportation.

This government has, by the way, rolled back the clock by the number of positions that have been eliminated, particularly in Education and Training in the North. The fact is there are still more people in Thompson, currently. Our population has gone up slightly despite the fact that employment in the mining industry has gone down since 1981 to the current time, and particularly the last number of years when there have been a number of incentive packages, early retirement packages, a reduction again of 125 positions, in case the minister is not aware. The reason is because of diversification. That is what we need in northern Manitoba. We do not need the minister to get up and try and say that the mining industry was driven out of Manitoba

because of something that the Schreyer government did.

The minister should realize this is not 1977 here. I think he had sort of a flashback today. This is 1993. They have been in government for five years. They always say, well, the opposition never gives constructive proposals. This is about as constructive as you can get.

The member for Flin Flon (Mr. Storie) even went to the Northern Manitoba Economic Development Commission and made a specific proposal to them. They have said it is a good idea. Northern residents have said it is a good idea.

Madam Deputy Speaker, that is why we should defeat this bizarre and ridiculous amendment and return to the main motion. Surely, everyone in this House can support supporting mining communities in their times of need. Thank you.

**Mr. Storie:** Madam Deputy Speaker, the member for Arthur-Virden (Mr. Downey) attempted in his opening remarks to suggest that somehow I had not been passionate enough about this issue. Of course, at that time I had not heard the ludicrous remarks that would be made by the Minister of Energy and Mines. That has encouraged me to perhaps put more energy into my subsequent contribution.

The Minister of Energy and Mines (Mr. Downey) also showed a rather appalling lack of knowledge about how the Mining Reserve Fund and the proposed Mining Community Development Fund would be funded. I made it very clear that I am not asking the Department of Energy and Mines or any other department to make any sacrifices for this fund.

What I am asking, particularly in good times, that the government contribute as a matter of course some 5 percent of the contributions that come in by way of mining taxes themselves, that we take a portion of what is earned as we extract our resources, what is earned on the backs of miners and mining communities and members of miners' families, that we put this into a fund to support mining communities and mining enterprise when they experience trouble.

Madam Deputy Speaker, I want to talk about the complete and utter failure of the Minister of Energy and Mines (Mr. Downey) to understand what has happened in the last five years in the mining community. The Minister of Energy and Mines, who

has apparently a very long memory when it comes to ills in the 1970s, apparently forgot, completely forgot, that he was part of a government from 1977 to '81.

**Mr. Downey:** And we changed it.

\* (1750)

**Mr. Storie:** Madam Deputy Speaker, he says they changed it. Well, if what he says happened from '81 to '88, if any of that was even remotely true, he would have to accept responsibility because the government from 1981 to 1988 did not change in any substantive respect anything that was done prior to 1981.

I want to add, the member and his government from 1977 to 1981 were particularly ineffective if that is the case. While that member was a minister in that government, they failed to provide any incentive to create opportunity in the mining industry in northern Manitoba.

I also want to say that the minister has misunderstood completely what happened in the mining industry from 1981 to 1988. During that period, unlike the period from 1988 to the present time, the government opened copper mines, nickel mines and gold mines.

During this minister's era, copper mines, gold mines and nickel mines are closing. Three communities have in effect been devastated. So this government has to take some responsibility, and this minister has to take some responsibility.

The minister goes on to talk about what this government has done in terms of programs for the mining industry. I have said on other occasions that some of the proposals, the programs that this government has introduced, may in the long run be beneficial to the mining industry.

But, Madam Deputy Speaker, for the minister to get up and say that the Mineral Exploration Incentive Program has done anything for the mining industry to date, that it has in any way improved the circumstances of the mining communities that are suffering today, is ludicrous.

The Minister of Energy and Mines (Mr. Downey) knows as well as anybody in this Chamber that the Mineral Exploration Incentive Program has not flowed dollar one.

The minister knows as well, or he should know, that when the program was introduced, the two major mining companies in the province of Manitoba

were not even eligible under the program. They were not even eligible, and I confirmed that with both Inco and Hudson Bay Mining and Smelting.

So the two companies that employ the vast majority of miners in the province of Manitoba, do the vast majority of exploration in the province of Manitoba, were not even eligible.

Now if that is the Minister of Energy and Mines' idea of designing a program that works, the Minister of Energy and Mines had better go back to the drawing board.

**An Honourable Member:** You could not get a nickel to support Hudson Bay. We put \$55 million—

**Mr. Storle:** Listen to this, Madam Deputy Speaker, could not get a nickel. In 1982 the government contributed its 27 percent share of the capital cost of developing Trout Lake Mine.

Madam Deputy Speaker, in 1985, in 1986, when Sherritt Gordon was having difficulty in Lynn Lake, the Province of Manitoba, through MMR, contributed to make sure that Lynn Lake survived. In 1986-87, when HBM&S needed Ruttan Mine, and when Sherritt Gordon was about to abandon Leaf Rapids, the provincial government—the NDP government—the government of which, when I was a part, stood by the community to make sure that it survived—unlike this government in Lynn Lake, in Leaf Rapids, and Snow Lake, and Sherridon. Shut it down, that is their attitude.

The minister also seems to forget conveniently that during the time I was Minister of Energy and Mines, which began in September of 1987, from September of 1987 until March 8, we also agreed to contribute some \$17 million to the development of Callinan mine.

The Minister of Energy and Mines appears to have forgotten the fact that Hudson Bay Mining and Smelting came to government while I was Minister of Energy and Mines and required some additional capital to develop Callinan mine. In the space of less than four months, while I was minister, we put together a package that would have allowed the government of Manitoba, through MMR, to contribute some \$17 or \$18 million in capital to develop the Callinan mine.

On top of that, Madam Deputy Speaker, and I want this to be clear on the record, that HBM&S did not present a proposal or request any money from the Province of Manitoba while the NDP were in

government. In fact, the consultant and HBM&S, the personnel, including the chief executive officer, were in my office when I was Minister of Energy and Mines, and simply laid out a strategy for the modernization that would have supported the copper and zinc industry in the northwestern part of the province.

Also, for the record, I indicated on behalf of the government of Manitoba at that meeting, that if the copper and zinc industry required support, that the Province of Manitoba would be there. But what happened? Not this Minister of Energy and Mines, but the previous Minister of Energy and Mines bumbled and fumbled and procrastinated for three years at a time when the company could not muster the resources, the capital to mount a significant exploration program. They could not, on their own, continue with the modernization proposal that would have allowed them to become efficient.

So, Madam Deputy Speaker, the government waited. They waited and waited and refused to commit to the project until such a time as the Minorco came along and was able to provide the government with a guarantee that they would not lose a cent. In other words, what the government did is wait until they had guarantees that they were not going to put anything at risk, that they were not going to invest in the mining industry in the province of Manitoba. The consequence of that is the community of Snow Lake.

The community of Snow Lake has been sacrificed because this government refused to commit to the mining industry in Manitoba—refused to commit. Three years of time elapsed while HBM&S could not afford to mount an exploration program, and the consequences are there are no ore bodies to be exploited for the benefit of the community of Snow Lake.

Madam Deputy Speaker, for the information of the member opposite, while the NDP were in government, we had the highest level of exploration dollars expended in the province of Manitoba. That is the fact.

The fact of the matter is that this government's performance when it comes to the mining industry is self-evident to anyone who works in the mining industry, anyone who lives in northern Manitoba. I certainly do not need to make any apologies to anyone or any of the communities that I represent in the Flin Flon constituency when it comes to the

NDP government's commitment to the mining industry.

Madam Deputy Speaker, I want to say today that I am very disappointed as well that the Minister of Energy and Mines (Mr. Downey) decided to turn what was a serious resolution into an opportunity to again pat the government on the back. There are too many miners, there are too many miners' families, there are too many communities suffering in northern Manitoba right now.

The minister says we need new orebodies, and instead of sucking some \$16 million out of Manitoba Mineral Resources to make the Minister of Finance's (Mr. Manness) deficit look good, sucking \$16 million out of the very company that should be investing money in exploration, this government speaks with a forked tongue. Either that or they do not know whereof they speak.

Madam Deputy Speaker, the fact of the matter is that this—

**Madam Deputy Speaker:** Order, please.

#### Point of Order

**Mrs. McIntosh:** Earlier, I made reference to the fact that the member for Thompson (Mr. Ashton) had said that the information was not correct. I am now saying the speaker from Thompson has indicated

speaking with forked tongue which I believe has the implication—the member for Flin Flon (Mr. Storie) has indicated that the minister here was speaking with forked tongue and that, I believe, implies a falsehood, and I believe it is unparliamentary, Madam Deputy Speaker.

**Mr. Ashton:** Madam Deputy Speaker, I am more than willing to lend my copy of Beauchesne to the minister. If the minister would care to check, the words "forked tongue" do not appear. What is a problem with unparliamentary language is in terms of a number of expressions that do appear on the parliamentary list, none of which is even close to what the member for Flin Flon—I am Thompson, he is Flin Flon—was referring to. So she has no point of order.

**Madam Deputy Speaker:** Order, please. The term indeed does not appear on the list of unparliamentary words.

\* \* \*

**Madam Deputy Speaker:** When this matter is again before the House, the honourable member for Flin Flon will have four minutes remaining.

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

# LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, June 2, 1993

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