



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

---

**STANDING COMMITTEE**

on

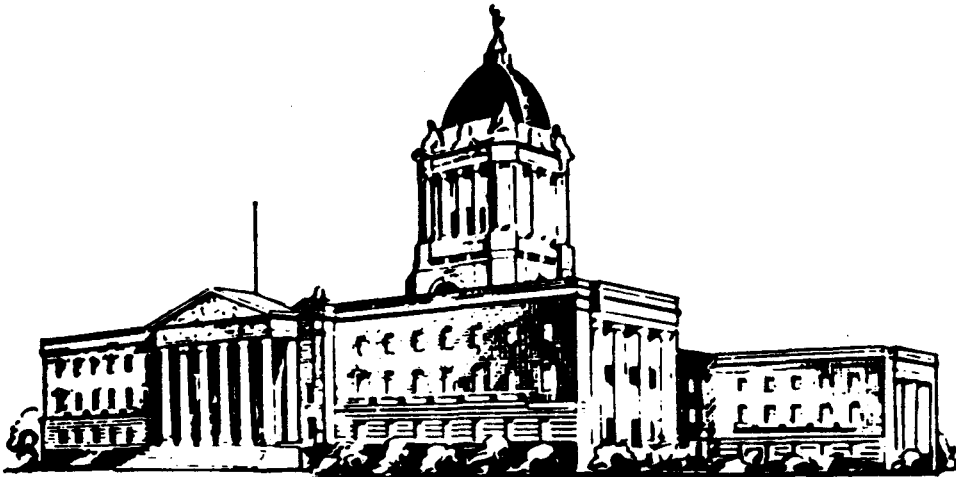
**LAW AMENDMENTS**

---

42 Elizabeth II

---

*Chairperson*  
*Mr. Bob Rose*  
*Constituency of Turtle Mountain*



**VOL. XLII No. 13 - 9 a.m., MONDAY, JULY 19, 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
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
MANNES, 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	
<i>Vacant</i>	The Maples	

**LEGISLATIVE ASSEMBLY OF MANITOBA  
THE STANDING COMMITTEE ON LAW AMENDMENTS**

**Monday, July 19, 1993**

**TIME — 9 a.m.**

**LOCATION — Winnipeg, Manitoba**

**CHAIRPERSON — Mr. Bob Rose (Turtle Mountain)**

**ATTENDANCE - 10 — QUORUM - 6**

*Members of the Committee present:*

Hon. Messrs. Driedger, McCrae

Messrs. Lamoureux, Laurendeau, Reid, Rose,  
Sveinson, Ms. Wasylycia-Leis

Substitutions:

Mrs. Dacquay for Hon. Mr. Cummings

Hon. Mrs. McIntosh for Hon. Mrs. Mitchelson

**APPEARING:**

Steve Ashton, MLA for Thompson

Becky Barrett, MLA for Wellington

Gregory Dewar, MLA for Selkirk

Edward Helwer, MLA for Gimli

**WITNESSES:**

Bill 24—The Taxicab Amendment and  
Consequential Amendments Act

John Mann, Private Citizen

Randy Delorme, Greater Winnipeg Drivers'  
Group

Bill 43—The Manitoba Lotteries Foundation  
Amendment and Consequential Amendments  
Act

Peter Olfert, Manitoba Government  
Employees Union

Dan Lillie, Royal Canadian Legion - Branch 42

Bill 46—The Criminal Injuries Compensation  
Amendment Act

**MATTERS UNDER DISCUSSION:**

Bill 24—The Taxicab Amendment and  
Consequential Amendments Act

Bill 43—The Manitoba Lotteries Foundation  
Amendment and Consequential Amendments  
Act

Bill 46—The Criminal Injuries Compensation  
Amendment Act

\* \* \*

**Mr. Chairperson:** Order, please. Will the Standing Committee on Law Amendments please come to order.

**Committee Substitutions**

**Mr. Edward Helwer (Gimli):** I would like to make a couple of committee changes. I move, with the leave of the committee, that the member for Seine River (Mrs. Dacquay) replace the member for Ste. Rose du Lac (Mr. Cummings) as a member of the Standing Committee on Law Amendments effective July 19, with the understanding that the same substitution will be moved in the House to be properly recorded in the official records of the House.

Also, I move, with the leave of the committee, that the honourable member for Assiniboia (Mrs. McIntosh) replace the honourable member for River East (Mrs. Mitchelson) as a member of the Standing Committee on Law Amendments effective July 19, 1993, again, of course, with the understanding that the same substitution will be moved in the House to be properly recorded in the official records of the House.

**Mr. Chairperson:** Do we have agreement of the committee on those committee changes? [agreed]

\* \* \*

**Ms. Becky Barrett (Wellington):** Mr. Chair, I would suggest that because Bill 46 has no speakers to it, and Bill 43 has only two, that we might want to reverse the order and deal with those two bills first to allow the two people who are to speak on Bill 43 to speak first and then move on to Bill 24.

**Mr. Chairperson:** Does the committee agree to consider Bill 43 public hearings first?

**Ms. Barrett:** Actually, I was recommending Bill 46. Just reverse the order. We can complete Bill 46 very quickly.

**Mr. Chairperson:** Does the committee agree to consider Bill 46 first? [agreed]

I will just finish my preamble here for the record. The following bills will be considered this morning: Bill 24, The Taxicab Amendment and Consequential Amendments Act; Bill 43, The Manitoba Lotteries Foundation Amendment and Consequential Amendments Act; Bill 46, The Criminal Injuries Compensation Amendment Act. Copies of the bill are available on the table behind me.

It is our custom to hear presentations from the public before detailed considerations of the bills. We have a list of people registered to speak to Bill 24 and Bill 43. For the committee's benefit, copies of the lists have been distributed. For the public's benefit, copies of the list of presenters are at the table at the back of the committee room.

If there is anyone in the audience at this time who wishes to make public presentation to any of these three bills, would you please make yourself known to the staff at the back of the room and your name will be added to the list.

### **Bill 46—The Criminal Injuries Compensation Amendment Act**

**Mr. Chairperson:** As previously agreed then, we will move first to consideration of Bill 46, The Criminal Injuries Compensation Amendment Act.

Do any committee members have any opening statements or comments to make?

\* (0910)

**Ms. Becky Barrett (Wellington):** Mr. Chair, I spoke on this piece of legislation on Friday, so I will not repeat what I said with the exception of our unalterable opposition to this bill which penalizes victims of crime very unfairly. We will be definitely opposing this bill in committee and will be speaking very vociferously against its passage at third reading. But I will leave my comments to a later time.

**Mr. Chairperson:** Thank you. Are there any other opening comments or statements? If not, we will move into consideration of the bill. As is the practice, the Title and Preamble are postponed

until all clauses have been considered in their proper order by the committee.

Shall Clauses 1 to 4 inclusive pass?

**Some Honourable Members:** Pass.

**Mr. Chairperson:** Those clauses are accordingly passed.

**Ms. Judy Wasylycia-Lels (St. Johns):** No.

**Mr. Chairperson:** No?

**Ms. Wasylycia-Lels:** I request a recorded vote, please, Mr. Chairperson.

**Mr. Chairperson:** On the question of Clauses 1 to 4 inclusive.

**A COUNTED VOTE** was taken, the result being as follows: Yeas 6, Nays 3.

**Mr. Chairperson:** Those clauses are accordingly passed.

Shall the Preamble pass?

**Some Honourable Members:** Pass.

**Mr. Chairperson:** On division? The Preamble is accordingly passed on division.

Shall the Title pass?

**Some Honourable Members:** Pass.

**Mr. Chairperson:** On division, the Title is accordingly passed.

Is it the will of the committee that the bill be reported?

**Some Honourable Members:** Agreed.

**Ms. Wasylycia-Lels:** No.

**Mr. Chairperson:** That is agreed on division.

Is it the will of the committee that the bill be reported?

**Some Honourable Members:** Agreed.

**Mr. Chairperson:** That is agreed on division.

Thank you very much. That completes consideration of Bill 46.

\*\*\*

**Mr. Chairperson:** As the committee will note we have presenters for both Bill 43 and Bill 24. What is the wish of the committee, which bill do you wish to consider first?

**Ms. Wasylycia-Lels:** I would make the suggestion we go to 43, since there are fewer presenters for that bill, it would appear, than 24. We might be able

to allow those individuals to leave the committee after they present.

**Mr. Chairperson:** Thank you. Is that agreed? [agreed]

### **Bill 43—The Manitoba Lotteries Foundation Amendment and Consequential Amendments Act**

**Mr. Chairperson:** We will then consider public presentation on Bill 43. I would call Peter Olfert, Manitoba Government Employees Union.

**Mr. Peter Olfert (Manitoba Government Employees Union):** We will need the Clerk to hand out a couple of copies.

**Hon. Linda McIntosh (Acting Minister charged with the administration of The Manitoba Lotteries Foundation Act):** We are going to do all the presentations for all the bills first?

**Mr. Chairperson:** That is agreed, yes.

You may begin, Mr. Olfert, when you are ready.

**Mr. Olfert:** For the committee's information, the documents that are being—

**Mr. Chairperson:** Order, please. I am sorry.

### **Point of Order**

**Mrs. Louise Dacquay (Seine River):** Mr. Chairperson, on a point of order. I wonder if the committee might get its act in order and make a decision here as to whether we will hear the public representation first on 43 and then deal with Bill 43 clause by clause prior to hearing the public representations on Bill 24.

**Mr. Chairperson:** It was my understanding that we would move into public presentations and hear all the public presentations on both bills before detailed consideration of clause by clause, and we had agreed to consider 43 first for public presentation. But if the committee wishes to deal with it some other way, that is their decision.

**Ms. Judy Wasylycia-Lels (St. Johns):** I would support the suggestion that we hear public presentations on Bill 43, then proceed into clause by clause of that bill, and then move onto Bill 24. I think that is the most expeditious way to proceed this morning.

**Mr. Chairperson:** Is that agreeable? [agreed]

All right, it is agreed by the committee then, we will hear public presentations on Bill 43, and then

complete consideration of clause by clause before moving into public presentations on Bill 24.

Mr. Olfert, you may begin.

\* \* \*

**Mr. Olfert:** Thank you very much, members of the legislative committee. I am going to attempt to be very brief this morning. There is only one issue that we see that needs some clarification in terms of moving from the existing to the proposed legislation.

The documents that were handed out deal with a bill that was dealt with, setting up the college governance scenario, where the colleges were set up as independent employers. I draw your attention to the existing Manitoba Lotteries Foundation, Section 26 of the act, members may have that here, where it talks about: "The foundation may employ such employees as it considers necessary to carry out its operation under and to administer this Act, and The Civil Service Act and The Civil Service Superannuation Act and any regulations made thereunder applied to the employees."

That is the existing wording of the Lotteries act which is now being changed. The new section in the bill that is before the committee in the Legislature, in Section 26(1), if you have that in the proposed bill, it talks about: "The corporation may employ such persons as it considers necessary to carry out its operations under and to administer this Act."

If we look at the wording in Bill 49, the colleges act, Section 50(3), it was very clear in terms of setting out the transfer of employees to make sure that the legislation covered the transfer of employees from the existing Lotteries and the civil service into the Crown entity that is being established here.

I think what we would be looking for is some wording that would reflect, or something similar to Bill 49 under the college governance act to reflect, the transfer of employees, and with that then could flow the Order-in-Council which has also been tabled with you as an example. That Order-in-Council is an example of the kinds of conditions, benefits and the terms of conditions, I guess, of the transfer of the existing staff from the civil service into the Red River Community College as that one is set out.

That is only an example for the committee's information. So I guess, in looking at this legislation, we certainly do not oppose moving to a Crown corporation. We have had some meetings with the corporation. We have had meetings with the minister previously, but we just feel that the 26(1) that is being proposed should more clearly reflect that these employees are actually being transferred under the Crown corporation from the civil service.

There are really three points that I just want to sort of put on the record that we would be asking the minister, the committee and the Legislature to consider in terms of the assurances of the 76—and it is 76 employees that are being transferred from the civil service to this new Crown entity.

We would request that: Firstly, the wording should be amended to reflect the transfer of the civil service employees to the Crown corporation, similar wording to 50(3) in the college governance act in terms of the transfer; secondly, that an Order-in-Council should be drawn up to reflect the existing terms and conditions for employment for those existing people being transferred over to the corporation, again, similar to the document dealing with Red River Community College, which reflects some basic information and terms and conditions.

What we need to do, if that is agreeable, obviously then is sit down both parties and sign a memorandum which would reflect those changes and should be signed by both groups.

\* (0920)

If we move people from the civil service, they are now currently covered by the civil service agreement, and we move them under the Lotteries corporation, our concern is that there is wording that needs to be changed moving from one employer to another. We did that as well when we moved the college staff. There are, obviously, certain elements of the existing collective agreement that can be amended by agreement of both parties, and we would look for further meetings and negotiations to deal with that and try and negotiate that.

We have had, as I mentioned, meetings with Mr. Earl at the commission and civil service staff relations people, and we seem to be working towards a memorandum at this time, but we would like the assurance of this committee.

**Mr. Chairperson:** Thank you.

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Olfert, thank you for the comments. On behalf of the minister, I am prepared to take the suggestions forward and have them viewed. I do not know the implications of it, but I think legal counsel as well as the minister, who is not available at the present time—[interjection]

Mr. Chairperson, my suggestion was, as I did with one bill that I had before the committee a while ago, we will take it back to the minister and her staff. Based on the information that you have given my colleague the Honourable Linda McIntosh, who is filling in for the Honourable Bonnie Mitchelson, we will have a look at that and if there are further changes required, as you have suggested here, we would be prepared to bring that forward under third reading or report stage in the House.

**Mrs. McIntosh:** Mr. Chairperson, just an indication. Your main thrust here is that you want to ensure that as the employees move from civil service to corporation status, their existing benefits in terms of employment, working conditions and so on are not taken away from them. My understanding is that, in discussions with the Lotteries people, you are working to the details of how that will be accomplished. Am I correct in that assumption?

**Mr. Olfert:** Yes.

**Mrs. McIntosh:** I know that the intent is that the employees who move, not physically move, but as their status is changed, their working conditions and benefits and so on will be protected as they go from foundation to a corporation, as they move from civil service to employees of the corporation. I am confident that your ongoing discussions will lead you to that satisfactory conclusion.

I appreciate the point you make and the emphasis you give to the importance of that coming to fruition correctly.

**Mr. Olfert:** Yes, I think the key for us is to have some wording which reflects the transfer of employees, and the wording that sets out that the Lieutenant-Governor-in-Council then can set out through an Order-in-Council like that, sort of naming and setting out the terms and conditions that would flow with those employees.

The pension has been covered off, obviously. There has been an Order-in-Council that has dealt with that, and that is covered in here, but it is the other things that flow from that and the

change—moving from government as being the direct employer to the corporation being the employer. There is wording in the existing collective agreement that needs to be amended during that period of time till we sit down in September '94 to renegotiate. We need some interim amendments on language too.

**Ms. Wasylycia-Lels:** Mr. Chairperson, first off, I would like to thank Mr. Olfert for his presentation and for his analysis of Bill 43 in terms of the possible impact that this change might have on public servants and members of the Manitoba Government Employees Union. I want to say though, to Mr. Olfert, that we have got some real concerns about this bill from a public policy point of view. This, in my estimation, is an example, probably one of the best examples of bureaucracy bidding its time with an idea until government changes.

When I was the Minister responsible for Lotteries between '86 and '88, this was an idea that was regularly brought to my attention, and there was considerable pressure on me to have this move take place. We resisted because in our view it is a very significant step to go from an agency or a foundation within government to become a Crown corporation. It reflects a growth in activity in that particular area of activity. It reflects a significant move in terms of public or government approach to that policy area, so we remain concerned about this move at a time when we have seen the government of the day move rapidly, on an overnight basis, in expansion of all kinds of lottery activities without understanding the impact, without having done an analysis of what it will mean in terms of people's lives, what it will mean in terms of possible addictions, what it will mean in terms of impact on community activities and traditional ways in which money has been raised, and obviously there is a great deal of concern in that area.

So I want to ask you, Mr. Olfert, from the point of view of a public policy move, is it not the case that a move from a foundation or an agency within government to a Crown corporation is significant, does reflect a new way of doing things, does make this government activity one more step removed from government and from the ability of legislators to scrutinize activities and, from the point of view of the public, to have some kind of say and input in the activities of that organization?

**Mr. Olfert:** There is no question that it does set up a change in terms of how government operates, whether it is an agency of government or a Crown corporation. I guess it depends on the government of the day or the government that is directing things. Whether it is an agency or a corporation, I guess it depends on what sort of a role that the minister responsible for that Crown plays in the day-to-day activities, so it would depend on the how the corporation is managed. I guess we have seen that under Bill 22, and I do not want to get into that discussion again, but there were some fairly straightforward directions that were given, if I may use those terms, to the corporations to fall in line in terms of Bill 22.

So I guess it depends on what approach a government chooses to take in terms of going with the Crown or an agency of government.

**Ms. Wasylycia-Lels:** In your experience, what is the difference in terms of when you are dealing with government over a particular issue, or the impact of some change on employees? Is there a difference in terms of—notwithstanding government of the day—dealing with a government department versus a government agency versus a Crown corporation?

**Mr. Olfert:** There are differences, and it is really—without getting into a lot of history—hard to really set out which is the better way to go. In some cases having a corporation to deal with issues may be the better way to go. I think it ultimately depends on the management of the corporation to a large extent or the management of an agency to a large extent.

The Alcoholism Foundation, as an example, is an agency of the government. It depends on how the management there works with the minister of the day in managing that agency, and I guess the same thing could apply to a corporation that is structured, MPIC, as an example, how they work with the minister of the day in dealing with that issue.

\* (0930)

In terms of whether people are civil service employees, I guess this move for the 76 people moving to the Lotteries corporation will have some impact. Even if we cover off these areas, there will still be an impact in terms of those people having a larger pool, I guess, if you will. If there were ever layoffs in the new Crown corporation that is being

set up with the Lotteries, those people would have rights within that corporation which would then restrict their ability to be redeployed, so there is a downside. Even if we get everything that we would sort of be looking for in terms of maintaining their benefits and current collective agreement and things like that, they would not have the rights then to bump into a larger civil service group pool of employees where they may be redeployed. It would be possibly more difficult to do that with a smaller group of employees within a Crown.

There are things that make it a little bit more difficult moving and setting up the Crowns and the agencies, but that is really one of the things that we have run into.

**Ms. Wasylycia-Lels:** I would be interested in pursuing why, from your perspective, the Lotteries Foundation has been pursuing this change for some time. What are the benefits to going from a foundation to a Crown corporation? What is behind all of this?

**Mr. Olfert:** I cannot answer that question, quite honestly. It is something that we have been hearing about from the government for the last year or so, that this is the direction they wanted to pursue. Obviously, you will have that opportunity to ask that question in the House and at other places.

**Ms. Wasylycia-Lels:** I am not so sure we will get any answers to these questions, so I thought I would at least try asking the presenters why they think this is happening. Would you agree there is some relationship between this long-standing request and a need to be more independent of government and the watchful scrutiny of the Legislative Assembly?

**Mr. Olfert:** Again, that is one of the issues that I think depends to a large extent and degree in terms of the minister of the day. I think that if the minister of any Crown corporation or the minister responsible for Crown corporations is up front and provides information to the public and the Legislature, I think that an operation can be run as a Crown, an agency or direct government just as well. I think it just really depends on the management style of the people that are in charge of the Crown corporation as well. I mean, if they are communicating well and things are running properly as they should, I think that sort of a scenario can work as well.

**Ms. Wasylycia-Lels:** What you have said, Mr. Olfert, gives us more reason to question why the government is doing this. There does not seem to be an obvious reason for putting this before us unless there is some hidden agenda. I would hate to get into conspiracy theories, but would you agree that this bill before us is at least reflective of the change in public policy with respect to Lotteries activity under this government and there is a relationship between the move towards establishing a Crown corporation and this rapid overnight expansion of Lotteries activities throughout the province of Manitoba?

**Mr. Olfert:** Again, I think that those questions—we as an organization are specifically dealing right now with the issue that is—our first concern is obviously one for the employees and we are seeking some amendments here to this legislation which will deal with that. In terms of public policy, I think that I will leave that to the Legislature and the MLAs to discuss in the House.

**Ms. Wasylycia-Lels:** Do you, on behalf of your members, have any kind of position in terms of the fairly major expansion of Lotteries activities that we have seen in the last short while?

**Mr. Olfert:** I think as a union that deals with, you know, not only with employees, but sort of on social issues apart from specific legislation, we do have, I personally and our organization, some concern in terms of moving in one direction too quickly or another. I mean, it could be the Sunday shopping issue; it could be the moving to a Crown; it could be having to deal with Bill 42, the change of The Liquor Control Act. We do have some social concerns in terms of the gaming and gambling that is occurring.

However, having said that, I think again that is something that obviously the Lotteries Foundation or the new corporation is going to have to deal with and come to grips with, and provide adequate funding for people that are having difficulty, and I think that as a corporation that obviously generates a great deal of government revenue, that revenue should then flow to provide those kinds of services that are required for people that are having problems in that area.

**Mr. Kevin Lamoureux (Inkster):** I just have a couple of brief questions to Mr. Olfert with reference to the suggestion in terms of an amendment that he sees necessary. I am wondering if, Mr. Olfert, you have had any contact



with the minister, or is this the first time the minister would be aware of the concern that the MGEU is proposing?

**Mr. Olfert:** No, this is not the first time. In fact, we did have a meeting a number of months ago. We did receive verbal assurances at that time. In fact, I think we met with two ministers dealing with the civil service and the lotteries, and we were assured that people that were moving from civil service status to the new corporation would move as a unit and move with their benefits and pensions protected.

I guess our concern was, in 26(1), we did not see the wording on the transfer of employees from one group to another, and we thought it would make some sense to have the Lieutenant-Governor-in-Council set out an Order-in-Council reflecting that change when the employees move. We have also, for the member, had meetings with Mr. Earl, Mr. Funk, at the Lotteries Foundation. So there have been ongoing discussions on that issue.

**Mr. Lamoureux:** Yes, Mr. Chairperson, the reason why I ask that is because I am somewhat concerned in terms of the committee taking it, the presentation, as notice, if you will, and then going back and seeing if in fact there is something there and then they will introduce it in third reading in the form of an amendment. It is good to see that they are being at least visibly open to make a change. But the concern is, in going through this, and particularly with 26(1), why it would not have been incorporated. Mr. Olfert, would you know why the government would not have incorporated? Like, it just does not come by as something that was an innocent mistake, we forgot to put it in. Why would it not have been incorporated?

**Mr. Olfert:** I am not totally sure. Now, if you look at 26(1) and 26(2), there are two sections there moving people from the civil service to the Crown, and I guess, because we did not really understand the details of that wording in Section 26 period, it was somewhat confusing to us. We just felt that because we had already done it once with the colleges, and we used that as an example, that it might be possible to have an amendment to deal with it and reflect it so that we could understand it as well.

Now, maybe different legal counsel has drafted the wording for the Lotteries and another legal counsel was doing it for the colleges act, and the two never got together to say how do we do this. It

is possible that it is just something that has been overlooked in terms of trying to nail it down, I guess, so a lay person can understand the language.

**Mr. Lamoureux:** Finally, I guess, just to confirm it, so it is more than just a clarification, there really is no additional cost to government or anything of that nature.

**Mr. Olfert:** No, there is no added cost or anything. The minister has assured us that this is going to happen, but when we saw the legislation we just did not see wording that as lay people we can understand a little more readily, I guess, in terms of the transfer and reflecting that transfer.

**Mr. Steve Ashton (Thompson):** I am just curious at the situation we find ourselves in, because I understand the acting minister's position. There does not appear to be necessarily any opposition to the suggestion. I am just curious as to what consultation there was on this bill. It would seem to me that given the fact that the sections we are talking about here, 26(1) and 26(2), are very clear in terms of dealing with the status of the employees, I am just wondering what degree of consultation there was with either yourself or other representatives of the MGEU prior to the introduction of this bill.

\* (0940)

**Mr. Olfert:** There were meetings that took place. The specific wording we did not see until it was tabled in the Legislature. We have raised this issue, and I know that the Lotteries Foundation management people have that. Staff relations at the civil service are aware of the concern that we have, but I think that we just need to have the transfer of employees sort of set out with the Lieutenant-Governor-in-Council doing the order.

**Mr. Ashton:** Well, I am wondering if there was any ministerial consultation. If we are dealing with an Order-in-Council being required, dealing with legislative wording, that is not normally something that is dealt with by staff. I am just wondering if there was any consultation with yourself as president of MGEU by the minister himself.

**Mr. Olfert:** Not on the specific wording. After the bill had been tabled, our staff were meeting with Lotteries staff on the issue and trying to work through the legislative wording and also work on amendments and memorandums that would reflect the transfer.

**Mr. Ashton:** I find that unfortunate, because it seems to me this is a fairly clear-cut bill in terms of the rest of the legislation, in terms of the transfer, but the first thing I noticed as civil service critic obviously was this particular section. That was the first question that arose in my mind, and I find it unfortunate that the minister did not take the time to provide some sort of a suggested wording because the only way this, which I assume is not exactly Bill 22—I do not think there would be any political—I hope there would not be any political agendas similar to, say, Bill 22 that might prevent consultation.

I know you have run into that problem when it comes to consultation on other bills, but I am wondering at this point would you be able to provide a specific wording to the committee? You provided a sort of model in terms of the other scenario. Would it be possible to provide a specific wording to the committee that we could perhaps deal with in terms of Legislative Counsel? We would certainly be willing to provide it to Legislative Counsel ourselves.

The difficulty, of course, we have in introducing amendments is—I think we have had one amendment accepted this year, one committee, much to our shock and surprise. It was on the libraries issue actually, the City of Winnipeg bill. It is just amazing, it seems when we introduce amendments, they just somehow do not seem to get support from the government members, so I am wondering if it would be possible to get a specific wording and perhaps—well, we have the acting minister here. Perhaps the acting minister does not have any difficulty dealing with it. Would it be possible to get some specifics?

**Mr. Olfert:** I think I can probably give you some draft wording based on 50(3). I think it is fairly straightforward in terms of the staff and the staff moving. I think you could talk about when a—and then put in the Lotteries corporation is established under this act, the Lieutenant-Governor-in-Council may transfer any employees to the corporation and cause them to become employees of the corporation. I mean, it is just substituting some wording that is already there in 50(3).

**Mr. Ashton:** Well, I just have a couple more questions, but I just want to get some clear idea of what the consequences will be, potentially, if this is not put in place. We all know with legislation that wording in bills—we have seen this repeatedly in

committees—can be interpreted one way or another way. In fact we have run into situations where even if it was not the original intent, often it could be interpreted perhaps down the line by a future minister of a future government in a way that was not the original intent. What would be the consequences if we do not deal with this particular amendment?

**Mr. Olfert:** The consequences would be that both the government and us would have to spend money to go to the Labour Board to deal with a successor rights application before the Labour Board. So I think the government could save some money, we could save some money, in dealing with some wording that reflects this so that we both do not have to trot off to Labour Board to have them deal with a successor rights application that we would be entitled to make under that Labour Relations Act.

**Mr. Ashton:** Well, just dealing with the wording then, I am just wondering if something that reads: When the corporation is established under this act, the Lieutenant-Governor-in-Council may transfer any employees in the civil service to the corporation. Would that be satisfactory?

**Mr. Olfert:** And cause them to become employees of the corporation. I think that is important. The transfer and the employee.

**Mr. Ashton:** I apologize, Mr. Chairperson, for doing this at this point in time. I would have hoped this would have been done by the minister in consultation, but we may be able to deal with this problem and get a specific amendment that may make it easier for the minister to either deal with it now or take it back for caucus on behalf of the minister.

So you are suggesting then that if it said: The Lieutenant-Governor-in-Council may transfer any employees in the civil service to become employees of the corporation.

**Mr. Olfert:** Yes, I think something like that would be acceptable.

**Mrs. McIntosh:** Mr. Chairperson, I appreciate the motivation of the president. I also am confident in the discussions that his group and the Lotteries people have been negotiating on for many months now. I just would like to point out a few things for the benefit of the members of the committee and just refresh the memory of the president on certain items that I think should be brought forward.

We do know that, first of all, while there are similarities between this and college governance, and certainly in terms of our intention to see employees protected, that is a correct statement, but we really should understand that the 76 employees we are talking about are 76 of some 655. So we are not talking about a change in status, so to speak, for the entire group as we were with college governance. We do know that the memorandum is underway between the MLF and the MGEU. The 76 employees who are directly the subject of discussion in those talks have their needs being looked at seriously from both sides. We also know that a statement has been made here that makes an assumption that this group is changing employers, and they are not changing employers. It is much in the same way say that the college people were.

We also have not mentioned successor rights under Manitoba law, which I think we are all very familiar with and certainly for this particular set of circumstances should be aware of. The Order-in-Council regarding pensions has already been passed and that indicates that this method of coming to a memorandum of agreement and an understanding is working very well in terms of the need for an amendment. I think that speaks volumes about the successful discussions that are going on between MLF and the MGEU.

I would like to indicate as well that the presenter has made his point, which we have already accepted many months ago. My sense of his presentation is the need to reinforce it at this stage, that the small group of Lotteries employees who will now become part of the MLF group will be protected. Their benefits, working conditions will not change; nothing in this act indicates that they will. I look forward to the successful conclusion of the ongoing negotiations, which are continuing in a satisfactory way. I am confident that the results the presenter is looking for will in fact be the results that come out of those discussions.

\* (0950)

**Mr. Chairperson:** Mr. Olfert, did you wish to comment?

**Mr. Olfert:** There are similarities in terms of the colleges. I guess that is why we just—because we had been through that a year and a half ago, we thought that was a model that we could sort of work from. I just wanted to have that presented as our

option for dealing with this issue, to make sure that we have reflected in legislation it's dotted, it's crossed and to make sure that was dealt with.

There is a change in employer. The employer currently for the 76 employees is the Department of Culture, Heritage and Recreation. Those employees, after this becomes legislation, will then become employees of the Crown corporation which is being set up by this legislation. We felt that if we could get that reflected in here, we would not have to then look at going to the Labour Board to get some successor rights, arguments made there. We thought we could deal with it here in this committee and get some agreement on that which now you have indicated you are prepared to look at.

I think if we can get some kind of amended wording that reflects the transfer and maintains and assures the employees of their existing rights and benefits, then I think that our concerns would be resolved.

**Mr. Ashton:** I was not going to ask further questions, because I had assumed there was less of a problem than there might be. I was a bit concerned by the statement by the minister, and I just want to ask very clearly to Mr. Olfert whether you feel there is any relevance in the comments the minister made that this only impacts on some of the employees? We are all aware of the history of the Lotteries employees, or at least some of us are in terms of the original casino and the recent expansions.

My understanding is that you are saying that it does not really matter, that those employees are entitled to have the same protection of their rights clearly in law, not through any amorphous successor rights, because the minister is quite correct, we do have successor rights. Obviously, that is something that is far more disputable than having something in the act and then having something in Order-in-Council. So you are saying it does not really matter, and you are saying it is very clear, it is an analogous situation to community colleges.

**Mr. Olfert:** Yes, it is. It is very similar to the colleges, and I think that some wording like 50(3) with some minor changes would do it for us.

**Mr. Ashton:** Just one final comment. I want to once again stress what might happen if this is not introduced. You are saying that if it is not introduced and if there is any potential dispute, that

it obviously would have cost to the union but presumably it would also have cost to the government, I guess in this case to the Lotteries Foundation, if there was any dispute that would involve, I assume, a fairly significant amount of legal fees. In fact, I am wondering if you might want to expand on that because I do not think members of the government realize that if there is no malintent here, it seems to me to be far more fair but cost-effective as well. What kind of cost could be associated if there was some dispute over the status of these employees?

**Mr. Olfert:** It would be in the thousands of dollars that would be expended on both sides in dealing with the successor rights application.

**Mr. Ashton:** I would hope then if we cannot use an argument of what I think is fairness that we might at least use an argument with the government of cost at this time. In these tough financial times, it does seem to me rather ridiculous that, you know, when you have a fairly clear-cut case and you have got a very clear precedent in the case of community colleges. I consider it a clear precedent. I do not think there is any real distinction between the Lotteries and the community college situation. In fact, in this case, presumably the shift from foundation to corporation has more than a name attached to it. There is recognition of the changing function of Lotteries that has certainly gone through a major expansion.

So to my mind there is complete analogy with what happened with community colleges where certainly there is now board governance with the community colleges, but it is very much the same scenario. That is there because it has a different focus. It is providing the same services, but they obviously had a policy intent. So you are saying that presumably this is more than just a name change and it could have some implications for the employees that go far beyond what is perhaps even been considered, I think as indicated by the acting minister's briefing notes on behalf of the minister.

**Mr. Olfert:** Yes, and that is why we wanted to present some amendments just to make sure and assure ourselves that the wording in the existing or the proposed legislation would reflect the transfer of those employees with the ability of the Lieutenant-Governor-in-Council to enter into a memorandum which sets out the wages and benefits and working conditions of those people

being transferred. That is really all we are looking for is just a slight amendment.

**Mr. Chairperson:** Thank you. If there are no other questions for the presenter, I thank you very much for your presentation this morning, Mr. Olfert.

We will now call Dan Lillie, Royal Canadian Legion - Branch 42. Good morning, Mr. Lillie. A copy of your written presentation is being distributed. You may begin when you are ready.

(Mr. Ben Sveinson, Acting Chairperson, in the Chair)

**Mr. Dan Lillie (Royal Canadian Legion - Branch 42):** Thank you.

**The Acting Chairperson (Mr. Sveinson):** Everybody have their copies? Mr. Lillie, proceed.

**Mr. Lillie:** My name is Dan Lillie. I am an executive member of the Royal Canadian Legion Branch No. 42 in Selkirk, Manitoba. My comrade president asked me to come here this morning to address you and read the letter that they have sent me with. I would just like to read it to you.

The members of Branch 42 of the Royal Canadian Legion in Selkirk appreciate the opportunity to attend this hearing and make a presentation on our behalf. While many of our points of interest will no doubt be of similar value to other branches in Manitoba, this presentation is made from the standpoint and concerns of our own branch as we do not feel we have the approval or authority to speak for any of the others in an official capacity.

We in Selkirk have been very disappointed at the attitude of the present members of the Lotteries commission in their statements for the refusal to allow VLTs into our branches—VLTs meaning video lottery terminals. One of the reasons stated was that children have been allowed in the branches. We are not aware of any children being allowed in Branch 42 while bingo was on, and they certainly have not been allowed to participate in the bingo, neither have minors been allowed to buy any of the break-open tickets.

Children have been allowed in the club during the day, provided they are accompanied by a parent or a guardian and their conduct is closely monitored. We have never had a complaint about the conduct of any of the few children who have entered the premises, and they have always left with the parent or guardian, and all children must

vacate the premises by 6 p.m. This has only been allowed since the Manitoba Liquor Control Commission sanctioned the practice of children accompanying their parents or guardians into licensed establishments.

Now that the provincial government has sponsored the use of VLTs and casino-type establishments, these methods of allowing gambling are here to stay.

\* (1000)

Bingo and the sale of break-open tickets have been a major source of our revenue for some time. Since the inception of the VLT machines in other than legion establishments, our revenue has taken a considerable drop and it has affected our ability to support the local charities that have come to depend on us. With the diminishing funds available since the inception of VLTs, it has become increasingly difficult to keep up our support for the needs of our members and their families, when required, in addition to the local charities.

All of our funds from Lotteries have been distributed to local charities as stipulated by the commission, as have been approved through the various audits conducted by their members in our reports. Refer to Appendix A for a partial list of the charities we have supported.

We feel that Branch 42 should have all the available facilities for our members and their guests. They should not have to go elsewhere for this type of entertainment.

We at Branch 42 have a well-run establishment with a conscientious staff to ensure that all rules and regulations are maintained. The welfare of our members and their families are uppermost in the minds of our executive members and staff at all times.

(Mr. Chairperson in the Chair)

Should we be allowed to install these VLT machines, we can assure the commission that these will be placed in the games room and that no unauthorized or minor individuals would be allowed entrance at any time.

Your favourable consideration in authorizing the installation of these machines in our branch will be handled with all due respect and responsibility to the obligations that would be imposed by the commission.

May we be given the favourable considerations we deserve from our efforts to maintain a respectable and hospitable outlet for the members and their guests to enjoy the entertainment that has been instituted in our province by the government. We would appreciate being treated as the mature and concerned citizens that we are, concerned for the members, the citizens of our town, and proud of the heritage that many of our members have sacrificed so much to make this country the free thinking and democratic institution that it is today.

The leaders of our country and province have often said that volunteer organizations such as the Royal Canadian Legion are essential for the well-being of our communities, our province and our great country. Without volunteer organizations providing the charitable needs of the communities, the governments will never meet the demands placed upon them. The government needs volunteer organizations. Do not shut us down by denying us the ability to compete with those that are allowed VLTs. Thank you.

**Mr. Chairperson:** Thank you, Mr. Lillie, for your presentation this morning. Perhaps you have misunderstood, but I do not believe your presentation is relative at all to the bill that we are discussing this morning. I will certainly see to it that your presentation is passed on to the minister for her consideration, but if it is the will of the committee, we will accept your presentation and move on. Is that agreed by the committee?

**Mr. Ashton:** You know we have a standing practice in committees that members of the public are able to make whatever presentations they feel are relevant. It is up to members to ask questions afterwards, and I have a number of questions I would like to ask the presenter. I believe they do relate to this bill, Mr. Chairperson.

This bill deals with the changing function of the Lotteries Foundation, and I would appreciate the opportunity to ask the presenter some very serious questions. I think it is an excellent brief. I think this is probably more relevant than half the stuff we discuss in this committee.

**Mr. Chairperson:** Were you raising a point of order, Mr. Ashton?

**Mr. Ashton:** Well, I was responding to your statement, which—

**Mr. Chairperson:** My ruling will have no questions or interchange.

### Point of Order

**Mr. Ashton:** Mr. Chairperson, you do not have the ability as Chair to rule that there will be no questions. The presenter has come before the committee. Committee members are entitled to ask questions.

**Mr. Chairperson:** So you are raising a point of order against my ruling?

**Mrs. McIntosh:** Just on the point of order, Mr. Chairperson, the member for Thompson (Mr. Ashton) has just indicated that this is relevant to the bill because the bill will be changing the nature of the Lotteries Foundation, but indeed, the bill does not change the Lotteries Foundation's nature. The bill simply is housekeeping. It changes the name. It does not change in any way the work that the people are doing, the type of duties they have been assigned. It does not change in any way any aspect of the work.

So it is not changing the role of the Lotteries Foundation in that sense. I feel that is an important clarification to make in terms of the Chairperson's indication about whether or not a particular presentation is relevant to the bill.

**Mr. Lamoureux:** On the same point of order, Mr. Chairperson, I am inclined to concur with the member from Thompson. If you have Bill 43, The Manitoba Lotteries Foundation Amendment Act, any amendment could have a dramatic impact on VLTs. If, in fact, the will of the committee was to move an amendment that would not allow the Lotteries corporation to have VLT machines, we could, in fact, move such an amendment and pass it.

The presenter brings forward comments with respect—[interjection] Well, the member from La Verendrye (Mr. Sveinson) says that it is stupid. It is stupid to even think that the presenter cannot make a presentation of that nature when we are talking about the Lotteries Foundation. The VLTs have been an issue. The legions, not only this particular legion, but legions across the province, have decided that what the government is doing is wrong.

If, in fact, something could be brought in in the form of an amendment to an act that would alleviate, at least in part, what the concern is, well, Mr. Chairperson, who are you or I to determine what this committee might decide?

I would suggest to you that not only does the presenter have the right to have questions be put forward to him, but this is very relevant to this particular bill because it could result in an amendment being put forward

**Mr. Chairperson:** If there are no other speakers to the point of order, just for review, the Chair has ruled that while we accepted and listened to the presentation made by Mr. Lillie, the Chair does not think it is relevant to the bill before us this morning. I have indicated to him that I will see to it that the minister gets a copy of his presentation, and I have ruled that we will not allow questions or comments.

\* \* \*

**Mr. Lamoureux:** I challenge the Chair, Mr. Chairperson.

**Mr. Chairperson:** The ruling of the Chair has been challenged. We will have to dispense with this point of order first, if we may. The ruling of the Chair has been challenged.

All those in favour of upholding the ruling of the Chair, please indicate by raising their right hand. The Clerk will count.

**A COUNTED VOTE** was taken, the result being as follows: Yeas 5, Nays 3.

**Mr. Chairperson:** The ruling of the Chair has been upheld.

**Mr. Lamoureux:** Is it possible to get a recorded vote, or that is the recorded vote? This is as recorded as it gets?

Just for clarification, Mr. Chairperson, are you then going to be allowing for us to put questions to the presenter, because we are, in fact, accepting the presentation?

**Mr. Chairperson:** No, the ruling of the Chair with the challenge was that we would not put questions or discussions to the presenter, because his presentation was not relevant to the bill. That ruling has been upheld, and with that I thank you very much for your presentation—

**Mr. Ashton:** Mr. Chairperson, I would like to move a motion, because if we cannot have some respect for the procedures in this committee by government members, well, we have to move a motion to ensure that it stops.

**Mr. Chairperson:** Order, please. Mr. Ashton, you are not a member of the committee.

### Point of Order

**Ms. Wasylycia-Lels:** Mr. Chairperson, on a new point of order, let me try to calmly express our concerns with the situation at hand. This is unprecedented. This has never happened in the history of any legislative activity in the province of Manitoba.

Mr. Chairperson, I want to refer specifically to a precedent, if you need a precedent. We had a bill last session that dealt with the name change of an organization within government, and that was the Advisory Council on the Status of Women.

Mr. Chairperson, we heard brief after brief from community groups and individuals expressing concerns about that name change as it related to the impact of equality issues in the province of Manitoba. At no point was a member of the public denied the opportunity to raise either the immediate concerns about the name change or the related impact that would have on that policy area.

\* (1010)

Mr. Chairperson, we are dealing with a similar situation. I will refer you to any political science text. A move from an agency or a foundation to a Crown corporation is a significant move. It is relating to the public policy area; it relates to the agenda of government. It is open for discussion.

Mr. Chairperson, for the sake of people here, maybe it is only one person, for the sake of that one person and the interest of maintaining some semblance of democracy, you have got to reconsider your ruling. It is unheard of.

Mr. Chairperson, if it takes a motion, I will find a motion.

**Mr. Chairperson:** The member does not have a point of order, and the Chair repeats that the presenter was allowed to make his presentation for the consideration of the committee. I thank you very much, Mr. Lillie, for your presentation this morning.

**Mr. Daryl Reid (Transcona):** Mr. Chairperson, I am a member of the committee. I have listened here, and even though I do not have a great deal of experience as a member of the Legislature, I find it abhorrent that members of committee, in particular the Chair, would take to cut off any kind of debate and disallow any opportunity for members of this committee sitting here today, who may wish to ask questions of presenters, to disallow that opportunity.

These presenters that have come out here today have taken time out of their own busy schedules to come here to make a presentation to this committee on a particular piece of legislation that affects them in the services that they provide to the community. If you look at the list here, Mr. Chairperson, of the charitable donations that are made to various agencies and groups and activities throughout the communities that the legion makes to these groups, their presentation here today is very relevant.

I move, Mr. Chairperson, that members of the committee be given the opportunity to ask questions of this presenter.

**Mr. Laurendeau:** Mr. Chairperson, I do not think it will be necessary to have a motion. I think this committee can decide without a motion to hear the presenters and allow the questioning of the presenters at this time. I know myself I would have no problem with putting questions.

**Mr. Chairperson:** You do not have a point of order, Mr. Laurendeau. The Chair has already ruled that we would not hear. The committee has upheld the ruling of the Chair.

I have been advised that since the Chair has already ruled and the ruling has been upheld by the committee, that this motion is not in order, so the Chair will not accept this motion.

\* \* \*

**Mr. Lamoureux:** Mr. Chairperson, I would like to take an opportunity to move a motion. I move that this committee rise and report to the Chamber later today what has occurred earlier this morning in committee.

**Mr. Chairperson:** I will have to have some discussion about whether that motion is admissible or not, so I will call a five-minute recess. Committee recess for five minutes.

The committee recessed at 10:14 a.m.

### After Recess

The committee resumed at 10:26 a.m.

**Mr. Chairperson:** Order, please. Will the committee please come back to order.

### Point of Order

**Hon. James McCrae (Minister of Justice and Attorney General):** On a point of order, Mr.

Chairperson, prior to the recess there was some discussion about whether we should proceed and entertain questions from members of the committee of Mr. Lillie, who has come here, I assume, from Selkirk to present to us today.

I believe you correctly ruled about the issue of relevance. On the other hand, honourable members opposite were suggesting that the committee ought to rise and we should report to the House and so on. Meanwhile, we have a whole bunch of presenters here on Bill 24 who also have set aside time to come here to be heard. So I think in the interests of getting on, we could, as a committee, give our leave to allow the honourable member for Thompson (Mr. Ashton) and whoever to ask questions of Mr. Lillie so that we can get on with hearing the other presentations.

I would suggest that we canvass the committee to see if there is leave to do that, but I would hope, too, that questioning would be kept brief as possible since we do have a number of other presenters that we need to accommodate as well.

**Mr. Chairperson:** I thank you for your direction.

\* \* \*

**Mr. Lamoureux:** Mr. Chairperson, the intent of the motion was more so that we at least have the opportunity to ask questions of the presenter because he did in fact take the time. I have never seen it denied before, so having heard the minister's comments, I would be quite happy to withdraw the motion if there was in fact unanimous leave of the committee to do that.

**Mr. Chairperson:** Is there unanimous consent to allow the member for Inkster (Mr. Lamoureux) to withdraw his motion? [agreed]

Is there unanimous consent from the committee to enter into questions with the presenter? [agreed]

\* \* \*

**Mr. Chairperson:** Have any committee members any questions or comments for Mr. Lillie?

**Mr. Gregory Dewar (Selkirk):** Mr. Chairperson, I want to thank Mr. Lillie for coming in today to present to the committee some of his concerns of legion members and Army Navy & Air Force veterans organizations and other charitable groups that have been affected by the government's policy in terms of gaming and gambling activity in the province.

I do not think the government has really had the opportunity to, or maybe by design they have not really listened to Manitobans when it comes to gambling policy. They seem to be willing to expand in a very ad-hoc manner. They have not really, I do not think, analyzed the full impacts of their policies on different groups in the province, and we appreciate the opportunity to question you today to hear some of your concerns.

You, of course, represent the legion. Would you say that your concerns are representative of other veterans organizations in the province?

**Mr. Lillie:** Yes. In fact, in conducting my own personal test of various members that I run into from other branches, they are quite concerned of the fact that we are not allowed to have the VLTs. They feel as though if they do not get the VLTs, their clubs will be closing up. We foresee that to be a problem with us, as well, too. They do not have any cash generating revenue coming in from anything. They feel as though if they had the VLTs, they would definitely stand a chance to keep themselves open and be able to support all the varied organizations that the legions do support.

\* (1030)

We do not, as you know, just keep the money and distribute it amongst ourselves. That money is turned back into the communities and is used for very useful projects, and I am sure you are well aware of, at this time, what they are.

**Mr. Dewar:** You mentioned in your presentation, our revenues have taken a considerable drop. Do you have any numbers to back that up? What would be the percentage drop over the year to year?

**Mr. Lillie:** Well, I have no specific numbers to present to you here at this point in time, but what I do have is my vague memory. I have been a past president of the fundraising for the legions, and in the last year we have not really been able to generate funds to really make any sizable donations to anybody. Like, at one time you could, say, raffle off, be it a shotgun, a fishing rod, a boat and motor, whatever, and you could expect to make some money so that you could turn around and present that back to the various committees that are asking for money.

But no, we have not made lots of money. I think we may have made, at the most, in one particular draw that I specifically remember being involved in



I think I made about \$1,000, and that is after selling for five months. These are \$1 tickets that we are talking about. Of course, it was sanctioned by the Lotteries committee. It was not something that we went out and did on our own.

**Mr. Dewar:** Of course, the bingos held at the Selkirk Legion are very famous in our community. Have you noticed a drop in revenues from your bingo or break-open tickets?

**Mr. Lillie:** Yes, we have, because I feel personally that the other service clubs in town are looking for avenues to generate money for themselves. At one time it was well respected that on Monday night and Saturday was the legion bingos in the town of Selkirk. At this point in time that gentleman's agreement has now been broken and we do have various bingo clubs competing with us. As a result it has cut down our attendance dramatically, and we maybe at one time consistently got \$1000 profit per event. Sometimes we are very fortunate if we make \$100. Sometime we are very fortunate that we do not go in the hole. The reason I speak of that is that I at one time was a member of the bingo committee and I could see the sales going down. As opposed to the VLTs, I think that would be a revenue that we could certainly be happy to have and be able to use.

**Mr. Dewar:** You mentioned bingo and you mentioned the break-open tickets. In my talks I have had with legions and legion members, veterans groups, they mention that their bar sales have dropped significantly. Is that the case in the legion in Selkirk and other legions that you are aware of?

**Mr. Lillie:** Yes. I think a lot of people are becoming more aware of the fact that drinking and driving is no longer accepted, and I for one, being a nondrinker myself, profess that to be very good advice. In fact I will at many times drive anybody home from the legion who has been drinking, and I know that they have got a car there, I will take them home. I think that is great advice from whatever department it was.

**Mr. Dewar:** The Minister of Justice.

**Mr. Lillie:** Justice. That was very well brought up, and I commend you on it. It was very well done.

I think that—I have lost myself here, but anyway we will get back to it. Repeat the question, please.

**Mr. Dewar:** Yes, I was just wondering, you mentioned bingo and break-open revenues that are

down. I was wanting you to comment on bar sales. Do you think VLTs have hurt your revenues that you normally make through a bar and other concessions?

**Mr. Lillie:** I think that yes, it has, but on the specific question of the liquor sales being down, I think again, going back to the fact that we have such tough drinking-and-driving laws, people do come in, even the bingo players coming in now, they do not sit down and have beer anymore. They will go down and have a pop. They are not there to drink anymore. At one time there was a lot of drinking going on, the boys coming out and having a great time, but those veterans are now passé. They have gone on in their age, and they are doing other things. The people that are now coming in are just members of the general public who are looking for a little bit of entertainment for their dollars in return for some chance to make some money. The bars, yes, have suffered. We have suffered.

**Mr. Dewar:** Have you or your group to your knowledge ever been consulted about the government gaming policy? Have they ever asked you your opinion on gambling?

**Mr. Lillie:** I am not personally aware of any specific requests sent out by the government. It is very well that there could have been, because in the last year I have not served on the fundraising or the bingo committee, so I really do not know and I am not able to see that kind of literature coming into the office. I would be very pleased if we could go ahead and have some input into that end that we would be allowed to have VLTs in our clubrooms.

**Mr. Dewar:** I just want to thank you once again for your presentation, and I am pleased that we had the opportunity to raise some questions with you today.

**Mr. Lamoureux:** Perhaps Mr. Lillie can indicate to the committee in terms of the change from the foundation over to a corporation if he feels that this in itself will have some sort of an impact, because not only is it a question of VLTs, but gaming, when you go to get a lottery ticket, for example, or the bingos that you hold. Are there any concerns that you have with respect to going from a foundation to the corporation, and what impact, if any at all, do you perceive that will happen as a direct result?

**Mr. Lillie:** To my mind I would hope that there would be no problems whatsoever, because if it was to become a problem, I would certainly be

opposed to that at this point in time. There has been no indication to us that we will have any problems. It has been said that everything will just go on, as far as I know, the same, and we are looking forward to that end, I hope.

**Mr. Lamoureux:** In terms of being able to influence, to have a better chance to invoke some form of change, I guess you would have had a better chance, and this is the reason why I do appreciate the fact that you have come forward with respect to the VLT issue, if it was a foundation as opposed to a corporation, because there is more everyday involvement with the foundation than there will be with the corporation. At least I am led to believe that in fact is the case. For example, in the Estimates process, if we had properly put our hours in order, we would have had ample time to ask questions of the minister responsible for it, that there might be more opportunities to get clarification on policies from government when it was, in fact, a foundation, or it actually still is a foundation. So I did not have a list of questions, but I did feel it was important that you do have the right to be asked questions, and I do appreciate, very much so, your coming forward today to make your presentation.

Thank you.

**Ms. Wasylycia-Lels:** I would also like to thank Mr. Lillie for taking the time to be with us this morning. I have a couple of questions along the lines of my earlier question to the previous presenter, because in my estimation, for what I was told when I was minister, the move from an organization called the Lotteries Foundation to the Lotteries corporation was significant, is significant and reflects a change in attitude, in public policy. It seems to me that this name change is part of a general change in level of activity and role of government in this whole area, the whole area of gaming.

What is your view? Do you see the relationship at all in terms of this name change and where the government wants to take us with respect to gaming activity?

**Mr. Lillie:** In my opinion, right now, at this point in time, I feel that, like I said earlier, I anticipate no change. I would hope that the government would continue to, given all the service clubs, anybody who is turning around monies that they have raised, that does not change at all. I would hope that would continue to be their policy. I would hope that

because it now comes over to a foundation which is not supported by the government; the profits do not get eaten up by running the organization. I can foresee that to be a problem, too. I am not saying that the government does not now use money to run the operation, but I would certainly hate to see it mismanaged and see that the monies that are being raised will not go back to the individual service clubs that are taking and raising the money.

**Ms. Wasylycia-Lels:** At the same time that we have seen this request for a name change, we have seen an increase in activity on all fronts pertaining to gaming. We have also seen a significant dismantling of the community distribution mechanisms that were in place, the whole lottery umbrella distribution system, with a lot of groups expressing concern that the traditional sources of revenue and their access to lottery funds are drying up and there are no alternative mechanisms being put in place. Do you have assurances that with this legislation and with this rapid expansion of gaming activity, particularly VLTs into hotels, you as legions and as service clubs in our communities will have some compensation from the Government of Manitoba?

\* (1040)

**Mr. Lillie:** Currently the government has given the break-open ticket sales, I do believe—now I could be wrong on the percentages but about 3 percent rebate based on the 1992 sales of your service club. That is as far as it has gone right now. They have not really come out with anything more. It certainly does not, in my mind, seem as though they are really giving you a fair chance at having a—you know, as opposed to operating your own set of VLTs in your own place. We have no idea what it could generate for us, but just judging by the players in the town of Selkirk, from my own personal viewing, I see that there are a lot of people out there, so they must be pulling in a lot of money. For us to get a chunk of that would be—why should we not be allowed to have the same opportunity to make that kind of money?

**Ms. Wasylycia-Lels:** Are there any discussions currently taking place or being promised for the future for the government to sit down with the legions to arrive at some sort of formula to ensure adequate compensation for this shift in policy?

**Mr. Lillie:** I am not aware of anything right now. That would be a great thing to have so that you

could sit down and say, well, okay, we can now guarantee that you are going to get this much money. Then we could look at that and form our budgets accordingly. As it is right now, we have no way of knowing how much money we are going to generate. We cannot even make a commitment to take, for instance—the town of Selkirk is trying to get their arena complex finished, and they have asked all the service clubs in the town to come out and support them.

Well, certainly we would support them, but we cannot give them any money because we do not have it. If we had the money, we would certainly give it to them. That is unfortunate.

**Ms. Wasylycia-Lels:** At the same time, the government has basically eliminated the Community Places Program which was lottery funded and which provided revenues to communities for capital projects like the arena in Selkirk. I would assume that the loss of that avenue for capital funds has had a fairly negative impact in terms of plans in the community of Selkirk. Is that correct?

**Mr. Lillie:** I do believe so, yes.

**Ms. Wasylycia-Lels:** On the question of the impact of the expansion of activities by the government and the move to place VLTs in hotels, I want to ask about that particular issue because it relates very much to this whole area. You have mentioned the impact on the legion in Selkirk. I am trying to get a sense from all the legions, and there are many in my constituency. A good number of them are telling me that they are facing serious financial problems. In fact, one in particular, the one in West Kildonan, has said that it may go under in six months or within six months if something is not done. They see the loss of revenue as a result of VLTs going into hotels as a significant factor in all of that. Is it the case—and you may have already touched on this. Do you have any sense of how many legions are facing that kind of extreme financial difficulty and may have to close their doors?

**Mr. Lillie:** I personally do not have any hard facts on that, but, as I said before, the general consensus is that, when you go to a rally of any sort with any other legions involved, they are all sitting there saying that they are hurting very much so because of the VLTs. In fact, I think we have had some correspondence between the branches, and

we have had one branch in particular asking us to get a hold of our MLA and try and get that changed.

I do not think—I am stepping on some very touchy ground here for the legion as far as the philosophy of it is. We really do not want to be politically involved, but at this point in time the government has left us no choice. At this point in time it seems as though we have to be antigovernment in the sense that we have to say something. The philosophy of the legion is that we will uphold whatever government is in power. You well realize that we are all veterans and some of us are just associate members, and we carry on that tradition very strongly. We feel that the government should listen to what we are asking because it is not a lot, I do not think. We are just asking that we get the same footing as everybody else.

**Ms. Wasylycia-Lels:** I appreciate that. In fact, in my discussions with some of the legions in my constituency, I think there is a general feeling that legions really do not want VLTs as a matter of course, because they recognize some of the problems that come with VLTs, but what they are telling me is that if VLTs are allowed into every hotel and then that in turn has a negative impact on people visiting and attending legions, then that is when legions are saying, okay, we had better operate at least from a level playing field. It is sort of, you know, the lesser of two evils in a way.

Is that a general philosophical position in terms of the legions? Forgive me if I am asking a question I should not in terms of your individual legion. Is there a sense, from your own point of view, that in fact a new problem has been created? You really do not want the VLTs, but if they are everywhere else, in order to survive, then you would like them too.

**Mr. Lillie:** Okay, in that respect the VLT in my mind is that there is a source of entertainment, basically, as is bingo, as is the shuffleboard, as is the pool table. We have those in our legion, and they are offered to everybody. Not everybody chooses to use those facilities. What we are trying to do is say, here, we have some VLTs; if you would like to play them, you can play them. We have liquor in our establishment; if you want to use that, go ahead use it. We also have coffee. You know we want to give everybody a varied choice, and if they are all down the street at somebody else's place, then we do not have the opportunity to give them that choice, and that is all we want to do is give them a

choice. We are not sitting there saying, give us that so that we can bring in that type of a person. We certainly do not want that type. We want it to be a respectable club, which it is. I am sure you are all well aware of that fact.

**Ms. Wasylycia-Lels:** Yes. In fact, I know from the legions in my community that they are all very respected organizations and contribute a lot back into the community, or had been contributing a lot back into the community.

What I am hearing now from many of them is that the many donations that they were able to give to important causes are no longer possible. They are now faced with this difficult, almost intolerable, kind of situation of having to say no to a whole range of very excellent community endeavours because they just do not have the revenue. Is that the case generally?

**Mr. Lillie:** Yes, we find that when we go out to do anything—it is like everything else—we need money to put something on, and you are very restricted with what you can do. We do support a lot of causes. Do not get me wrong. We do support a lot of causes that we are currently still in the process of supporting. We have made enough monies to generate to be able to support those. We feel that, with the VLTs coming into the legion itself, we would be able to get a much larger percentage of the revenues out there and be able to generate more charities, support more charities.

If you look at page 4 on my presentation, you will see a listing of some of the things that we have supported. Some of these are annual donations. You can see the amounts, that they are very small, and we would like to up that. The consensus among our legion members is that we would like to donate more to the Alzheimer's because we all forget what we are doing anymore. We need to help out everybody, really.

**Ms. Wasylycia-Lels:** Mr. Chairperson, would you agree that those donations are needed more than ever because in fact those very organizations that you were able to support in the past are also faced with cuts from government and just lack of funds available for programs? So would you agree that in this climate right now those donations are needed more than ever?

**Mr. Lillie:** Yes. I would.

\* (1050)

**Ms. Wasylycia-Lels:** You mentioned in your brief the fact that one of the reasons the government has given for not committing itself to placing VLTs in legion branches has been the fact that some legions allow children into their branches. Is it not the case that when that reason was presented to the legions, all legions that said they opened their doors to children were prepared to change that policy in order to be able to have access to VLTs?

**Mr. Lillie:** Again, I cannot speak for other legions, but I can speak for our branch. We have taken the position that, yes, we will close our doors to any children in order—[interjection] Well, not say the doors completely. What we will do is maybe cordon off the games room where these VLTs would be located. They would not be allowed in there. As it says in our letter, we have a staff that would be able to enforce that, as they currently are enforcing the liquor regulations right now. I do not see a problem with that myself. I am sure every other legion would be of the same opinion.

**Ms. Wasylycia-Lels:** Yes. I have not been able to reach every legion in my community, but for the record, West Kildonan Legion, which has had its doors open to children, has said quite clearly it is prepared to change that policy if it means having access to VLTs and placement of VLTs in their legion, in order to stay alive financially, in order to continue to do great community service in my community, which has been its tradition.

My final question to you is: Is the door open at all, a crack, with the government of Manitoba to negotiate placement of VLTs in legions? What could we do to help? Are there ways we could raise this with the government? Is there something we can do to help ensure that those legion branches that would like to have VLTs and are prepared to put in place responsible policies around VLTs are able to access VLTs from the Manitoba Lotteries Foundation?

**Mr. Lillie:** In answer to your question, no. As far as I know there has not been any sort of door opening and saying, yes, we will entertain the idea of giving the VLTs to the legions. To my knowledge, the last I heard of the situation it was that, no, in fact they were not going to be given to the legions. I would appreciate any help from this committee whatsoever in telling the government or asking them if they would at least consider it, because at this point in time if we do not get any consideration, it is going to be dire consequences for the legions

that are just about ready to close. I am sure that they could hang on until the government comes around and says, yes, we will allow you to have your VLTs, because that is something that they know would be an income-generating event.

**Ms. Wasylycia-Lels:** I would just like to thank Mr. Lillie for taking the time to answer all these questions. We really appreciate it. It certainly helped us understand this whole area much better. Thank you.

**Mr. Ashton:** I just have one question. I just want to preface it by saying that in the same committee room we had another committee that did look at the Manitoba Lotteries Foundation Annual Report, and this was one of the major concerns that was expressed by members of committees, what is happening to the legions because of VLTs, certainly something that many of us are going to be pursuing. I think it is an ongoing issue. What I want to deal with in the context of this bill, which turns the Lotteries Foundation into a corporation, is the impact of the changing Lotteries policies on the legion.

I really believe this act does have significance beyond the name change. I think it is in keeping with what is happening with Lotteries Foundation, that it is increasingly becoming a revenue raiser for government. It is no longer strictly for charitable or service purposes. It is becoming another arm of the Minister of Finance. In fact, much of the revenue is going into that, and I think that is one of the reasons we have run into difficulty with VLTs and particularly with legions. But in this committee room about two months ago when a number of us raised the question about the impact of what the Lotteries Foundation was doing, and when we read through the report put out by the Lotteries Foundation and the statement by the minister, there were statements about the legion, that it was a private club. There was a specific reference to legion members dying out and having a reduced membership as if that was the reality out there in terms of the legions.

Of course, I had some interest in that because I am a legion member, I am an associate member. My dad was in the forces so I am eligible for membership. I have been involved as much as I can in terms of the local branch, certainly supported its activities. Thompson is a relatively young town. We have a lot of people who are associate members or who have served in the forces, not

during the various wars but in recent years, and what they are telling me is that what the government is doing is making this a self-fulfilling prophecy. If they take away the ability of the legion to be not a private club but a service organization—because that is one of the major reasons that a lot of associate members join is for the service.

In fact, we have honorary members, we have people who are not even eligible for associate status who are active in the legion in Thompson. What the government is doing is taking away the ability to service the organizations that you mention in Selkirk. In the case of Thompson, we have a similar list of organizations the legion has supported. In fact, I quite frankly took offence to the reference to being a private club, because even for those members who view it as an organization where they maintain contact with their comrades from the various times they served in the forces or served in the war, frankly, so be it. We owe a lot to our veterans. I have been in the legions not only in Thompson but in Winnipeg and talked to people, and I have never seen such pessimism, an organization that has survived 70-odd years, and the Army Navy & Air Force Veterans which actually predates even the legion, I mean branches talking about closing down.

I just want to ask a very direct question because it has been touched on. I want to have the committee understand the consequences of continuing ahead with that move, which I think Bill 43 does, and that is, if the government does not recognize the fact that legions are essentially service organizations and are quite flexible on the VLTs, if they do not recognize that there is a real attempt in the legions right now to ensure that the next generation is involved, people of your generation or mine and those who were too young to serve in the military in the time of the war, what will happen? Do you really think it is a scare tactic when legion centres close down or is that the reality? Are legions and Army Navy & Air Force Veterans organizations going to be closing down branches because of this very difficult situation?

**Mr. Lillie:** Well, I do not believe that the service club part of it will ever diminish. I think, given the fact that the club rooms do close and the people do not have any place to hold a meeting and stuff like that—there will always be a legion because of the service club part of it. The people involved in that do that because it gives them great satisfaction.

I work personally at the legion because I enjoy meeting people, I enjoy being with them, I enjoy seeing them have an alternative to entertainment. The legion does that whether it be through, well, you have your annual picnics, you have parades that you get involved in, whether it is bursaries that you hand out to the kids at school, you also go out and you have, well, hockey clubs that you support, youth groups that you are supporting. We, in fact, in the town of Selkirk ourselves are responsible for the Navy League.

I think that those things probably would continue on, but they would not be getting the support because of the legion not being open and being able to make revenue generating events to support those clubs.

As it is right now, we have no other income other than our own generated funds. It is not like any other club where you are always getting money from someplace else through the sales of a chocolate bar or something like that. We do not have an ongoing income. Currently we do use the liquor, but let us put it this way, we do not want everybody to be drunk, so we do not entice them to come in just for that alone. Like we said, we have other things there that we entertain.

I think that they will close up because not a lot of the clubs are as big as what the Selkirk Legion is. The Selkirk Legion has got approximately 1,000 members. Out of that, those that really come out and do any work, there are quite a few, maybe 200 people that really do any work. The thing is that those people are still supporting the club by holding their membership up to 1,000.

I think if we close the doors—I do not know—I think that, yes, there would be a few of us that would still continue on, because I am too old to be in the Kinsmen, I am too old to be in other service clubs and being a member of the armed forces myself, in the reserves, I would probably stick with any legion because I value their philosophy.

\* (1100)

**Mr. McCrae:** Mr. Lillie, since you threw a compliment my way, I would like to return the favour. I, like the honourable member for Thompson, have an association with the Royal Canadian Legion, although mine is not formal. My late father served in the Second World War along with his brother, my wife's father and many of her relatives, and we have an appreciation, I believe,

for the philosophy of the Royal Canadian Legion and other veteran associations and organizations.

I am not asking any questions, but I am just going to repeat what the Chairperson said and ensure that your presentation comes to the attention of the Minister responsible for Lotteries in Manitoba, and some of the other points you made in addition to your presentation. We will ensure that the minister becomes aware of your presentation today. Thank you.

**Mrs. McIntosh:** Mr. Chairperson, a very brief comment, as with the Minister of Justice (Mr. McCrae), I am a member of a veterans organization, a full-fledged member as is my husband, as is my father and as are my aunts and uncles who have all been full-time career military people. I was an air force brat raised in that environment, so I know very much what you are speaking about.

On behalf of the minister who has had a death in the family, is not able to be here today, I indicate to you that your presentation will be made to her, indicate to you that changes of this nature are a matter of policy not of the act. Hence, I know that there have been discussions going on which will continue as they are.

I am not the minister so I cannot speak to exactly how those are going. But I will ensure that your presentation is made to her, and I thank you on behalf of all the legions for the work that you do in the community. We know how valuable it is. Thank you very much for taking the time to come out.

**Mr. Chairperson:** If there are no other questions for the presenter, I thank you very much—

**Mr. Lillie:** Yes, I would just like to say I thank you for a fair hearing. I appreciate the fact that you gave me an opportunity to speak. I apologize to you for not being more concise. I am not a great speaker, but I hope I have answered your questions and I thank you for your time.

**Mr. Chairperson:** Thank you, Mr. Lillie.

That completes public presentations on Bill 43. As previously agreed, we will now move into clause-by-clause consideration of the bill.

Does the acting minister or any of the committee members have an opening statement?

**Mrs. McIntosh:** Mr. Chairperson, I will not take time to make a statement in light of the fact that we have so many people waiting to be heard on

another issue. I will just indicate that I think the bill is self-evident. It is a housekeeping change to reflect the way in which the agency has been acting since 1991, been performing as a Crown. This now will make it official.

I will waive further comments so we can get on with debate, so that the presenters for the next bill do not have to be here too much longer.

**Ms. Wasylycia-Lels:** Mr. Chairperson, I would like to just put a few comments on record. The minister has tried to leave the impression that this is just a name change, that it means nothing more than a title on a piece of paper.

Well, Mr. Chairperson, it is absolutely clear that any move from a foundation or an agency to a corporation has significant ramifications. It is done for very good reason. It is not done lightly, frivolously, because someone just likes the sound of a different name.

A Crown corporation in political theory has specific meaning. It certainly has to do with the degree of independence that the government feels it wants to create between that type of activity within government and how it is managed.

I speak from considerable experience on this matter because, in fact, there was quite an effort made on the part of employees of the foundation when I was the Minister responsible for Lotteries between '86 and '88. As is the case today, the recommendation was made not because someone liked the sound of the name, because corporation sounded better than foundation. Corporation has a whole different meaning than foundation. As the member for Thompson (Mr. Ashton) said earlier, foundation refers specifically to a place where dollars are collected and then disbursed for various charitable, community reasons. Corporation, in all political science texts, refers specifically to a business activity, an area of activity that the government feels is an important endeavour for public sector involvement and an important area for revenue generation.

It denotes a significant change. It is absolutely clear today, as it was back in '86, that this recommendation is being made in order to have a more arm's-length organization from government for purposes of more flexibility and freedom in terms of activity and in terms of being able to deflect, divert criticism and public concern from the government of Manitoba.

Let there be no mistaking, this is done for deliberate, specific reason, and it is to create a business organization within government to change the Lotteries Foundation from an organization that regulated, limited activity and disbursed those funds according to a set of defined community, nonprofit endeavour in our community to one that is a business organization to raise revenue for the government to deal with its general budgetary situation.

It is, furthermore, an attempt on the part of this government to clearly be able to distance itself from decisions made and be able to deflect criticism and indicate that they really had little to do with decisions when they prove to be difficult to explain and account for publicly.

So that is the history. That does not mean that one would always be opposed to moving from a foundation to a corporation. Certainly, when I was the minister, it was an idea worth consideration depending on the philosophy, direction and policy at the time.

We recognized that was not appropriate at this stage, in this point of history in Manitoba. Yet this government has chosen to go that direction, and the worst part of all of it, tried to disguise it, hide it and suggest it is just a name change.

Well, that is so ludicrous. It is just absolutely unbelievable, given the kind of major expansion we have seen in a very short order without any kind of review, public scrutiny and opportunity to debate and discuss as a community at large the merits of going in these many different directions pertaining to gaming.

So, Mr. Chairperson, we are very concerned about this government's decision and its attempt to hide the real reasons behind this decision. So we will be voting against this bill, and we will be trying to, as well, accommodate and address the concerns expressed by the head of the Manitoba Government Employees Union because, in fact, that is a very legitimate area of concern.

When I was the minister it was clearly stated to me that when the idea for changing the MLF to a Crown corporation was presented to me, the reason behind it all, from Lotteries officials, was that employees would not be subject to the provisions of The Civil Service Act if the MLF were a Crown corporation.

So, Mr. Chairperson, those are legitimate concerns, in addition to the ones we have raised about public policy and direction that gaming is taking in this province. We would like to see those concerns addressed as well as the overall direction of gaming that is taking place in the province of Manitoba. Thank you.

**Mr. Lamoureux:** Just very briefly, Mr. Chairperson, we just want to indicate, in second reading both myself and the Leader of the Liberal Party (Mr. Edwards) commented extensively on this particular bill. We do not support it for a number of reasons but, generally, I think it is all inclusive by just saying that we do not support what the government is doing with the lotteries and gambling in the province of Manitoba.

**Mr. Chairperson:** Thank you. As is normal procedure, consideration of the Title and Preamble are postponed until all clauses have been considered in their proper order by the committee.

I understand there is a proposed amendment for Clause 8.

Shall Clauses 1 to 7 inclusive pass?

**Some Honourable Members:** Pass.

**Ms. Wasylycia-Lels:** A recorded vote, please.

**A COUNTED VOTE** was taken, the result being as follows: Yeas 6, Nays 3.

Clauses 1 to 7 inclusive are accordingly passed.

Shall Clause 8 pass?

**Ms. Wasylycia-Lels:** I have an amendment.

**Mr. Chairperson:** Proceed.

**Ms. Wasylycia-Lels:** I move, in both English and French,

THAT the proposed section 26, as set out in section 8 of the Bill, be amended

(a) by adding the following after subsection (1):

**Transfer of employees**

**26(1.1)** The Lieutenant-Governor-in-Council may transfer to the corporation any civil servant employed in the administration of this Act on the day this section comes into force, and cause that civil servant to become an employee of the corporation.

(b) by adding the following after subsection (2):

**Order respecting employees**

**26(3)** The Lieutenant-Governor-in-Council may make an order respecting the rights of employees

of the corporation applicable to persons who were civil servants before the coming into force of this section.

**[French version]**

Il est proposé que l'article 26, énoncé à l'article 8 du projet de loi, soit amendé:

a) par adjonction, après le paragraphe (1), de ce qui suit:

**Transfert d'employés**

**26(1.1)** Le lieutenant-gouverneur en conseil peut transférer à la corporation les fonctionnaires qui s'occupent de l'application de la présente loi à la date d'entrée en vigueur du présent article et faire en sorte que ces fonctionnaires se deviennent des employés de la corporation.

b) Par adjonction, après le paragraphe (2), de ce qui suit:

**Droit concernant les employés**

**26(3)** Le lieutenant-gouverneur en conseil peut, par décret, régir les droits des employés de la corporation applicables aux personnes qui étaient fonctionnaires avant l'entrée en vigueur du présent article.

**Motion presented.**

**Mr. Chairperson:** Any discussion?

**Mr. Lamoureux:** Just a question to the presenter of the motion. This embodies basically what Mr. Olfert was suggesting be done?

**Ms. Wasylycia-Lels:** We believe that this amendment, both encapsulates what Mr. Olfert was suggesting by way of a clear indication in the legislation about the transfer issue, the transfer of employees from the foundation to the corporation but also guarantees that their rights under The Civil Service Act would be guaranteed.

It is an attempt to address a concern that Mr. Olfert raised and that we have with respect to—one of the reasons for this kind of move to begin with is clearly exempting employees from the provisions of The Civil Service Act. That was always clearly stated as an argument for making this shift from the foundation to the corporation. I think that we have to, although we are opposed to this general move, if the government is intent on this, do our best to guarantee the rights of those individuals involved in the gaming activity.

**Mr. Chairperson:** Shall the amendment pass?

**Some Honourable Members:** No.



**Mr. Chairperson:** The amendment is accordingly lost. On division?

**Ms. Wasylycia-Leis:** On division, please.

**Mr. Chairperson:** Ms. Wasylycia-Leis has requested a division on the record, so the amendment is lost on division.

Shall Clause 8 to 11 inclusive pass?

**An Honourable Member:** No.

**Mr. Chairperson:** On division? Those clauses are accordingly passed on division.

Shall the Preamble pass?

**An Honourable Member:** No.

**Mr. Chairperson:** On division? The Preamble is passed on division.

Shall the bill be reported?

**An Honourable Member:** No.

**Mr. Chairperson:** On division? Is it the will of the committee that I report the bill? That is agreed, on division.

Thank you, that completes consideration of Bill 43.

### **Bill 24—The Taxicab Amendment and Consequential Amendments Act**

**Mr. Chairperson:** We will now move to public presentations on Bill 24, The Taxicab Amendment and Consequential Amendments Act. A new list of presenters has been circulated to committee members.

Does the committee wish to put a time limit on the presentations? No?

**An Honourable Member:** Not at this time, Mr. Chairperson.

**Mr. Chairperson:** I will call then the first presenter on the list. John Mann, private citizen. Good morning, Mr. Mann. Do you have a written presentation to present to the committee? It is not necessary. I was just inquiring. No.

**Mr. John Mann (Private Citizen):** I do not have a secretary.

**Mr. Chairperson:** Just your notes. That is fine. You may begin when you are ready.

**Mr. Mann:** It is rather interesting to note cab drivers are not the only ones upset at the government; even legionnaires are upset.

**Mr. Chairperson and members of the committee** into public hearings on Bill 24, i.e., The Taxicab Amendment and Consequential Amendments Act, my name is John Mann. I used to live in Thompson, but now I live in The Maples, Winnipeg, and I am one of those who has been, and who might be, a cab driver someday.

I took early retirement at Inco, Thompson, after 21 years. Members of the committee, if I had not, the company would have laid off somebody with the least seniority. That is a guy who got married last year and the couple have a very, very young baby. Instead of working nine more years, and earning a full credit for full pension, I decided to call it quits in favour of the new employee. To augment my pension benefits, I might yet drive a cab or do something else.

In 1984, at Inco, we were working four days, and the fifth day were being paid by the UIC in standard benefits. That is one-fifth of the weekly benefits. I, for one, refused to accept those benefits. As a matter of fact, I had written to the commission to channel that money to somebody whose benefits had run out. I, instead, chose to drive a cab for the fifth day. Now you can inquire if you wish from the commission. My letter should be on their file someplace.

I received my B.A. and B.Ed. in India and was employed as a schoolteacher. I migrated to England and worked there as a factory worker and a bus driver and other various jobs. I moved to Canada in 1971. For the most part, I lived in Thompson, Manitoba.

**Mr. Chairperson:** Mr. Mann, excuse me, please. The Hansard is having a bit of trouble recording. Just back away from the mike an inch or two, if you would, please. Thanks very much. You may continue.

**Mr. Mann:** Okay. I do not have very much practice in this.

I worked for Inco for 21 years as an electrical mechanic. I am married. We have four children—a doctor, pharmacist, optician and executive secretary. You could not wish for more. They are all employed.

During my stay in Thompson, I was a member of the Thompson General Hospital board for four years. During the layoffs in '83, I served as a job creation co-ordinator and was named Man of the Year for 1983. This, by the way, is a very rare

award, given to somebody for doing something of excellence for the community.

\* (1120)

(Mr. Ben Sveinson, Acting Chairperson, in the Chair)

I was active in the Steelworkers, too. As a union activist I believe I gained a lot of respect from the men I met at Inco too. I have tried to be as modest as I could be. Whenever I read or hear about taxicabs, taxi-drivers, taxi by-laws, Taxicab Act, I feel part of it in sorts.

This bill takes away the rights of taxi drivers. It takes away their right to appeal. It nails them with additional legal costs if they are called before the board.

These cab drivers are the new immigrants, working below or at par with the minimum wage. They work in most cases 80 hours a week. Some of them drive as part-timers. All in all these people are trying very hard to secure a better life for their families. Their story is no different than any new immigrants at any time to this country. These people were lawyers, teachers, accountants, engineers, extra in their countries of origin.

Have you ever taken a cab recently, any of you? I know Mr. Filmon does not take a cab, he takes a jet. No doubt, a lot of good people ride in the cabs, but there is certainly a small percentage of users who have no regard for other people's property or the laws of the land. These people are sometimes drunks, throwing up all over the cabs, attacking the cab drivers physically, robbing them and sometimes killing them. Some of these people abuse the cabbies psychologically. They make these drivers feel unwelcome immigrants to this country. These very users address them with racist remarks. Yes, I have been there.

In the Hansard of April 23, '93, the Minister of Highways and Transportation, Mr. Driedger, repeats a couple of times that The Taxicab Act is a very, very old bill because it was enacted in 1935. No doubt it is an old bill. Though, this horse-and-buggy act of 1935 survived the space age of the '60s and '70s. It worked during the '80s and it is certainly working in the '90s. There is absolutely no need to change it or amend it. The minister is trying to recover 50 percent of the fees by broadening the powers of the board. He certainly is playing Robin Hood by robbing the poor and giving to the rich.

How can this government be taken seriously? Really. A case in point is Mr. Jules Benson's appointment. His qualifications: a PC bagman, a party bagman. His appointments brings him \$100,000 a year plus a contribution to RRSP of \$12,000 per year.

(Mr. Chairperson in the Chair)

A lot of cab drivers, Mr. Chairperson and members of the committee, do not make \$12,000 a year. They do not have pension plans either. None of these people are defeated PC candidates either. If they were, they would be making more than the elected MLAs, just like David Langtry and Loretta Clarke in Thompson.

This government has picked on health care professionals. LPNs are being let go. Nurses and others in health care have been forced to take a cut in pay, perhaps to pay \$3.9 million to Connie Curran, the U.S. health care cutback specialist. Civil servants are being given days off without pay, taking millions of dollars away from the Manitoba economy and showing complete disregard for collective bargaining.

Now, this government is picking on the cab drivers. PC members of the committee, please do not be too hard on the cab drivers. A year or so down the road you might not even have a job, you might need to drive a cab. Thank you.

**Mr. Daryl Reid (Transcona):** Mr. Chairperson, I thank Mr. Mann for an interesting presentation. He brings a lot of interesting points forward and makes interesting comparisons. Of course, with respect, I know maybe some members opposite might find or take exception to some of the remarks, but I think they were very well made.

Mr. Mann, you talked about members of the industry, of the taxicab industry, and you said you were a member of that industry for a time to supplement income for you and your family, that of course is obviously necessary because of a reduced workweek. You also made reference to the fact that many members of the industry are working long hours. In fact I think you said some 80 hours a week for what could be termed a minimum wage. I think you made reference to a fact that some of them do not make much more than \$12,000 per year even working such long hours, and in fact they had extensive education prior to coming to this country.

This government has always said that they like to be fair. In fact the minister made reference to, what he thinks, is fair treatment of members of the taxicab industry. You have obviously, I take it, had a chance to look at Bill 24, judging by your comments here today. What are your thoughts and your perception about the fairness of this piece of legislation?

**Mr. Mann:** I would say the act in itself was fair enough as it was. Just leave it alone. Leave it. As long as it works, do not touch it, do not bother with it. As you stated, yes, I have been a member of the industry because from where I come from or from where I grew up we believe that our children are our biggest assets. We feel their university education is very important and that is an investment. Just to spend money on their education we have to just about do two jobs and sometimes three, and the cab industry does offer part-timers a second, sort of, job.

**Mr. Chairperson:** I am going to interrupt just for a moment, again, because of technical problems. We have to change the tape on Hansard so we will recess for two minutes.

Order, please.

**Mr. Reid:** Mr. Chairperson, I take it that the Hansard staff are ready?

\* (1130)

**Mr. Chairperson:** Yes, you may proceed.

**Mr. Reid:** The minister has said, Mr. Mann, looking at the explanatory sheets that he has provided—and I do not know if you have had a chance to look at them. This minister, at least, quite often provides explanation sheets for his reasons why he is bringing in this legislation.

Are you aware that with this bill this legislation will give the Taxicab Board and indeed this minister, who is responsible for that board, the opportunity to have broader fee-making powers as a result of that legislation?

Can you tell us what has been your experience, maybe personally or in consultation with other members of your community that you know or may know of that are working currently in the taxicab industry, what is your impression of what this broader fee-making power—what impact will it have on members of the taxicab industry that earn their living by way of operation of taxicabs?

**Mr. Mann:** First of all, you are part of my community, too, I am an overall part of the community at large. The impact, some of those people, because of the scare of the powers of penalty paying, powers of the board perhaps will not be working in that industry. It is a poorly paid job. I mean, somebody might think these people make a lot of money.

They pay, what is it, \$40,000 to \$60,000 to buy a cab. I mean, this is just like buying a job. These people would not have to buy a job if the state could provide them with jobs. There are no jobs. They have gone across the border.

**Mr. Reid:** Mr. Chairperson, I did not for a minute suggest, Mr. Mann, that we were not part of a larger community of people. I was only interested in your perceptions of people that you may be aware of that operate cab vehicles in the city or maybe are owners. I am interested in your perception, sir, your knowledge of that particular industry.

I am not sure what the position of the Liberal Party is on this particular pieces of legislation, but I know that the New Democratic Party is fundamentally opposed to this legislation. We do not see a need for it, considering the way the industry has been moving along in providing for the service needs of members of the community at large.

We feel that in this piece of legislation, there are particular problems in that it singles out members of the current taxicab industry more so than what one might expect for society at large. Are you aware of sections of this legislation that would prevent members of the taxicab industry, who are currently employed or own vehicles, from appealing any decisions that might be made by the Taxicab Board? What are your thoughts on that aspect?

**Mr. Mann:** Well, to begin with, I am not representing anybody. I am a cab driver, John Mann. I am representing me. I do not know any cab drivers in this town yet, but someday, when I start driving, maybe I will.

Those powers, they will upset anybody, really. I mean, that is the reason I am here. They are too far reaching powers. It is too much. It is like kicking a person who is already down. I am not a politician giving a small answer in half an hour, so that is my answer.

**Mr. Reid:** Are you aware, Mr. Mann, that by way of this legislation, Bill 24, that members of the Taxicab

Board can convene a meeting with a quorum and that during the course of that meeting that a quorum could be broken and, in fact, there can be a continuation of those hearings and that decisions can be rendered as a result of those hearings even though a quorum may not be present?

**Mr. Mann:** That does not even sound democratic. That is worse yet.

**Mr. Reid:** Do you think that is a fair way to treat members of the industry that might be—

**Mr. Mann:** Well, that is an arbitrary definition of fairness. I mean, what can I say? If I want to define fairness that way, well, that is my definition of that fairness. No, it is not fair.

**Mr. Reid:** I take it from that, then, that you would think that anybody that is employed in the industry that may have cause to come before the Taxicab Board should be entitled to be heard by all members of the Taxicab Board and that decisions should be based on full participation of all the members, not just less than a quorum, as has been given by way of powers of this new bill.

**Mr. Mann:** Not at all, I mean, you have got to have the quorum minimum. But it is always good to have the total numbers; sometimes it is not possible. But quorum is a must. If you make a decision without a quorum, I do not know where that happens. That is news to me. That is something new; I have never heard of that.

**Mr. Reid:** I take it then, by your comments, that you sense that this is an undemocratic piece of legislation?

**Mr. Mann:** Undemocratic and unfair.

**Mr. Reid:** Do you think that this government and, indeed, any government should consult with any members of this particular industry when they are bringing forward legislation that would impact upon the industry itself?

**Mr. Mann:** I will tell you a little story. While I was a member of the hospital board, we hired two executive directors. We used to have an IC unit, intensive care unit, on the main floor. This executive director comes in, he moves it to the second floor. We bought it. Then that executive director leaves, we hire another one. He brings it down to the first floor.

The point I am trying to make here is that some laws, you do not just amend them or change them because you are there to do that. This law was

working, it should be left alone and that is about it. There is no need for repeating what I just said.

What was the point of taking the IC unit to the second floor and bringing it back down? The point I am trying to make is that those people felt employed by the hospital; they said, well, they have got to do something. Let us do this. It was a costly proposition, and they did that.

The third one could not do it. He could not take it to the third floor because by then we were a lot smarter.

**Mr. Reid:** The minister has said, and I do not know if you have had a chance to read all of the minister's comments on second reading of this bill, but the minister has said, and I will quote for you his comments. He said he is willing to look at it to see whether there is any way that we are imposing conditions that are not acceptable to the industry. Those were the minister's words.

I take it by your comments here today that you find that this piece of legislation is unacceptable. Do you have any recommendations?

**Mr. Mann:** It is unacceptable, it is unfair, it is undemocratic. I think if something has to be changed, there must be some amendments to it and maybe the minister should look at it again. That is the purpose of this committee hearing. That is why people like me who feel some concern about this are here. The minister should take it under advisement and take this bill back. Well, I suggest throw it away. If not, make it at least democratic and fair.

\* (1140)

**Mr. Reid:** I thank you for your presentation here today, Mr. Mann. It has been enlightening.

**Ms. Judy Wasylycia-Lels (St. Johns):** Mr. Chairperson, I would like to thank Mr. Mann for coming forward this morning, and your patience in waiting until we got to this bill. I wanted to ask a couple of general questions.

I am not an expert in this whole area, but what I have heard from you and from others over a period of time is that there are two general concerns with this bill. Number one, that it imposes greater economic hardship on those in the field now, taxi drivers and taxi driver operators, owner-operators, and may, in fact, put some people out of work because of the economic pressures on the industry.

Number two, I have heard that so much power is through this bill being concentrated in the hands of the board, power that they did not have before this legislation, that in fact this legislation allows the government to bypass Judge Monnin's decision, allows or limits the right of individuals to go to a court of law on matters other than jurisdiction or law, that the method of appeal is to the board which has all the power that—anyway, you get my point—that there is very much a problem in terms of ability to appeal, and there is so much control over licensing and regulation of the industry that in fact that factor may also drive taxi drivers and owner-operators out of the business.

I want to know from you: why is the government so intent on concentrating so much power in the hands of the board and making it difficult for those hundreds of individual taxi drivers and owner-operators?

**Mr. Mann:** Beats me. Beats me why this government wants to upset so many people or why they want to penalize these people, why they want to take their bread away. You look at that 50 percent, making up 50 percent, you are referring to 14.1 on the bill which proposes that the board can fine up to \$1,000 to an individual. Now, will these people have \$1,000 to pay the fine? I do not see it. What do you want to do, put these people on welfare, as if there are not enough there on welfare now?

I do not see why this bill was brought in, but you are trying to recover 50 percent of the fees. This is dimes and pennies we are talking. We are talking patronage, the scale, the scale of MTS. MTS has been deregulated. What is there? Is it competition or patronage? Is the free trade act patronage or is it an act of doing good business? Is an act a patronage? It is a patronage. I mean this is what is happening. Do we have a debt of \$400 billion? Sure we do, but why do we have it? Patronage. Look around, it is patronage. It is patronage with the Liberals. It is patronage with the Tories.

**Ms. Wasylycia-Lels:** One of the concerns that has been raised with us about the motive behind this legislation is the government's preoccupation with creating a different, in their words, a more superior taxi service. We saw that a couple of years ago with the Tuxedo Taxi company and the support it received from this government.

At that time, it was clearly stated that this government was intent on establishing a more, and I use the words in quotes, "superior service." I am wondering if, behind all of this, there is a concern on the part of government about the ethnic look of the taxi industry.

I am not here suggesting racism openly on the part of the government, but I am going to ask you what you feel about that and reference a memo from the chief administrator of the Motor Transport Board who was sent back in 1990 to observe the taxicab industry in Calgary and listed a number of points or positive aspects to the Calgary taxicab industry.

One of them was, and I quote, most of the drivers were dressed in either a two-piece black suit or a uniform, white shirt and tie, polished leather shoes, no headdress of any kind, were in visibly fit physical condition, were well groomed, no beards, hair cut short and were neat and clean.

Now in my estimation, that observation, which is clearly considered important in terms of this government's whole approach to the taxicab industry, smacks of at least a lack of tolerance and respect for our ethnocultural diversity and certainly the ethnocultural diversity that is part of our taxicab industry. What has been your experience in this regard? Would this at all be part, an underlying cause of some of the changes that we are seeing recommended under Bill 24?

**Mr. Mann:** Well, in my experience, it is a very menial job. I mean new immigrants come in, they do not have jobs, so they start working as a cab driver. Sure. I mean I do not think the immigrants were ever welcome in this country. I think always the new immigrants suffered. It was the next generation which picked up the courage somewhere along the line and started asking for or demanding their rights and shares. Immigrants have always done menial jobs. They have always been whipped around.

I do not consider it, I do not think it is racism or any such a thing. I think that is the way this country always has been. They put too many demands on an immigrant. Sometimes those immigrants do not vote the right way either, so they get punished, the so-called right way.

**Ms. Wasylycia-Lels:** Just a follow-up question to this, without getting into the whole question of the history of treatment of immigrants to Canada, I

would like to zero in on feelings within the taxicab industry about levels of tolerance in the relationship between the industry and government.

Do you get the sense that in fact there is some attempt to try to make the taxicab industry meet a certain standard of look and dress that is quite ignorant or oblivious to the cultural and religious heritage of members of our community? If so, is that acceptable? Is it acceptable for anyone to suggest that someone wearing a turban is not an appropriate person to be driving a taxi? Is it appropriate that someone who wears a beard, according to religious requirement, is by consequence excluded from that industry? That is my general question.

**Mr. Mann:** I do not know, I think some of us won World War II wearing turbans. I do not think this so-called free world is going to turn around and tell the people, do not wear turbans. We are equal shareholders in this free world, the world we saved from the Nazis. Sure, we played our role there. What is the matter? If I can drive a tank wearing a turban, why can I not drive a cab wearing a turban?

**Mr. Steve Ashton (Thompson):** I want to thank Mr. Mann—John. I have known John for many years in Thompson and certainly can testify to the fact that John was a very significant part of the community of Thompson. I am really pleased that you are here today, because I think part of the—indeed, as Mr. Reid points out, Man of the Year, 1983, and I think it is important that people such as yourself and the other presenters come out today because I consider this bill to be a flagrant abuse of power, and I am surprised as you are that the government is bringing it in.

By the way, I do ride in taxis. I am one of the few committee members that probably—

**Mr. Mann:** I remember that, Steve. I brought you from the airport once.

\* (1150)

**Mr. Ashton:** That is right. I think one of the concerns that I have is many people when they get in a cab do not have—they do not think of the story that the person who is driving the cab has, that you pointed out. Someone like yourself, very active in the community. I have had discussions with people in Winnipeg, I have met Ph.Ds in taxis. I have met people who were accountants in their home country and cannot get recognition or

qualifications, and it really bothers me when I see the kind of attitude expressed in this bill.

This is a bill, by the way, that I hope we can get this government to drop. I think, in fact, our position in the NDP—I assume the Liberals as well, I hope—we want this bill killed, plain and simple, because it is an arrogant bill. I just want to ask a question based on what you were saying because I thought it was a very interesting perspective. You were saying the reaction of many new Canadians, historically it has been a difficult adjustment process.

One of the things that bothers me about this bill is it is so undemocratic, and I really wonder what kind of message this sends to the many new Canadians who are working in the industry, because let us face it, the taxi industry has, as you have said, many people are forced to buy a job because their qualifications are not recognized, because they want to get a good life for their children, get their kids through an education. What kind of message does this bill send to people about the democratic process in Canada?

**Mr. Mann:** I will say we live in Canada and Canada is in North America, North-South America. Let us keep it democratic. Let us keep Canada a democracy of the sort we know. Let us bring in laws and rules which are democratic. Let us respect decorums, let us be fair, let us be rational, let us be democratic.

**Mr. Ashton:** Well, we are hoping, Mr. Chairperson, the government will do that because I think what is at stake here is that it is partly, I think, the situation in an industry that has been hit hard enough anyway by the poor economy in Winnipeg, and now is going to be hit with additional charges, both in terms of finances and fines that can be added. In fact, I just wanted to ask a question in that regard, because you touched on the economic situation. You know, one thing that always strikes me when I talk to taxi drivers is, they are the first ones to know if we are in trouble economically. I mean, if the economy takes a downturn the first people who feel it are people who drive a taxi, and I am wondering what your sense is from the taxi side of things, how the situation is economically and is this the time to be bringing in a bill like this which is going to cost the taxi industry a significant amount of money when things are, presumably, pretty tough out there?

**Mr. Mann:** The taxi business can be affected by the weather and it certainly can be affected by the economic downturn. I mean, we are not talking economic downturn here, we are talking about economic disaster. There are more food banks in Winnipeg than the McDonald's Restaurants. Is that a lie? No, that is a fact. The economy is nil, zilch. It is not there. At a time like this you are affecting the livelihood of these very people. I guess the economics are not there.

**Mr. Ashton:** So your recommendation to the committee and to the minister basically then is, I take it, to withdraw the bill, particularly the sections that you have referenced in terms of the undemocratic procedure and the fines. You want this bill withdrawn and you want the minister to sit down and start talking to the people in the taxi industry instead of dictating to them in this very undemocratic bill.

**Mr. Mann:** Yes, that will be my request to the minister.

**Mr. Ashton:** I would just once again like to thank the presenter. As I said, I have known John for many years, and you have always been outspoken, you certainly were in Thompson, and you certainly are outspoken here in Winnipeg now. I would like to thank you for your perspective on this bill.

**Mr. Kevin Lamoureux (Inkster):** Mr. Chairperson, I have been sitting in the chair here for the last 10 or 15 minutes wondering in terms of how bold I should be in addressing this particular bill, and I have decided to try to be as straightforward as possible in trying to get some further clarification, and hopefully Mr. Mann will be able to at least to some degree add to it. You know, I listened to what the member for Transcona and the member for Thompson asked, the political positioning of the Liberal Party and what the Liberal Party is going to be doing with this particular bill. I was intrigued with the remarks from Mr. Mann in terms of patronage, made reference to the Liberals and the Conservative Party, somewhat missed the New Democratic Party.

Mr. Chairperson, I am very concerned about the industry, as I am sure a number of individuals inside the Chamber are, in fact very concerned about the industry. It employs, well, driver-owners, some 400; drivers, 2,000. Literally thousands of individual Manitobans within the city of Winnipeg

have an impact when we see legislation of this nature pass.

When the legislation was first introduced, and that would have been back on April 23, I was very surprised and very upset with the fact that no one knew about it. No one at all from the industry knew that this legislation was in the making. When the minister in fact read it for second reading I stood that day and commented, and I like to believe commented somewhat harshly with the way in which this government has been treating the industry as a whole. I believed that the government was doing a number of mistakes. I commented extensively about Mr. Norquay, and industry representatives at the time, and for Pete's sake, what we need to start doing is to get individuals that would be able to work together so that the industry as a whole would in fact benefit.

I have participated in the last five years with many different conversations with individuals in the community, not only within the visible ethnic groups, if you like, but drivers from all the different ethnic groups. I am very concerned about the issues and concerns that they have raised to me and how political at times this issue has been. In the past, I have even tried lobbying media to be more sympathetic to the industry as a whole. I am very concerned about the general direction and to some degree manipulation that has occurred over the last while. My concern, first and foremost, is to do for the industry what I can as an individual MLA to ensure that the industry and the drivers and owners and the families of those involved are in fact going to be treated in a fair fashion.

To answer specifically—and I will end off with a question for you, Mr. Mann, that is going to be a bit of a diatribe, if you will—with the question in terms of support of this bill, I was very clear in my opening remarks in second reading.

I oppose this bill. The Liberal Party opposes this bill. In fact, if there are no amendments to this bill, I personally will do whatever is possible, including arguing from within my caucus, to ensure that this bill does not pass.

I would hope and trust that the NDP will be just as firm as the Liberals will be if in fact I am successful in lobbying my caucus to oppose this bill. Mr. Chairperson, we know inside the Chamber what is needed to be done in order to force a bill to not come to a vote. If, in fact, it is decided that this

bill, because of no amendments, is absolutely unacceptable, then we will do or I will do, at first, what I can to oppose it. I have made that commitment to a number of individuals, and I plan to fulfill that commitment.

But I do not want to see the industry, even though I criticize very much so the minister responsible for this legislation for not consulting with the industry prior to bringing in this bill, I do know that there has been some consultation that has been occurring. I am somewhat hopeful that, in fact, we will see some amendments to this legislation because it is a majority government. As long as the majority government is willing and prepared to bring in closure, it will pass. Let there be no doubt about that. It will pass.

I have been in contact with a couple individuals in particular in terms of how consultation has been going with this ministry and was at least under the opinion that government was, in fact, listening. I hope and I anticipate that the government will bring forward some amendments. Hopefully those amendments will in fact make this bill that much better.

\* (1200)

That is why we have a public meeting, a process that allows for input from individuals from the public to express the concerns that they have. The overriding concern that I have is that we do inside this committee what Mr. Mann and no doubt many other presenters are going to be talking about, and that is to do what is in the best interest of the industry.

I would end off with that question to Mr. Mann in terms of what, if any, consultation he might have had with the minister's office, or has Mr. Mann been working within the industry to come up with some amendments that would, in fact, make the legislation that much better? I can honestly say I am sure that Mr. Mann has no better appreciation in the current government than I do, but given the majority status, does he feel that there are some things that could be put into this particular bill that would make it better?

**Mr. Mann:** What was your question?

Yes, Mr. Lamoureux, your numbers are very small. It seems to me Liberals are leaving town. You have twice repeated the government majority, yes.

Now last week I happened to walk on Regent Avenue. I saw some people on the picket lines, 24 of them. You know they have been on the pickets for 12 months. Now you are telling me the government is in a majority position. When the government was in a minority position, what did you Liberals do? You repealed the final offer selection bill, did you not? Where were you? I do not like to answer questions with questions, but where were you? What are you going to do for the taxi drivers now?

**Mr. Lamoureux:** Mr. Chairperson, this is the reason why I wanted to get into this sort of discussion. Mr. Mann made reference to Mr. Cheema leaving. I understand that Mr. Mann himself might even be considering running in The Maples—

**Mr. Mann:** That is my right, is it not? That would be my right, would it not?

**Mr. Lamoureux:** That is right, and I encourage him, Mr. Chairperson, to do just that.

My concern is and has been for the last five years the industry as a whole. I have been asking questions of the minister for the last five years. That is what my concern is, and this is what I hope that, in fact, Mr. Chairperson, we will see through the committee proceedings, because I am going to do what I believe as an individual, through consulting with the constituents that I represent and the individuals that make presentations to me, what it is that they feel—

**Mr. Chairperson:** Order, please.

### Point of Order

**Mr. Marcel Laurendeau (St. Norbert):** Mr. Chairperson, on a point of order, we have got a number of presenters here, and I do not think we are here to hear the honourable member for Inkster debating with Mr. Mann at this time. I think we should get on with the questioning.

**Mr. Chairperson:** Order, please. The honourable member does not have a point of order.

I would remind committee members that the purpose of the committee hearings and interchange with the public is to question the presenters. I would appreciate it if the committee members would confine their comments to questions so we may have more clarification on the presenters' presentations.



\* \* \*

**Mr. Lamoureux:** Mr. Chairperson, I do appreciate members coming before the committee to make presentation on the bills for whatever reason, and on that note, I thank you for coming out.

**Mr. Ashton:** Yes, I just have one question, and it is prompted by the speech by the member for Inkster and the questions asked afterwards.

I have a Hansard here, and I know the presenter made reference to the Hansard. I have a quote here, and we would ask the government to withdraw this bill, start all over consulting fairly with the people of Manitoba directly affected and develop a cab policy that is fair for the operators.

That was a statement that was made by the member for Concordia, Gary Doer, the Leader of the NDP. I note that the Liberal Leader did not speak on the bill. I am wondering if Mr. Mann feels that is a clear enough indication in this particular case, because I think the Liberal member was a little bit sensitive on the point here.

I mean the NDP has been very clear on this bill right from the beginning. Now whatever the member for Inkster has done or has not done, I think the fact that Mr. Gary Doer, the Leader of the NDP, saw it important enough to speak on this bill speaks a lot, Mr. Chairperson.

**Mr. Chairperson:** Mr. Mann, did you wish to comment?

**Mr. Mann:** Comment on what?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Thank you for your comments, Mr. Mann.

**Mr. Chairperson:** If there are no other questions for the presenter, I thank you very much, Mr. Mann, for your presentation this morning.

**Mr. Mann:** Thank you, Mr. Chairperson, thank you very much.

**Mr. Chairperson:** I will now call Randy Delorme. Good morning, Mr. Delorme. Did you wish a copy of your presentation distributed?

**Mr. Randy Delorme (Greater Winnipeg Drivers' Group):** I do not have copies for distribution. However, I will leave this with you, and you can make available copies to whomever would be willing to read it.

**Mr. Chairperson:** Thank you. You may begin when you are ready.

**Mr. Delorme:** Good morning, members, Mr. Chairperson. My presentation today is on behalf of the Greater Winnipeg Drivers' Group of whom I am one of the founding members.

I will speak today on specific concerns about the meaning, intent and effect, the results of the proposal under Bill 24, amendments to The Taxicab Act.

In Section 4.2: Proposes to increase fines to deter illegal operators. Well, fines can be raised to \$1 million, but without enforcement the amount of the fine is meaningless. Illegal operators are known to the Taxicab Board and are not charged. There is no need to increase fines of this nature against existing operators who somehow neglect to renew their licence on time, as that rarely happens. This provision seems to be an attempt to fool MLAs into believing that the Taxicab Board is actively pursuing this section of the act. Instead it seems to be randomly enforced at best and convictions are very rare.

With regard to Section 14(1.9) and 14(1.0): Proposes to enforce order to pay fines through the Court of Queen's Bench. This provision is arbitrary. It must be proceeded by an appeal process for all orders made under Section 1.6. The way this section is written, licences can be suspended without the board filing for enforcement through the courts first.

Section 14(2) Interim Suspensions: How will so-called circumstances demanding the board must "ensure the public is protected" be defined? We have seen cases where the board has not taken action to even investigate, let alone suspend drivers alleged to drive on the sidewalk at Polo Park during business hours.

Section 14.1 and 14.2(2): Proposes a fine system and voluntary payment. There is no suggestion that the different resources of owners and employed drivers will be taken into account when fines are imposed.

It is the feeling of the drivers' group that drivers should not bear the cost of regulation, as we do not benefit from it. The Taxicab Board policy has been to allow the repression of drivers in matters of employment rights and standards, human rights, safety and health. There is no provision to force licensing standards on dispatch services. Owners hide behind the dispatch services which they own and operate and the Taxicab Board claims it cannot

act against complaints made against these services.

This proposal should be amended to allow for the accused to plead not guilty and be entitled to a hearing before the cab board.

Section 14.2(2) and (3), Fines: Is a graduated fine system being considered? It appears that if a fine is not paid, this act would allow the board to impose an arbitrary fine instead. Even parking tickets have set limits.

\* (1210)

14(3) Vehicle Inspections: The industry should pay MPIC directly to inspect vehicles and ensure that the public is protected through an honest and impartial system.

14(4) Filing of Financial Information: The drivers' group feels that such a requirement may not survive an expensive Charter of Rights challenge. The board's power to set fares is already undermined by its unwillingness to regulate the stock market in which the plates are sold. The mortgages resulting from these sales are the largest fixed cost of operations, and they are the reason why fares are already too high.

Financial information should only be required as a part of a fare increase application.

Under Section 18, in general this section is so badly worded and is unacceptable for participants in a hearing, such as the public or drivers, who make representations in good faith, have to pay the board for their right to speak up. Dispatch services who often initiate challenges to the board that the board claims are frivolous and vexatious are not regulated under the current Taxicab Board practice, neither are owners, lobby groups such as MTA, yet they are protected by quota and allowed to turn a profit by trading in plates.

They have a stake in these proceedings and perhaps they should pay for it as well. The idea that the board will break even through fines and assessing costs is a fallacy and reflects the lack of general understanding of the industry which is a problem in the general drafting of this bill.

If the board is projecting a certain level of fines per annum to support it and the industry cleans up and commits fewer infractions, then there will be a financial shortfall. Inspectors and staff are paid the same, whether they are investigating complaints, answering inquiries or sitting around doing nothing.

If the shortfall results, the board bureaucracy will either have to be cut or fees will be increased, consequently the fares charged to the public once again are raised.

It is unlikely that the board will recognize that they will have to lay off staff due to a lack of work and it is more likely that they will create work, whether this is meaningful to the public interest or not.

Provision 18(d) must be changed. It is dangerous to allow a board or government to not bear the cost of a court challenge where officials are found to be in error. The board must be accountable in some way for their decisions. A specific fee schedule should have been included to allow for an assessment of fairness, revenue projection and to guard against inflationary spirals caused by possible Taxicab Board mismanagement.

In Section 19, the rules: In the past the board has flip-flopped on proceedings. Most recently they established a 30-day time period for applications for premium plates which were returned by Tuxedo Cab. A drivers' co-op would have allotted some drivers to gain control over their destiny, but they could not organize in the time given. Interestingly many applicants, including one of the successful ones, submitted old data and were inexplicably allowed to submit new data, revised data, some 22 days after the deadline. Now had all the applications had a 52-day time frame, rather than 30 days, it is felt that the drivers could have competed in their co-op bid.

When the minister stood in the House on April 29 and said no one had complained about the 30 days, he was mistaken. I had submitted a letter to the Taxicab Board some 21 days earlier. The difference between 30 days and 90 days to prepare propositions to the board would have made a significant difference to the ability of the drivers to form and present a co-op proposition.

The board must be given specific guidelines in this act to ensure that the process will from now on be a fair one. That concludes my statement.

**Mr. Chairperson:** Thank you very much, Mr. Delorme. We are wondering, could you make your presentation available to the committee and we will have it copied and distributed? Thank you.

**Mr. Reid:** Thank you, Mr. Delorme, for your presentation. You point out a number of issues here that I am going to try and get some more detail

from you, because I find it interesting that you raise these at this time. I get the sense from your comments that you have raised a number of issues with the Taxicab Board over a period of time. It leaves one with the perception, at least in this committee, that your concerns you have raised have fallen on deaf ears.

You have made mention with specific issues dealing with deadlines that were passed from proposals coming in from what appears to be select individuals in the community.

I would like to start off, before I get to that point, to get your thoughts on—a bit of background about what your perception is as a member. I take it you are a member of the current industry and operating still. Can you give us, for the benefit of the members of the committee, some insight on the conditions that you encounter in your daily work as a member of the industry so that members of the committee might have a better understanding of those conditions?

**Mr. Delorme:** Are you referring to my employment status, the way I deal with the public? Is that the perception you are looking for? The public is a wonderful thing to work with—98 percent of our clientele are marvelous; 2 percent of our clientele are hell. We have to deal with those people as succinctly as we do with the wonderful people we deal with. As I have told you, the vast majority of our clientele are wonderful people.

**Mr. Reid:** You say, Mr. Delorme, that 2 percent of your clientele can create some difficulties, I take it, for you and other members of the industry. Can you give us some idea on the type of problems that you might encounter from, as you put it, that 2 percent of the public that can create difficulties for you?

**Mr. Delorme:** The range of situations that a cab driver might deal with are so varied and so wide, I would need the afternoon to explain them to you. You have to understand that, aside from the housewife who goes to the store and the person who we might take to the airport or the older person we might take to the doctor, we also deal with the drunks and the drug addicts and the prostitutes and all of the unsavory people who use us as a necessity as well. We cannot deny those people service, and we should not deny those people service, but we should have better guidelines in terms of how to deal with those people, and then we need police protection to make sure that we are

not charged in situations, for example, the Charlie Nichol [phonetic] case.

Charlie Nichol [phonetic] was assaulted from the rear. He later, during the course of the trip, threw the customer out of the car, and there was an altercation. Now, as a result of that, Charlie faces criminal charges in court. For doing his job, for taking a shot in the back of the head, the man is going to court, because he threw the guy out. I am sorry, I cannot deal with that. That is wrong.

\* (1220)

**Mr. Reid:** I take it then that safety is the biggest issue for those that are operating the cabs. You made mention in the start of your comments about the Greater Winnipeg Drivers' Group, of which you are a member. Can you give us a bit of background on that drivers' group, and can you tell us, have you raised any specific issues with the Taxicab Board with respect to safety, ways that we can improve the safety for those that are operating taxicabs in our city?

**Mr. Delorme:** The Greater Winnipeg Drivers' Group is a very newly formed organization. There are currently some 78 members, which is a very limited number in this industry, but it is growing. The purpose of the group is to lobby for change in areas where we feel that regulation is, in short, not existent or inadequate. Our purpose so far has been to deal specifically with Classic Cab and Blueline cab.

We dealt with those through the hearing process that was recently held at the Taxicab Board, and I might add that I was quite satisfied with the outcome of that situation. I am not entirely convinced that luxury plates were a necessity, but at the same time, when the issue was brought forward and the Taxicab Board came to a decision, I think that was a confident one, and I think that it allowed for good competition in the new workplace. I am not entirely convinced that it will not hurt the regular industry. However, given that the economy is said to be turning around, I would like to think that is true. I think we can probably work with the new cars.

**Mr. Reid:** You made mention of the luxury plates, and you made mention of the financial state of the industry. It has been said, and looking at the minister's comments here, that drivers can, on average, for a shift make some \$200 per shift and that they can somehow eke out a decent living on

that. Can you give us your thoughts. Is that \$200 per shift—

**Mr. Delorme:** Let me explain to you what \$200 a shift is. Two hundred dollars a shift on my sheet means I make \$100 dollars plus tips. Now if I can do that on a consistent basis, I will make a good living. However, if I am working on a Monday, Tuesday, Wednesday night, forget it; there is no \$200 to be had out there. You are lucky to break \$100, and if you are a good driver and you stay in your car 12 hours, you might do \$130, but \$200 a shift is absolutely bullshit.

**Mr. Reid:** I take it that out of that \$130 there is obviously some cost of operation that has to come out of that if you are an owner-operator at the same time. You would have to put some costs out of that money.

**Mr. Delorme:** Well, if you are an owner-operator, you would naturally incur the gas bill, the maintenance bills, the insurance bills, and the all the business licence bills, and a wide array of other assorted bills that follow with. Now if you happen to be a driver, what you do is, you take your split of your, for example, \$200, which is your \$100 less your GST, less your expenses for simply being in the car 12 hours. You have to realize, if you are going to be in the car 12 hours and do a decent shift, you are going to have to eat, you are going to have to drink and you are going to have to have cigarettes if you are a smoker. So these expenses are real, legitimate, and you cannot go home for supper—forget it. I mean, if I am hungry, I do not go from Charleswood to Windsor Park to go home and eat. That is a fallacy, and its impractical.

**Mr. Reid:** I ask this question because you obviously have some experience in the industry. There were some statements that were made by the government that when they brought in their allowances for the implementation of luxury vehicles that there was going to be a 20 percent increase in market share, that there is going to be 20 percent more customers coming out to utilize taxi vehicles in the city once the luxury vehicles are put in place. What are your thoughts on that? Do you sense that there would be a 20 percent increase in taxicab use as a result of vehicles being put on the road?

**Mr. Delorme:** I am not convinced of that argument at all, although I do believe that this industry is badly undermarketed. So there may be some merit

to that. It would depend on the course of marketing and the level of competence in the marketing itself.

**Mr. Reid:** So I sense, then, by those comments that with the proper marketing of the current industry that there would be no need to expand to the superior taxi services, as the government calls it, and that the current industry could continue to meet the needs of the public in Winnipeg.

**Mr. Delorme:** I think with the proper marketing strategies, both fleets could possibly be increased in the future, at some point in time, thereby benefiting everyone. But this will not happen until we get proper rules, regulations and marketing systems in place. I am talking about the rules that come directly from the Taxicab Board as they relate to the dispatch office, as they relate to the owner, as they relate to the driver. Because there is no hard and fast set of corresponding rules between any of them.

**Mr. Reid:** Mr. Delorme, during your comments you made reference to the fact that drivers are now going to have to pay the Taxicab Board for their right to speak, looking at the wording of the legislation. It leaves me with that impression as well. What do you think this will mean, should this bill pass?

**Mr. Delorme:** That means I am going to be spending a great deal at the cab board that I cannot afford.

**Mr. Reid:** Do you think then that members of the taxi industry in Winnipeg, I take it then, in reference to your comments that the members of the industry are not making extreme sums of money that the government likes to portray, that there may be an opportunity then where members of the industry that might feel that they have reasonable grounds to challenge any decisions might not challenge because of the financial restraints placed upon them by this legislation?

**Mr. Delorme:** We already see this with regard to the issue of whether or not drivers are employed by the shareholder or the companies or what have you. There are a number of different ways that employers deal with employees.

We see that the income tax people want retainers, some \$500 to even initiate a ruling in that regard, plus some \$60 an hour each hour thereafter for the hours it takes them to institute such rulings. This cost is totally prohibitive to a regular driver and

most owners would not take the cost on. It is just not worth it to them.

**Mr. Reid:** Are you aware, Mr. Delorme, that by way of this legislation that the Taxicab Board can award costs against an individual that might wish to, or be brought before the board, where the board has to undertake to engage the services of an investigator, whether it be internal or by contract, to provide them with the necessary information to bring charges against the individual. Are you aware that the Taxicab Board, by way of this legislation, will have those powers to bring those fines or those costs against an individual?

**Mr. Delorme:** I did understand that kind of an interpretation out of those rules and my thoughts are this: If the board wants to hire someone to investigate someone who is in breach of the act somewhere, then that person, upon conviction, should be made to pay those costs. However, if that person is not convicted in any way, shape or form, those costs should be borne by the board since they initiated the investigation.

**Mr. Reid:** Do you think then that if the person before the board feels that the board has made a wrong decision, by way of imposing fines or penalties, do you feel that the individual should have the right to further appeal of those decisions to, say, for example, a court of law?

**Mr. Delorme:** Absolutely and without question.

**Mr. Reid:** I go back to the comments that you made with respect to the 30-day time limit for presentations for start-up of the luxury vehicle services in the city here. You made reference to the fact that one particular, or some proposals had in fact exceeded the deadline for those presentations to the Taxicab Board by some 22 days. Can you elaborate on that a bit for us?

\* (1230)

**Mr. Delorme:** Well, my understanding of the rules that were drafted for the conduct of how the hearings would be held were such that when you submitted your application that was pretty much supposed to be the basis of how your application would be judged. It would be judged on those merits submitted that day. That was very evident to me from my understanding at that time.

At the beginning of the hearings, I soon discovered that no application was fully complete. Therefore, allowances had to be made or no one would have been issued the plates. Mr. Watson

had stated several times that because of these shortcomings in applications, that they should all be summarily dismissed, was his term.

Now, in fairness and with respect to understanding that these hearings do cost money, I understand why these things happen, but that should have been made clear at the outset. We should have all known that we would have an opportunity to bring forward additional and supplementary information towards these applications, because certain applications that were brought forward to the board were simply a piece of paper saying, I, so and so, request one premium plate, and virtually no more than that. However, some were quite elaborate. This is what I had anticipated that the board was looking for, was an elaborate, consistent plan that might be dealt with by the board on a competent level. Instead, what we saw was something much less than that.

**Mr. Reid:** Mr. Delorme, were you, or any other members of the industry that you may be aware of, ever consulted on this legislation prior to the government bringing forward this bill?

**Mr. Delorme:** Only in the most abstract form. Mr. Smythe had asked me at some point in time if I had any thoughts that would pertain toward the upcoming Bill 24, but until it had already had first reading, I really was not made privy of any discussions that were being held. Therefore, no input was given by me as a driver representative. However, I am certainly prepared to do so at any given time for free.

**Mr. Chairperson:** Before I recognize Mr. Reid, I would note the time is now 12:30 p.m. What is the will of the committee? Does the committee wish to rise, or to complete this presenter?

**Mr. Ashton:** I would suggest we hear any questions of the current presenter and then adjourn. We might also want to indicate to members of the public who are also registered that we most likely will not be sitting tonight and there will be an announcement later on this afternoon as to the specific time, most likely tomorrow, that we will be sitting.

**Mr. Chairperson:** Is it the will of the committee to complete this presenter and then rise? [agreed]

**Mr. Reid:** Mr. Delorme, you say you are a driver representative. I take it then the board would not only consult with representatives of the industry on various matters pertaining to the industry. Has the

board consulted with driver representatives over, say, the period of the last year on any other issues? Have you attended any committee meetings or any other internal discussions with the board that may take place with respect to the industry?

**Mr. Delorme:** Interesting question. You see, what I have done with my role as driver representative, I have taken on certain authorities and more or less self-delegated myself to be what I am today. My original position was simply a member to a subcommittee, an advisory committee which for quite some time has been nonexistent. I am the only really remaining member of that group of individuals. The board has allowed me in some degree to retain my position even though the committee itself is not really intact.

**Mr. Reid:** Are you aware, or can you make members of the committee aware, has that advisory body, that subcommittee you referred to, has it been disbanded?

**Mr. Delorme:** Not that I am aware of, however it has not met for quite some time—longer than a year.

**Mr. Reid:** What was the purpose of the subcommittee, Mr. Delorme?

**Mr. Delorme:** The subcommittee originally started in 1988, and the issue then was taxicab shields, and at that time I represented drivers opposing the shield.

**Mr. Reid:** Were there other issues that were to be dealt with by that subcommittee as well?

**Mr. Delorme:** There were many safety issues that were actually supposed to be dealt with, however nothing very much happened with it at the end of those hearings. What we ended up with was mandatory shields that never existed. They never came into being.

**Mr. Reid:** So the subcommittee could play a further role in an advisory capacity to the board?

**Mr. Delorme:** If you can just find people dedicated to the issue, certainly.

**Mr. Reid:** And there is no reason for your understanding why that committee has not met and you have received no further instructions from the Taxicab Board or the minister?

**Mr. Delorme:** Well, I understand pretty basically why it has not been reconvened and that is because a lot of the members that were originally very interested in it were primarily interested in the

shield aspect of the hearings and their interest waned when other issues were dealt with.

**Mr. Reid:** Do you think, Mr. Delorme, that there is a continuing need for such a subcommittee to advise the Taxicab Board and the minister?

**Mr. Delorme:** Yes, I do.

**Mr. Reid:** I thank Mr. Delorme for his comments today, Mr. Chairperson, and for his presentation and his answers to the questions.

**Mr. Delorme:** You are very welcome.

**Ms. Wasylycia-Lels:** Thank you, Mr. Delorme, for waiting all morning for this opportunity and for giving us your input on this bill. I would like to ask a general question. As I understand your presentation, you believe that this bill will make it harder for those in the industry to make a living and survive in the industry?

**Mr. Delorme:** Not specifically. There are certain areas that will cause certain hardships for certain people, but what I am more concerned with is the areas that the bill does not come forward to, for example, the employment status of drivers and the way that they are dealt with in terms of the relationship with the dispatch offices, and the fact that the dispatch offices are mentioned in the act, yet not regulated by the act. These things bother me by their lack of inclusion.

**Ms. Wasylycia-Lels:** Can you give us some understanding of why the government has moved on these particular provisions which are part of Bill 24? What is the reason for it, what it is trying to accomplish, and why some of the other areas you have mentioned have not been included?

**Mr. Delorme:** I am not really in a position to second-guess the board. They are a very learned group of people. I can only really tell you what I think as a representative of drivers. I cannot really comment on their thinking.

**Ms. Wasylycia-Lels:** That is my question, Mr. Chairperson. Why do you think the government has—what is the reason for the legislation before us? What will it accomplish? Does the government have concerns with the industry now that is the basis for this legislation?

**Mr. Delorme:** I think part of what the government is trying to accomplish here is a fee structure whereby the board will pay for itself out of the industry, which, generally speaking, I would not have a problem with, but if it is done through fines that are

unclear and arbitrary, well, I cannot live with that. The fines that I see happening will not materialize.

You see, cab owners are crafty people. If they know that it is going to cost less to repair their car than it is to take the fine, they are going to repair the car. Then there will be no fine. So if you are basing your fee structure on fines, they will not exist.

**Ms. Wasylycia-Lels:** I would like to know, since we have heard concerns about this bill and the impact that it will have on drivers, if there are other ways to achieve a resolution of any concerns that the government has now with respect to the taxicab industry. Was this fairly punitive, highly regulated route the way to go, or is it possible, through a dialogue and collaboration and consultation with the government and the industry, to address some of the problems that have been indicated to exist in the industry?

\* (1240)

**Mr. Delorme:** They can all be dealt with in that fashion, every one of them. There is no part of this document that cannot be dealt with through negotiation, no part of it. It is not that bad a bill, but there are certain areas that are not dealt with, and there are certain areas that are kind of overkilled.

**Ms. Wasylycia-Lels:** Just related to that, this whole questioning, if the government is concerned about, say, the state of the cars or the dress of the drivers or the treatment of customers, is there not a way now to bring those concerns to the attention of the industry and to find ways to resolve those problems without bringing in huge fines and penalties and punitive actions?

**Mr. Delorme:** Personally, I do not believe that, except for in the very worst of offenses, that fines are even a situation that should be looked at. There are certain situations where I believe fining and then cancellations of plates are actually called for, but these would be rare instances. I do not think that a whole waft of fines and rules that are just going to make us adversarial are the way to deal with this issue. We are adversarial enough.

**Ms. Wasylycia-Lels:** That is all I have.

**Mr. Driedger:** Mr. Chairperson, members of the committee, before we adjourn now to reconvene at a time that will be established by House leaders, based on the meetings that my colleague Marcel Laurendeau had with members of the industry and subsequent meetings that I had with them, we have amendments that were, I think, jointly proposed through consultation on the fee structures and fines. I want to make those available for every member prior to—it can be picked up here, I think.

Well, I am told that I cannot do that officially until I bring them forward as amendments, but I have copies available. We will make them available to members so that they can have a look at that prior to our further meeting again. I also just, in conclusion, Mr. Chairperson, want to say that in my meetings with the Legislative Counsel for Duffy's and Unicity and other members that are going to make presentation later on, that I have information that will address some of the concerns that they brought forward.

So I want to thank you for your presentation, Mr. Delorme. I think you have a sensible approach to this thing. I think that, possibly, we are on the track where we can resolve these things. I will be making a further statement about these issues at a later time.

**Mr. Delorme:** Well, it would be my honour and my privilege to help you with redrafting this bill, because there is nothing I would like better.

**Mr. Chairperson:** Thank you, just again for the information of the public, those that are registered to present, this will be the last presentation this morning and the committee will be called again to hear your presentations at a later date. At this moment we do not know when and what time that will be, but you will be called and contacted in order to be sure that you have your opportunity to appear before the committee.

Thank you very much for your co-operation this morning. Committee rise.

**COMMITTEE ROSE AT: 12:44 p.m.**